RISING ABOVE

Annual Report
2020/21

RISING ABOVE

FY20/21 was an extraordinary year in which the world was dramatically shaped by COVID-19. Amidst the unprecedented disruptions, we remained focused and held steadfast, proactively implementing measures to stay ahead.

As we journey forward, we are confident of our renewed strength and acute ability to navigate through changes. We are ultimately anchored by a well-diversified portfolio, helmed by an agile yet disciplined team. Because of these, we will rise above the current storm and emerge more resilient than ever.

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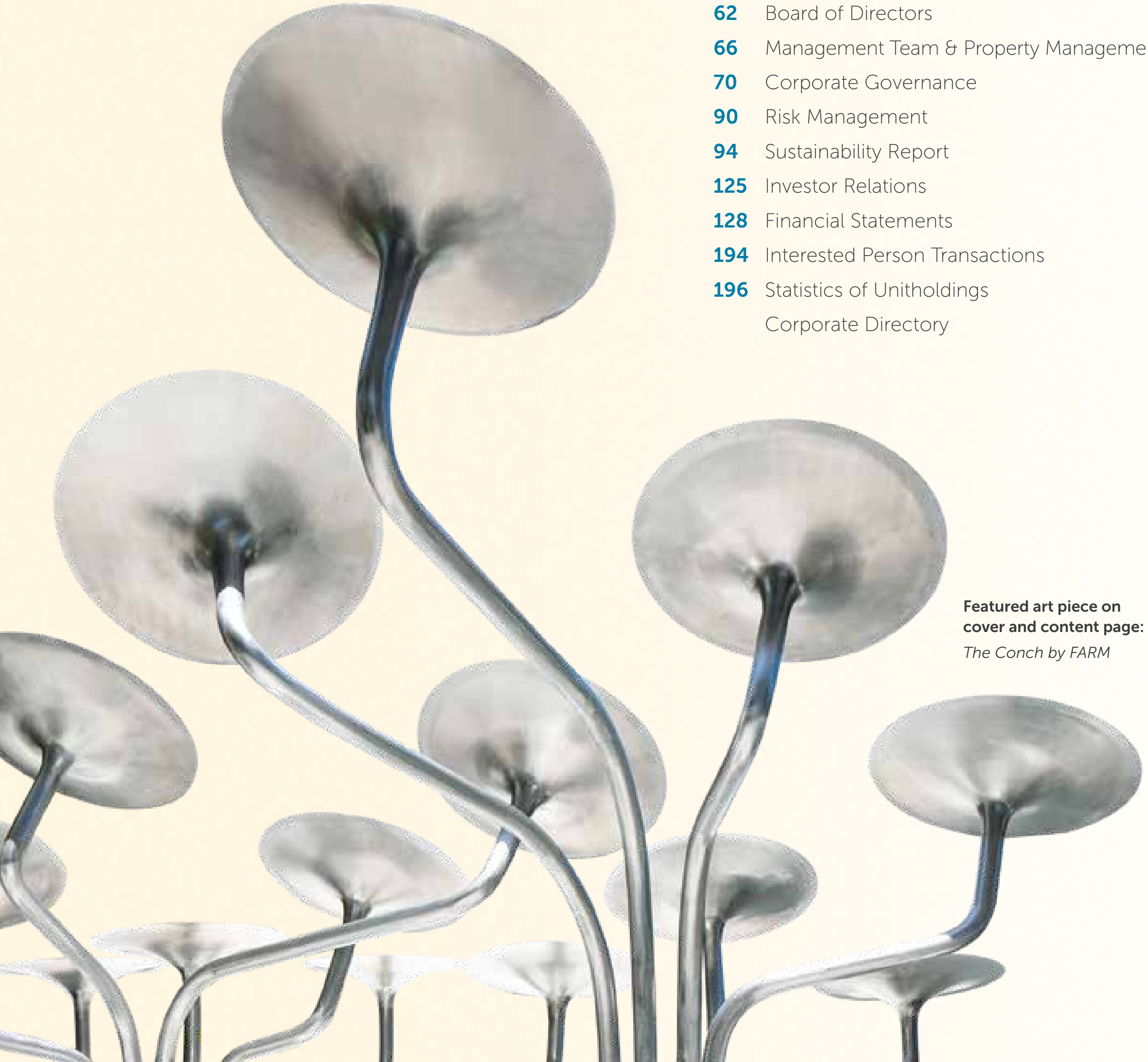


Featured art piece on cover and content page:
The Conch by FARM

KEY HIGHLIGHTS

GROSS REVENUE

S$479.0 million

▼ 0.8%

NET PROPERTY INCOME

S$377.0 million

▼ 0.2%

AMOUNT AVAILABLE FOR DISTRIBUTION

S$314.7 million

▲ 29.4%

DISTRIBUTION PER UNIT

9.49 cents

▲ 18.6%

MARKET CAPITALISATION

S$7.0 billion

▲ 16.1%

PORTFOLIO APPRAISED VALUE

S$8.7 billion

▼ 2.1%

NET ASSET VALUE PER UNIT

S$1.72

▼ 1.7%

AGGREGATE LEVERAGE RATIO

33.9%

▲ 0.6p.p

TOTAL NET LETTABLE AREA

5.0 million square feet

PORTFOLIO COMMITTED OCCUPANCY

97.1%

▼ 1.6p.p

CORPORATE **OVERVIEW**

Mapletree Commercial Trust ("MCT") is a Singapore-focused real estate investment trust ("REIT") established with the principal investment objective of investing on a long-term basis, directly or indirectly, in a diversified portfolio of income-producing real estate used primarily for office and/or retail purposes, whether wholly or partially, in Singapore, as well as real estate-related assets.

MCT was listed on the Singapore Exchange Securities Trading Limited ("SGX-ST") on 27 April 2011 and is the third REIT sponsored by Mapletree Investments Pte Ltd ("MIPL" or the "Sponsor"), a leading real estate development, investment, capital and property management company headquartered in Singapore.

As at 31 March 2021, MCT's portfolio comprised five properties in Singapore – four located in the Greater Southern Waterfront (HarbourFront and Alexandra Precincts) and one in the Central Business District ("CBD"), namely:

VIVOCITY, Singapore's largest mall located in the HarbourFront Precinct;

MAPLETREE BUSINESS CITY ("MBC"), a large-scale integrated office, business park and retail complex with Grade A building specifications, supported by ancillary retail space, located in the Alexandra Precinct;

mTOWER[1], an established integrated development with a 40-storey office block and a three-storey retail centre known as the Alexandra Retail Centre ("ARC"), located in the Alexandra Precinct;

MAPLETREE ANSON, a 19-storey premium office building located in Singapore's CBD; and

BANK OF AMERICA MERRILL LYNCH HARBOURFRONT ("MLHF"), a premium office building located in the HarbourFront Precinct.

The portfolio has a total Net Lettable Area ("NLA") of 5.0 million square feet, valued at S$8,737 million[2].

MCT is managed by Mapletree Commercial Trust Management Ltd. ("MCTM" or the "Manager"), a wholly-owned subsidiary of MIPL. The Manager aims to provide unitholders of MCT ("Unitholders") with a relatively attractive rate of return on their investment through regular and steady distributions, and to achieve long-term stability in Distribution per Unit ("DPU") and Net Asset Value ("NAV") per Unit, while maintaining an appropriate capital structure for MCT.

[1] Former PSA Building.
[2] Based on the independently appraised values by Savills Valuation and Professional Services (S) Pte. Ltd. and CBRE Pte. Ltd. as at 31 March 2021.

VivoCity


Mapletree Business City

mTower


Mapletree Anson

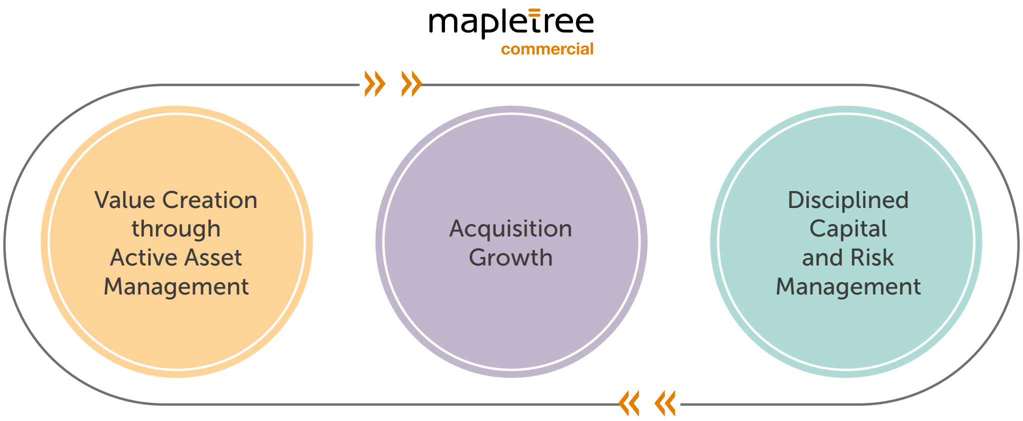

Bank of America Merrill Lynch HarbourFront

STRATEGY

KEY OBJECTIVES

The Manager's key objectives are to provide unitholders of MCT with a relatively attractive rate of return on their investment through regular and steady distributions, and to achieve long-term stability in DPU and NAV per unit, while maintaining an appropriate capital structure for MCT.

KEY STRATEGIES



VALUE CREATION THROUGH ACTIVE ASSET MANAGEMENT

The Manager's strategy for organic growth is to actively manage the portfolio and foster strong understanding and relationships with tenants. Through such active asset management, the Manager seeks to maintain high occupancy levels and stable rental income. The Manager also seeks to improve efficiency and manage costs through various aspects of its operations.

The Manager aims to improve the performance of the properties through the following measures:

- Improving rentals while maintaining healthy occupancy rates and sustainable occupancy costs;
- Achieving high tenant retention, particularly for the office portfolio;
- Optimising tenant mix, particularly for the retail portfolio;
- Rejuvenating and reconfiguring retail space;
- Maximising yields through selective asset enhancements; and
- Improving overall costs and operational efficiencies.

ACQUISITION GROWTH

The Manager pursues potential asset acquisitions that will deliver attractive cash flows and yields relative to MCT's weighted average cost of capital, and opportunities for future income and capital growth.

In evaluating acquisition opportunities for MCT, the Manager focuses primarily on the following investment criteria:

- Value accretions;
- Yield thresholds; and
- Quality of the asset, including
  - Location;
  - Asset enhancement potential;
  - Building and facilities specification; and
  - Tenant mix and occupancy characteristics.

The Manager intends to hold acquired properties on a long-term basis. However, where the Manager considers that any property has reached a stage that offers limited scope for income contribution or growth in the future, the Manager may consider selling the property and use the sales proceeds for other purposes, such as investments in alternative properties that meet its investment criteria.

DISCIPLINED CAPITAL AND RISK MANAGEMENT

The Manager endeavours to:

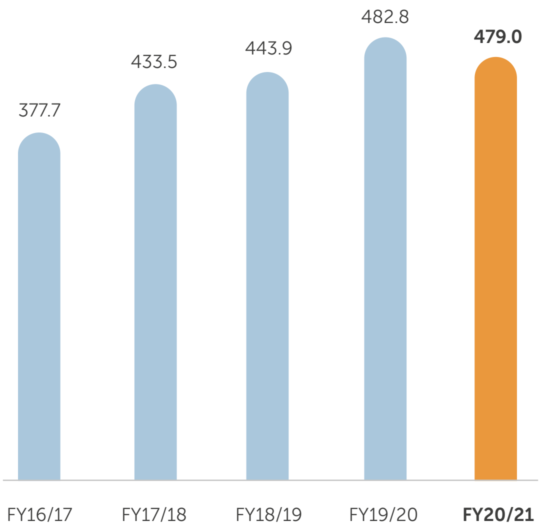
- Maintain a strong balance sheet;
- Employ an appropriate mix of debt and equity in financing acquisitions;
- Diversify funding sources and secure access to financial institutions and capital markets;
- Optimise its cost of debt financing; and
- Implement appropriate interest rates management and hedging strategies to manage exposure to market volatility.

FINANCIAL **HIGHLIGHTS**

GROSS REVENUE

S$479.0 million

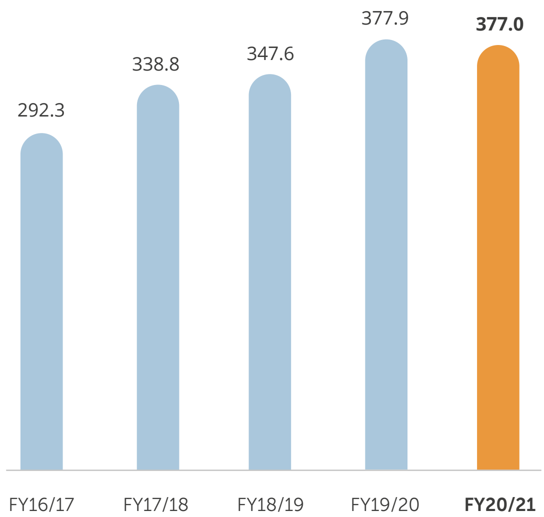
YEAR-ON-YEAR 0.8%



NET PROPERTY INCOME

S$377.0 million

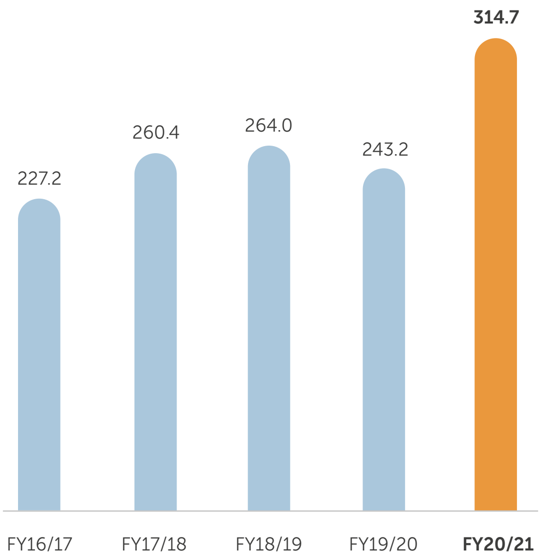
YEAR-ON-YEAR 0.2%



AMOUNT AVAILABLE FOR DISTRIBUTION

S$314.7 million

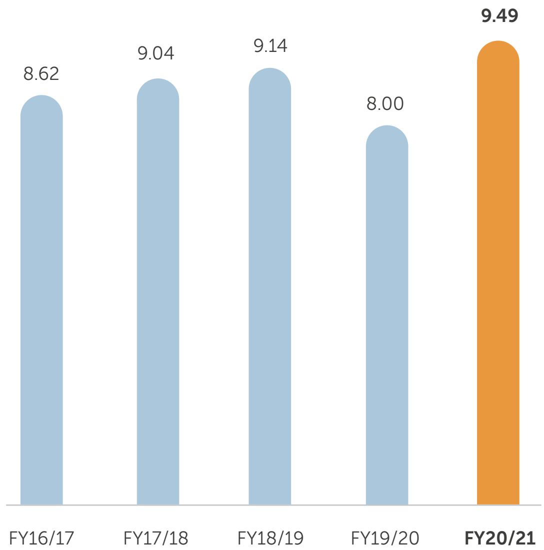
YEAR-ON-YEAR 29.4%



DISTRIBUTION PER UNIT

9.49 cents

YEAR-ON-YEAR 18.6%



DELIVERING LONG-TERM SUSTAINABLE RETURNS

140.9%	90.4%	231.3%
CAPITAL APPRECIATION	TOTAL DISTRIBUTIONS	TOTAL RETURN[1]

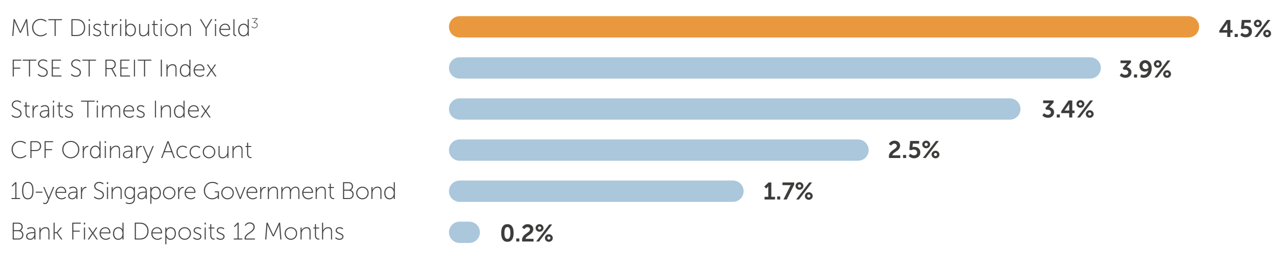
SELECTED BALANCE SHEET DETAILS

As at 31 March	2017	2018	2019	2020	2021
Total Assets (S$ million)	6,405.7	6,740.8	7,100.8	9,007.1	**8,950.6**
Investment Properties (S$ million)	6,337.0	6,682.0	7,039.0	8,920.0	**8,737.0**
Total Debt Outstanding (S$ million)	2,327.6	2,327.6	2,349.0	3,003.2	**3,032.9**
Unitholders' Funds (S$ million)	3,957.5	4,283.4	4,616.0	5,786.9	**5,709.0**
NAV per Unit (S$)	1.38	1.49	1.60	1.75	**1.72**
Market Capitalisation (S$ million)	4,392.8	4,521.8	5,461.5	6,052.7	**7,030.4**

KEY FINANCIAL INDICATORS

As at 31 March	2017	2018	2019	2020	2021
% of Fixed Rate Debt	81.2	78.9	85.0	78.9	**70.7**
Aggregate Leverage Ratio (%)	36.3	34.5	33.1	33.3	**33.9**
Interest Coverage Ratio (times)	4.9	4.8	4.5	4.3	**4.4**
Average Term to Maturity of Debt (years)	4.0	3.9	3.6	4.2	**4.2**
Weighted Average All-in Cost of Debt (per annum) (%)	2.66	2.75	2.97	2.94	**2.48**

YIELD COMPARISONS[2]



1 Based on unit issue price at IPO of S$0.88 and closing unit price of S$2.12 as at 31 March 2021, as well as total DPU of 79.55 Singapore cents paid out since IPO.

2 As at 31 March 2021. Sources: Bloomberg, Central Provident Fund ("CPF") Board (for the Ordinary Account's yield) and the Monetary Authority of Singapore ("MAS") (for the 10-year Singapore Government Bond Yield and Banks Fixed Deposits 12 Months Rate).

3 Based on closing unit price of S$2.12 as at 31 March 2021 and DPU of 9.49 Singapore cents for FY20/21.

MOVING WITH DECISIVENESS

Recognising that the far-reaching impact of COVID-19 calls for a swift response, MCT has moved decisively. With an emphasis on preserving the long-term health of the eco-system, we rendered timely and meaningful measures to help affected tenants weather the headwinds.

LETTER TO UNITHOLDERS

Left:
TSANG YAM PUI
Non-Executive Chairman and Director

Right:
SHARON LIM
Executive Director and Chief Executive Officer

Dear Unitholders,

FY20/21 was an extraordinary year in which the world was dramatically shaped by COVID-19. The social and economic toll exacted by the pandemic was far-reaching and continues today. Governments worldwide imposed strict and wide-ranging measures to stem the spread of the outbreak. In Singapore, non-essential businesses were shut and movements were restricted for almost ten weeks from April 2020[1]. Although restrictions have since been relaxed gradually, business and economic activities have been disrupted for most part of the financial year. Singapore posted its worst recession since independence, contracting by 5.4% in 2020[2].

GIVING MEANINGFUL SUPPORT TO IMPACTED TENANTS

The severity and unprecedented nature of the COVID-19 disruptions called for a deft response. Recognising

[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] Source: Ministry of Trade and Industry ("MTI"), Press Release dated 15 February 2021.

The severity and unprecedented nature of the COVID-19 disruptions called for a deft response. Recognising that our actions today would define MCT in the years to follow, we swiftly rolled out one of the most comprehensive plans in the market to assist our tenants in coping with the mounting pressures, with a view to preserving the long-term health of the retail eco-system.

that our actions today would define MCT in the years to follow, we swiftly rolled out one of the most comprehensive plans in the market to assist our tenants in coping with the mounting pressures, with a view to preserving the long-term health of the retail eco-system.

We announced our first tenant support programme in February 2020 that was worth S$11.0 million. Since then, we have gone beyond the mandatory passing on of grants and rebates by the government. As at the end of FY20/21, a total of seven tenant support packages comprising more than S$70.0 million[1] of rental rebates have been rolled out for eligible retail tenants to help them offset on average more than four months of fixed rents.

TACKLING COVID-19 UNCERTAINTIES PRUDENTLY

MCT recorded S$479.0 million of gross revenue and S$377.0 million of NPI, lower by 0.8% and 0.2% respectively as compared to FY19/20. Although our full year performance was dampened by the COVID-19 rental rebates, MBC II's maiden full year contribution helped to cushion the impact.

In 4Q FY19/20, S$43.7 million of distribution was retained[2] as we sought to boost MCT's financial flexibility to tackle the rapidly evolving COVID-19 crisis. As the uncertainties associated with COVID-19 have moderated since then, S$28.0 million of the retained cash has been released and included in the distributions to Unitholders this financial year. Consequently, the amount available for distribution totalled S$314.7 million in FY20/21, up 29.4% year-on-year, and full year DPU was 9.49 Singapore cents, up 18.6% year-on-year.

MAINTAINING LONG-TERM RESILIENCE

At MCT, our focus has always been on generating long-term sustainable returns. Since our listing on 27 April 2011, our market capitalisation has grown from S$1.6 billion to more than S$7.0 billion as at 31 March 2021. Including total distribution of 79.55 Singapore cents per unit paid out since listing, the total return to Unitholders was 231.3%.

Against a global backdrop of economic dislocations and volatile stock market, MCT's unit price rose 15.8% during the financial year to close at S$2.12 on 31 March 2021. Taking into account distributions, we delivered total return of 21.0% in FY20/21.

ENHANCING VIVOCITY FOR THE EVENTUAL UPTURN

Over the years, we have worked hard to execute our property business plans, and with great success. Even as we navigated the COVID-19 turmoil, we continued to undertake initiatives to make VivoCity better.

With COVID-19 causing disruptions, we seized the opportunity to carry out improvement works at a time when they would cause minimal inconvenience to tenants and shoppers. For instance, we took advantage of the circuit breaker downtime to replace the flooring of the entire mall, giving it a refreshed look.

We also embarked on two space reconfiguration exercises in the mall. First, we optimised Best Denki's space on Level 2 to accommodate home-grown online-to-offline fashion retailer Love, Bonito. This project was completed in 2Q FY20/21, delivering more than 30% annual return on investment[3]. We followed on to rejuvenate the promenade-facing F&B cluster on Level 1 to bring in new concepts including Afuri Ramen, Green Common, Hoshino Coffee and Shake Shack.

1 Inclusive of the passing on of property tax rebates, cash grants from the government and other mandated grants to qualifying tenants.
2 By way of capital allowance claims and capital distribution retention.
3 On a stabilised basis and based on approximately S$1.3 million of capital expenditure.

LETTER TO **UNITHOLDERS**

Since its progressive opening from September 2020, the new cluster has been warmly received by shoppers, generating much buzz. The exercise was fully completed in 3Q FY20/21 and achieved an approximate 30% annual return on investment[1].

We cannot ignore how COVID-19 has accelerated the long-standing trend of retail consolidation. More so than ever, retailers are compelled to consolidate their footprints by focussing on stores in high quality locations. Notwithstanding, VivoCity secured the expansion of existing tenant, adidas, which launched two flagship stores for its Originals and Performance lines in December 2020 and April 2021 respectively. The two expanded stores brought adidas' total footprint at VivoCity to more than 19,000 square feet, or approximately 2.7 times its original size. Additionally, they are the biggest in Southeast Asia and Singapore respectively, and carry the most extensive and exclusive selections of products and services. The expanding collection of larger-format concept stores at VivoCity is certainly a treat for shoppers, and is also an affirmation of the mall's leading position. Most of all, the revitalised retail offerings will position VivoCity well for the eventual upturn.

Our proactive asset management approach has enabled MCT's retail assets to maintain high occupancies and retain a good portion of tenants. Despite approximately 20% of NLA expiring during this challenging period, FY20/21 ended with a retention rate of 80.8%. VivoCity closed the financial year with 99.1% committed occupancy, marginally lower than the previous year's 99.7%.

STABILITY ANCHORED BY MBC II

In FY20/21, MCT's office and business park assets registered S$309.7 million of gross revenue and S$251.4 million of NPI, up 13.7% and 14.7% respectively year-on-year. This was largely driven by the full year contribution from MBC II which was acquired on 1 November 2019, as well as higher contribution from Mapletree Anson due to higher occupancy and step-up rents in existing leases.

In a considerably subdued environment where tenants are recalibrating their space requirements in response to prolonged work-from-home directives, we have chosen to prioritise occupancy in order to maintain steady income streams. As a result, MCT was able to maintain healthy occupancy levels. At the end of FY20/21, MBC I and mTower were 94.6% and 91.7%[2] committed respectively, while MBC II, Mapletree Anson and MLHF were 100% occupied.

FORTIFYING OUR CAPITAL STRUCTURE

Financial flexibility remains crucial to MCT's stability in such uncertain times. Throughout the year, MCT remained well-capitalised and the sources of funding were well-diversified.

As at 31 March 2021, there were more than S$600 million of cash and undrawn facilities available, providing ample liquidity to meet working capital and financial obligations. The debt maturity profile stayed well-distributed with no more than 24% of debt due for refinancing in any financial year. On top of that, we have reasonable certainty over interest expenses as approximately 70.7% of the total gross debt of S$3,032.9 million was fixed by way of fixed rate debt or interest rate swaps. MCT's total investment properties were valued at S$8.7 billion as at 31 March 2021, resulting in an aggregate leverage ratio of 33.9%. For FY20/21, the weighted all-in cost of debt averaged 2.48% per annum. We continued to keep a healthy 4.4 times interest coverage ratio. Subsequent to the reporting year, we redeemed S$70.0 million of medium term notes ("MTN"). With this, we completed the refinancing for FY21/22 ahead of time.

Last year, we retained S$43.7 million of distribution in anticipation of a rough FY20/21. Taking into account a less uncertain COVID-19 situation, and as we sought to balance having sufficient reserves for rainy days and delivering reasonable returns to Unitholders, we have released part of the retained cash as distributions in FY20/21.

REAFFIRMING OUR COMMITMENT TO SUSTAINABILITY

At MCT, we firmly believe in "doing well by doing good". This is because businesses thrive only when the environment and the society are being taken care of. COVID-19 is a prime example of how externalities can debilitate businesses quickly, making it a litmus test of corporate responsibility and operational credibility.

1 On a stabilised basis and based on approximately S$0.7 million of capital expenditure.

2 Subsequent to the reporting year, there was mutual agreement to terminate a lease at mTower ahead of its commencement. Assuming the lease pre-termination had occurred before 31 March 2021 and the space had remained uncommitted as at 31 March 2021, mTower's committed occupancy would be 79.7%.

With health and safety as our top priority, precautionary steps were taken to protect our tenants, shoppers and staff during the pandemic. For users of our properties, we stepped up cleaning frequencies and deployed disinfecting robots and thermal scanning systems to minimise human contact. For our staff, we promptly rolled out split-work arrangements where possible and accelerated the Group's digitisation process to help them work better from home. For the public, we organised public communication campaigns to educate and remind them on safe distancing practices. These are just a few examples of the wide-ranging measures that we have implemented.

Undoubtedly, environmental, social and governance ("ESG") factors will play an increasingly pivotal role in influencing how businesses operate in a post-COVID world. It is with this in mind that we reaffirm our commitment towards sustainability. The goal towards a sustainable future is a shared one. We will continue to examine ESG concerns closely and integrate sustainability into our business, striving to make a meaningful difference. MCT's sustainability efforts will be further elaborated in our fifth Sustainability Report.

RISING ABOVE COVID-19

We have begun to see encouraging signs of recovery in the second half of the financial year as Singapore gradually reopened its economy and expanded its inoculation programme. In tandem with the phased easing of COVID-19 protocols, shopper traffic and tenant sales at VivoCity have improved progressively, with the rebound in sales outpacing shopper traffic. 4Q FY20/21 recorded tenant sales that was 5.2% higher than 4Q FY19/20 levels. This compares well against 1Q FY20/21, 2Q FY20/21 and 3Q FY20/21, which recorded sales amounting to 36.6%, 78.0% and 85.9% respectively of the corresponding quarters in FY19/20. Measured against pre-COVID levels, monthly tenant sales for January to March 2021 have reached more than 86.0% of the corresponding months in 2019.

Notwithstanding these positive indicators, prolonged border closures have hindered full recovery. We expect the road ahead to remain long and winding. As we write this letter, Singapore is back on heightened alert[1] to curb the local transmission of COVID-19, reintroducing measures such as capping the limit for social gatherings at two, halting dining-in at F&B establishments and imposing work-from-home as the default work arrangement. Although the economy has been forecast to grow at 4.0% to 6.0% in 2021[2], recovery is expected to be uneven across sectors. Inevitably, it will take time for the retail, office and business park markets to resume full leasing momentum.

In the near term, we will continue to work closely with our tenants and provide targeted assistance where warranted. As the operating environment changes, we will calibrate such rental assistance accordingly.

The world has crossed the one-year mark in the battle against COVID-19. As we journey forward, we are confident of our renewed strength and acute ability to navigate through crises. MCT is ultimately anchored by a well-diversified portfolio which will continue to derive stable cash flows from high-quality tenants. Crucially, the vehicle benefits from the agility and robustness of the Group as a whole. Because of these, we believe that MCT will rise above the current storm and emerge more resilient than ever.

ACKNOWLEDGEMENTS

In closing, we would like to thank our Directors for their stewardship and counsel. We are also appreciative of our employees for their hard work as we pull MCT through one of the most challenging times the world has faced. Finally, our gratitude goes to all our tenants, shoppers and partners for your enduring support, and to all Unitholders for your unwavering trust.

Please stay safe and healthy.

TSANG YAM PUI
Non-Executive Chairman and Director

SHARON LIM
Executive Director and Chief Executive Officer

[1] Refers to Phase 2 (Heightened Alert) from 16 May to 13 June 2021.
[2] Source: MTI, Press Release dated 25 May 2021.

YEAR IN **REVIEW**

April 2020

- Commencement of the four-week nationwide circuit breaker from 7 April 2020. All non-essential businesses were mandated to close and people were directed to stay at home.
- Circuit breaker extended by four weeks till 1 June 2020.
- For extra prudence and to better position MCT ahead of the COVID-19 uncertainties, S$43.7 million of distribution was retained by way of capital allowance claims and capital distribution retention in 4Q FY19/20.

May 2020

- Moody's affirmed MCT's Baa1 issuer rating but revised outlook to negative.
- MCT rolled out its third COVID-19 support package whereby fixed rent for April 2020 were waived for eligible tenants.
- The Singapore government announced that the circuit breaker would be eased progressively in three phases.

June 2020

- Singapore exited its two-month circuit breaker with Phase One of re-opening from 2 June 2020 but the vast majority of businesses continued to be closed.
- MCT responded with its fourth COVID-19 support package. Rental rebates for eligible tenants were raised from 50% to 100% of fixed rent during Phase One of re-opening when most retailers remained restricted from operating.
- Singapore began Phase Two of re-opening from 19 June 2020 whereby most businesses were allowed to resume operations with safe distancing measures and capacity limits in place.

July 2020

- MCT held its ninth Annual General Meeting ("AGM") virtually. All resolutions tabled were approved by Unitholders.

August 2020

- VivoCity launched the "It's Time to Win It All" campaign, giving away shopping vouchers worth over S$1.0 million from over 240 participating retailers.

September 2020

- Completed reconfiguration of Best Denki's part space on Level 2 of VivoCity to accommodate home-grown online-to-offline fashion retailer, Love Bonito, while Best Denki doubled its shopfront width.
- MCT implemented its fifth COVID-19 support package. Calibrated rental rebates were granted to eligible retail tenants.
- VivoCity was named winner of the Clean, Dry and Sparkling Public Toilets (Shopping Malls Category) at the 15th South West Public Health Awards organised by the National Health Agency and the South West Community Development Council.
- Due to impact from COVID-19, MCT's portfolio of properties were valued at S$8.7 billion at the 30 September 2020 interim valuation, down 2.3% as compared to 31 March 2020. Consequently, NAV per Unit was revised to S$1.71.

October 2020

- Declared DPU of 4.17 Singapore cents for 1H FY20/21. This included the release of S$15.0 million retained cash carried forward from 4Q FY19/20.

December 2020

- MCT rolled out its sixth COVID-19 support package. Calibrated rental rebates were granted to eligible retail tenants.
- MCT named as the REIT with Highest Growth in Profit After Tax (2020) by The Edge Singapore Billion Dollar Club.

1 Shake Shack's new outlet in VivoCity

2 Existing tenant, adidas, expanded its footprint in VivoCity

3 Best Denki reconfigured its layout and widened its shopfront

4 One-stop plant-based eatery and grocery store, Green Common, opened its first Singapore outlet at VivoCity

5 Timely launch of voucher giveaway campaign at VivoCity to capture pent-up domestic demand

- adidas Originals' expanded its footprint on Basement 1 of VivoCity, creating its largest flagship store in Southeast Asia.
- First shipment of COVID-19 vaccines arrived in Singapore.
- Singapore moved into Phase Three of re-opening from 28 December 2020 with increased capacity limits for events and activities. Border closures, work-from-home directives, safe distancing measures and other restrictions continued to be in place.
- Inoculation against COVID-19 began in Singapore.

January 2021

- PSA Building was renamed mTower.
- Completed revitalisation of Level 1 promenade-facing F&B cluster at VivoCity, adding prominent names like Afuri Ramen, Green Common, Hoshino Coffee and Shake Shack.

March 2021 and after

- MLHF and mTower were both re-certified BCA Green Mark Gold^{PLUS}.
- MCT rolled out its seventh COVID-19 support package. Calibrated rental rebates were granted to eligible retail tenants.
- VivoCity brought back the "It's Time to Win It All" voucher giveaway campaign by popular demand.
- adidas Performance expanded and launched its largest flagship store in Singapore on Level 1 of VivoCity.
- Easing of safe management measures by the government, whereby more people were allowed to return to their workplaces from 5 April 2021.
- Declared DPU of 5.32 Singapore cents for 2H FY20/21, including the release of S$13.0 million retained cash carried forward from 4Q FY19/20. This brought full year DPU to 9.49 Singapore cents, up 18.6% year-on-year.
- MCT's properties were valued at S$8.7 billion, a slight increase as compared to the 30 September 2020 interim valuation. Correspondingly, NAV per unit was S$1.72.
- Workplace capacity and social gathering limits reverted to Phase Two re-opening levels from 4 May 2021 due to increase in unlinked locally transmitted cases.
- Moody's affirmed MCT's Baa1 issuer rating and changed outlook from negative to stable.
- Further tightening of COVID-19 measures. Cessation of dining-in at all F&B establishments, reduction of social gathering limit to two, and resumption of work-from-home as default work arrangement from 16 May to 13 June 2021.

OVERCOMING **COVID-19 TOGETHER**

MCT'S STRATEGY IS TO EXERCISE EXTRA PRUDENCE WHILE KEEPING OUR EYES ON THE LONG TERM

COVID-19 TIMELINE

7 Feb 2020
Government raised DORSCON[1] level from Yellow to Orange

23 Mar 2020
No entry or transit through Singapore for all short-term visitors

7 Apr – 1 Jun 2020
Circuit breaker period
- Closure of all non-essential businesses and retail
- Public required to stay at home unless for essential services

2 Jun 2020
Easing of circuit breaker *Phase One: Safe Re-opening* – majority of businesses continued to be closed

From 19 Jun 2020
Further easing of circuit breaker *Phase Two: Safe Transition* – most businesses allowed to resume operations

From 28 Dec 2020
Further easing of circuit breaker *Phase Three: Safe Nation* – increased capacity limits for events and activities

From 5 Apr 2021
More employees allowed to return to their workplaces

From 4 May 2021
Tightening of circuit breaker measures. Workplace capacity and social gathering limits reverted to Phase Two re-opening levels

From 16 May 2021
Phase Two (Heightened Alert) – cessation of dining-in at all F&B establishments, reduction of social gathering limit to two and resumption of work-from-home as default work arrangement. Borders continue to be closed

Long-term resilience

- Timely boost of resilience from MBC II acquired on 1 November 2019
  > Diversification of income streams from a best-in-class asset
- Well-diversified portfolio expected to continue to derive stable cashflows from high quality tenants
  > Top ten tenants contribute ~28.5%[2,3] of gross rental income
  > Best-in-class assets will continue to appeal well to reputable tenants

Proactive asset management

- Committed to the sustainability of the retail eco-system
  > Rolled out one of the most comprehensive tenant support packages in the market
  > Working closely with tenants and stakeholders with a view to safeguard the industry's long-term health
- Work continues to strengthen assets for the long run
  > Managing costs proactively and responsibly
  > Re-prioritising capital expenditures and enhancing operational efficiencies
  > Active tenant remixing and pursuing opportunistic value-adding enhancement initiatives

Prudent and disciplined capital management

- Prioritising financial flexibility while taking care of Unitholders
  > Retained S$43.7 million of cash in 4Q FY19/20 as additional reserve for COVID-19 uncertainties. S$28.0 million of this was released as distribution to Unitholders in FY20/21
  > Strengthened financial flexibility by putting in place more than S$600 million of cash and undrawn committed facilities[3]
  > Proactively completed refinancing ahead of time and maintained well-distributed debt maturity profile

1 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.
2 Excluding an undisclosed tenant.
3 As at 31 March 2021.

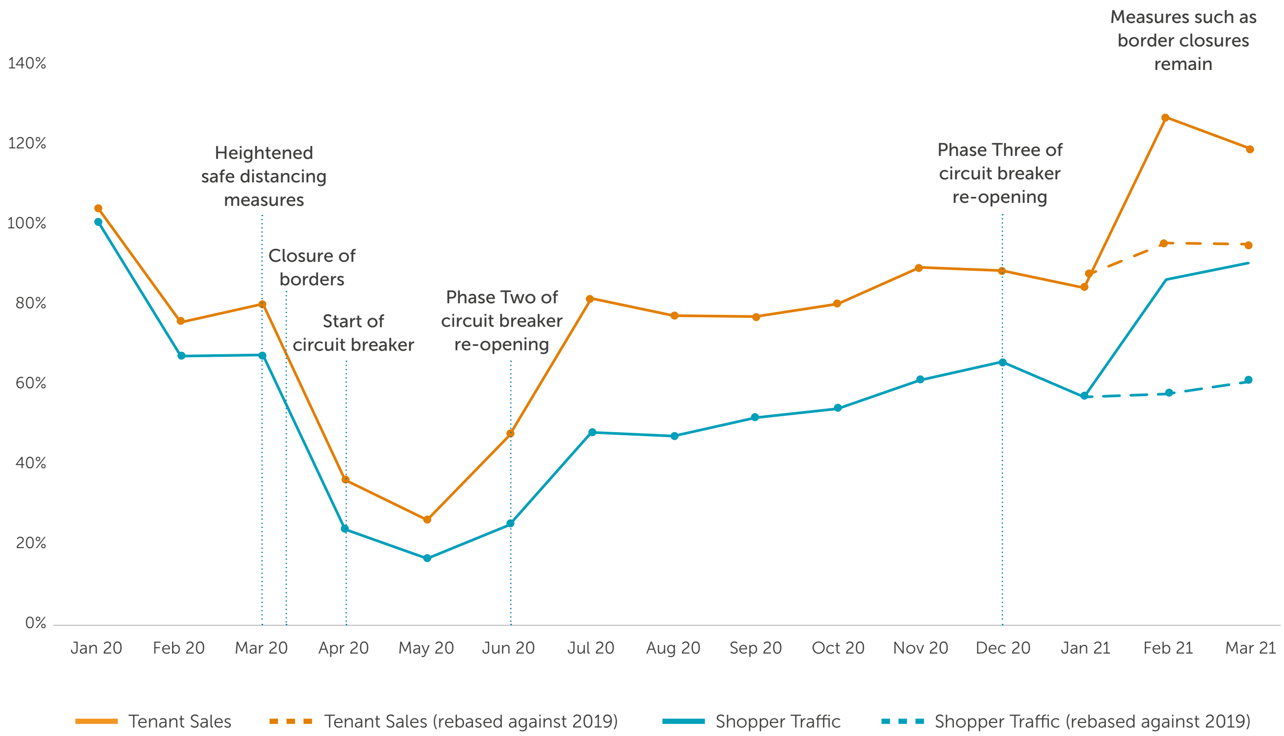
SUPPPORTING OUR RETAIL TENANTS PROMPTLY AND MEANINGFULLY

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[1]
4Q FY20/21	~0.2 month[1]

Rendered more than
S$70.0[2]
million
of rental rebates

PROGRESSIVE RECOVERY IN TENANT SALES AND SHOPPER TRAFFIC AT VIVOCITY

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



[1] The assistance for each tenant is calibrated based on their respective actual sales performance and subject to tenant's acceptance.
[2] Inclusive of the passing on of property tax rebates, cash grants from the government and other mandated grants to qualifying tenants.

UNIT PRICE **PERFORMANCE**

FY20/21 was one of the most tumultuous years in recent history during which the world was adversely impacted by the COVID-19 pandemic. On top of that, geopolitical uncertainties and trade tensions continued to weaken business confidence and economic outlook worldwide. Singapore's economy was similarly impacted. For the whole of 2020, the Singapore economy contracted by 5.4%, a sharp reversal from the 1.3% growth recorded in 2019.

Against this backdrop, both the global and Singapore equity markets remained highly volatile throughout the year.

However, in tandem with positive news on COVID-19 vaccine, the more cyclical stocks showed signs of outperformance from late 2020. The FTSE Straits Times Index and the FTSE Straits Times REIT Index gained 27.6% and 20.9% respectively for the period from 1 April 2020 to 31 March 2021, while MCT's unit price closed at S$2.12 on 31 March 2021, up 15.8% from the closing price of S$1.83 from a year ago. Taking into account total DPU of 9.49 Singapore cents paid out for FY20/21, MCT delivered a total return of 21.0% to Unitholders during the financial year.

Since IPO, MCT's unit price has gained 140.9% from its IPO price of S$0.88. This represents a healthy outperformance against both the FTSE Straits Times REIT Index which rose by 29.0% and the FTSE Straits Times Index which contracted by 0.5% during the same period. Including total distribution per unit of 79.55 Singapore cents paid, MCT has delivered 231.3% of total return to Unitholders. MCT's market capitalisation has also grown from S$1.6 billion at IPO to more than S$7.0 billion as at 31 March 2021.

UNIT PRICE AND TRADING VOLUME

	FY20/21	FY19/20
Closing price on the last trading day prior to the commencement of the period (S$)	**1.830**	1.890
Highest closing price (S$)	**2.230**	2.480
Lowest closing price (S$)	**1.500**	1.620
Volume weighted average price (S$)	**1.952**	2.183
Closing price for the period (S$)	**2.120**	1.830
Average trading volume (million units)	**9.87**	13.35
Total trading volume (million units)	**2,478**	3,350

RETURN ON INVESTMENT

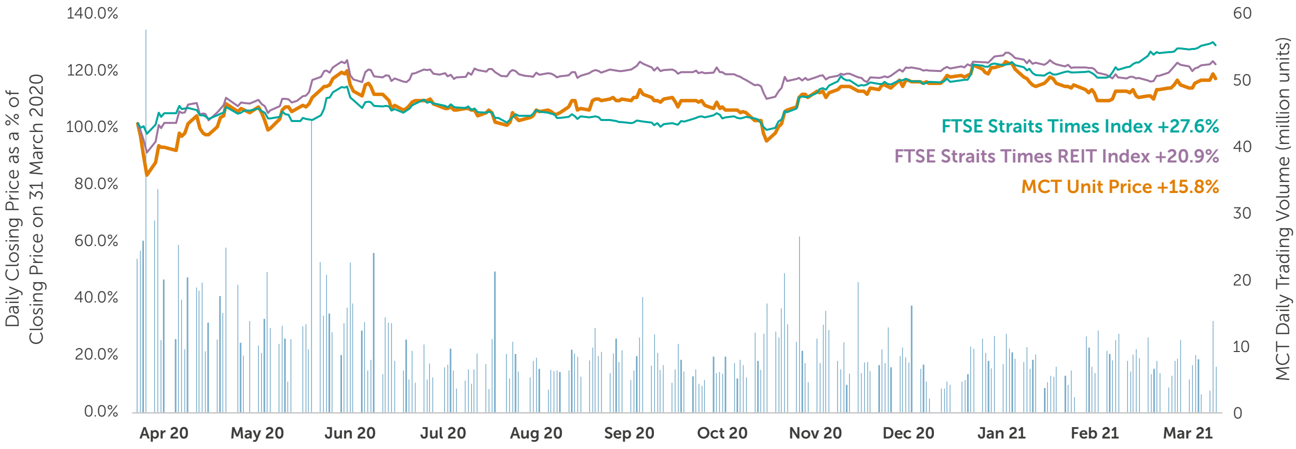
	1-year from 1 April 2020	3-year from 1 April 2018	5-year from 1 April 2016	Since Listing on 27 April 2011
Total return as at 31 March 2021 (%)	21.0[1]	52.0[1]	81.8[1]	231.3[2]
Capital appreciation (%)	15.8	35.0	50.4	140.9
Distribution yield (%)	5.2	17.0	31.4	90.4
Closing price on the last trading day prior to the period/Unit issue price at listing (S$)	1.830	1.570	1.410	0.880

1 Sum of distributions and capital appreciation for the period over the closing unit price on the last trading day prior to the commencement of the period.

2 Sum of distributions and capital appreciation for the period over the unit issue price at listing.

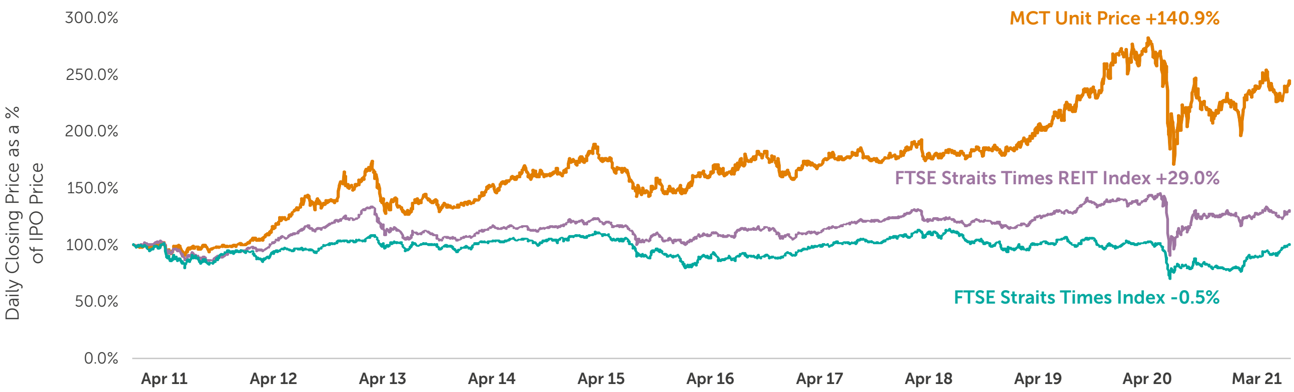
Source: Bloomberg

TRADING VOLUME OF MCT AND COMPARATIVE TRADING PERFOMANCE IN FY20/21



Source: Bloomberg

COMPARATIVE TRADING PERFORMANCE SINCE LISTING



Source: Bloomberg

MCT IS A CONSTITUENT OF THESE KEY INDICES[1]

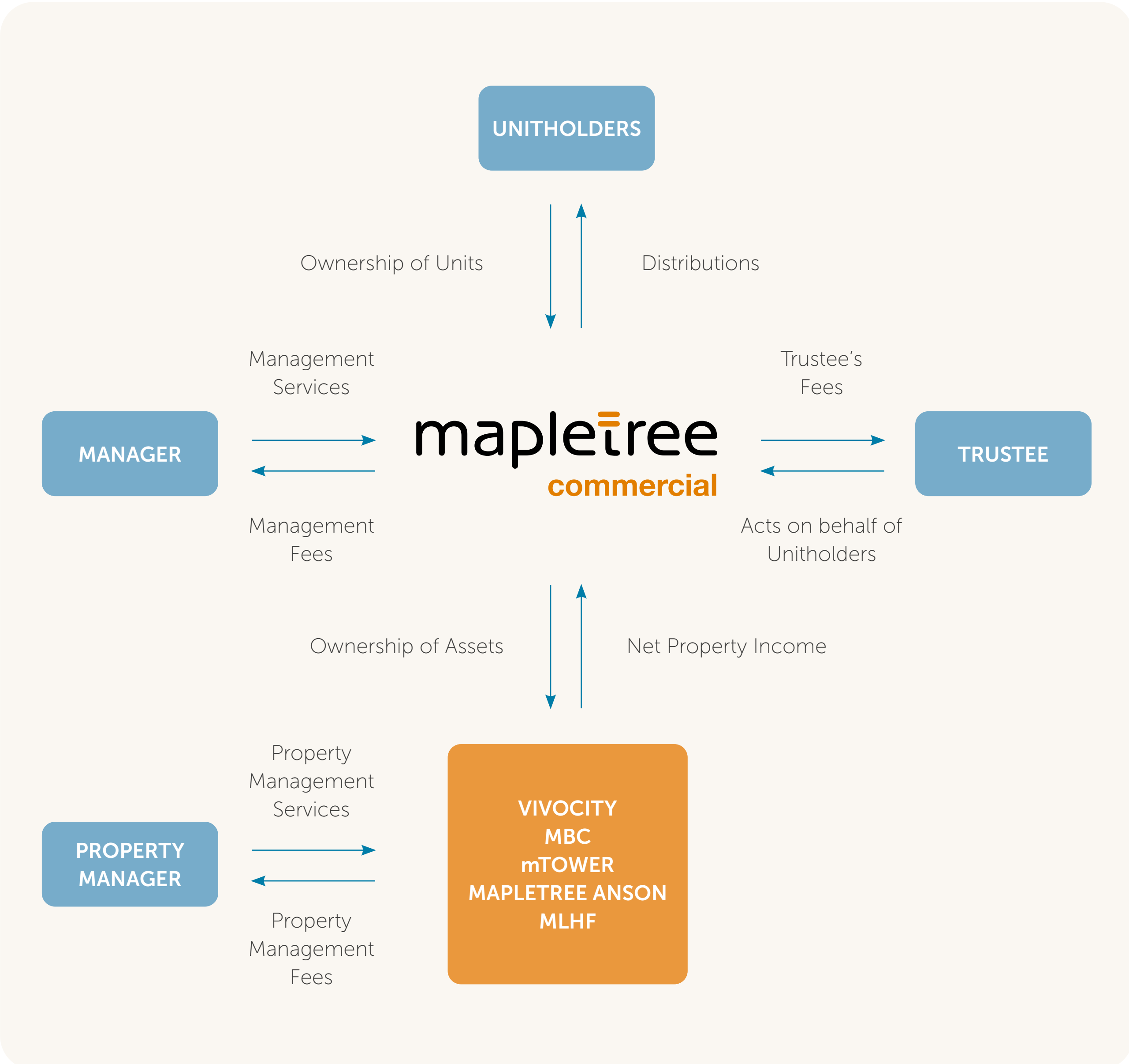
Bloomberg Asia Pacific Financial Index	FTSE EPRA Nareit Singapore Index	iEdge S-REIT Index
Bloomberg Asia Pacific World Index	FTSE EPRA Nareit Global Index	iEdge SG ESG Leaders Index
Bloomberg Asia REIT Index	FTSE EPRA Nareit Global REITs TR Index	iEdge SG ESG Transparency Index
Bloomberg World Financial Index	FTSE EPRA Nareit Real Estate Global Index Series	MSCI Singapore Index
Bloomberg World Index	FTSE ST All-Share Real Estate Index	S&P Developed REIT Index
Bloomberg World REIT Index	FTSE ST Index	S&P Global BMI
Dow Jones Global Select REIT Index	GPR General (World) Index	S&P Global REIT Index
FTSE ASEAN All-Share Index	GPR General Singapore Index	S&P Pan Asia Ex Japan REIT Index
FTSE Developed Asia Pacific All Cap Index	iEdge APAC ex Japan Dividend Leaders REIT Index	S&P Pan Asia REIT Index
FTSE EPRA Nareit Developed Asia Index	iEdge S-REIT 20 Index	Straits Times Index
FTSE EPRA Nareit Developed Index		

[1] The list of key indices is not exhaustive.

TRUST **STRUCTURE**

Mapletree Commercial Trust Management Ltd. is the Manager of MCT. The Manager has general powers of management over the assets of MCT. The Manager's main responsibility is to manage MCT's assets and liabilities for the benefit of Unitholders. The Manager will set the strategic direction of MCT and give recommendations to the Trustee on acquisition, divestment, development and/or enhancement of the assets of MCT in accordance with its stated investment strategy. The Manager is a wholly-owned subsidiary of the Sponsor.

Mapletree Commercial Property Management Pte. Ltd. is the property manager of MCT (the "Property Manager")[1]. The Property Manager is responsible for providing property management, lease management, project management, marketing and administration of property tax services for the properties in MCT's portfolio. The Property Manager is a wholly-owned subsidiary of the Sponsor. The below diagram illustrates the relationship between MCT, the Manager, the Property Manager, the Trustee and the Unitholders.



[1] On 30 March 2021, the Property Manager's appointment has been extended for a term of five years commencing 27 April 2021 on the same terms and conditions as are contained in the property management agreement as stated in MCT's initial public offering prospectus dated 18 April 2011.

ORGANISATION **STRUCTURE**

BOARD OF DIRECTORS

Mr Tsang Yam Pui
Non-Executive Chairman and Director

Mr Premod P. Thomas
Independent Non-Executive Director

Mr Koh Cheng Chua
Independent Non-Executive Director

Mr Mak Keat Meng
Independent Non-Executive Director

Mr Hiew Yoon Khong
Non-Executive Director

Ms Amy Ng
Non-Executive Director

Ms Kwa Kim Li
Lead Independent Non-Executive Director

Mr Kan Shik Lum
Independent Non-Executive Director

Mr Wu Long Peng
Independent Non-Executive Director

Mr Alvin Tay
Independent Non-Executive Director

Ms Wendy Koh
Non-Executive Director

Ms Sharon Lim
Executive Director and Chief Executive Officer

AUDIT AND RISK COMMITTEE

Mr Premod P. Thomas
Chairman

Mr Koh Cheng Chua

Mr Wu Long Peng

Mr Mak Keat Meng

NOMINATING AND REMUNERATION COMMITTEE

Ms Kwa Kim Li
Chairperson

Mr Kan Shik Lum

Mr Hiew Yoon Khong

CHIEF EXECUTIVE OFFICER

Ms Sharon Lim

JOINT COMPANY SECRETARIES

Mr Wan Kwong Weng
Ms See Hui Hui

CHIEF FINANCIAL OFFICER

Ms Janica Tan

HEAD OF INVESTMENTS & ASSET MANAGEMENT

Mr Koh Wee Leong

FINANCE

Ms Janice Lim
Vice President

Ms Fiona Ong
Vice President

INVESTOR RELATIONS

Ms Teng Li Yeng
Director

INVESTMENTS & ASSET MANAGEMENT

Ms Goh Peck Cheng
Vice President

ANCHORED BY OUR STRENGTHS

Firmly anchored by a quality portfolio and its cadre of dedicated management, MCT has successfully navigated through waves of changes in the past. Our fundamentals will continue to provide a strong line of defence and give us stability, especially against the uncertainties today.

PROPERTY **OVERVIEW**

MCT's portfolio comprises five properties located in Singapore's Alexandra Precinct, HarbourFront Precinct and the CBD.

VIVOCITY

Singapore's largest mall with 1,077,296 square feet of NLA spread over a three-storey shopping complex, two basement levels and an eight-storey annexe carpark. Strategically located in the heart of the HarbourFront Precinct, this iconic development is directly connected to the HarbourFront Mass Rapid Transit ("MRT") station and enjoys exceptional connectivity to Sentosa and the HarbourFront Centre. VivoCity is positioned as a multi-dimensional retail and lifestyle destination for Singaporeans and tourists alike, offering visitors a unique waterfront shopping and dining experience.

MBC

MBC is one of the largest integrated developments in Singapore, conveniently situated within the Alexandra Precinct. Comprising MBC I and MBC II, the integrated development is made up of one office tower and seven business park blocks supported by a retail and F&B cluster. Together, they offer 2,891,917 square feet of premium office, business park and ancillary retail space.

MBC's campus-style environment features premises with Grade A building specifications as well as a full suite of contemporary facilities and amenities such as state-of-the-art multi-purpose hall and meeting rooms, gymnasium with heated pool, childcare centre, clinic and wide-ranging F&B offerings. With its excellent location and connectivity, MBC stands out as a choice location for businesses. It is a ten-minute drive from the CBD and is seamlessly linked to the Labrador Park MRT station and other public transport nodes via sheltered walkways.

MBC's appeal is further enhanced by its wide public spaces, an eco-pond, art installations set amidst 1.8 hectares of lush landscape, as well as convenient access to parks in the vicinity. MBC's environmentally sustainable design and features have also garnered prestigious local and international awards.

mTOWER

mTower, formerly known as PSA Building, is an established integrated development with a 40-storey office block and a three-storey retail centre, ARC. It has an aggregate NLA of 525,701 square feet.

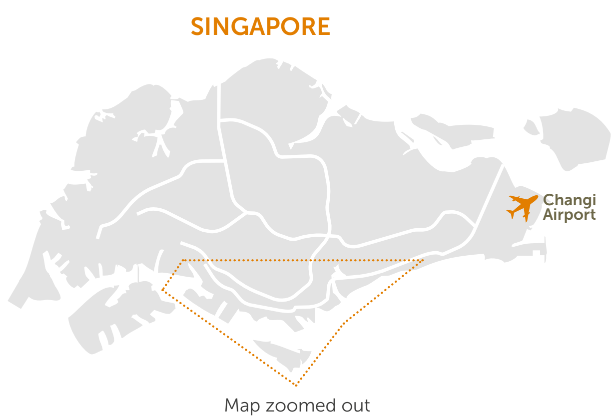
mTower's excellent location within the Alexandra Precinct and its short distance from the CBD make it an ideal choice for companies who prefer a quality office location outside the CBD. ARC further offers a wide range of amenities and F&B offerings to the working population in the vicinity.

MAPLETREE ANSON

A 19-storey office building located in the Tanjong Pagar micro-market of the CBD. Mapletree Anson offers 329,237 square feet of premium space with Grade A specifications and is one of the first buildings in Singapore to be awarded the Green Mark Platinum certification by the BCA. It is conveniently situated within a two-minute walk from the Tanjong Pagar MRT Station and connected to major arterial roads and expressways.

MLHF

A premium six-storey office building with an NLA of 215,734 square feet. MLHF features modern office specifications such as large and efficient column-free rectangular floor plates of approximately 46,000 square feet and integrated suspended ceiling and raised floors.



TOTAL NET LETTABLE AREA

5.0 million square feet

PORTFOLIO APPRAISED VALUE

S$8.7 billion

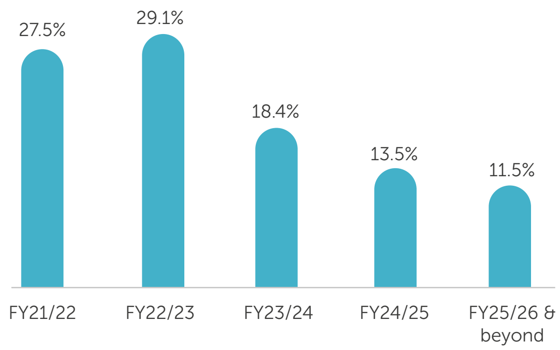
PROPERTY **OVERVIEW**

VIVOCITY

A three-storey shopping complex with two basement levels and an eight-storey annexe carpark

Net Lettable Area	1,077,296 square feet
Number of Leases	347
Carpark Lots	2,183
Title	Leasehold 99 years commencing from 1 October 1997
Market Valuation	S$3,148.0 million
Key Tenants	FairPrice, Tangs, Zara, Golden Village, Best Denki
Awards and Accolades	**15th South West Public Health Awards** - Clean, Dry and Sparkling Public Toilets (Shopping Malls Category) – Winner

LEASE EXPIRY PROFILE BY GROSS RENTAL INCOME



Number of leases	126	109	73	26	13

TRADE MIX BY GROSS RENTAL INCOME

Food & Beverage	31.9%
Fashion	18.4%
Fashion Related	10.2%
Hypermarket / Departmental Store	9.4%
Beauty	6.9%
Electronics	5.3%
Sports	5.3%
Lifestyle	5.2%
Entertainment	3.5%
Others[1]	3.9%

[1] Others includes Optical, Retail Bank, Education, Services, Medical and Convenience.
[2] Actual occupancy was 97.1%.
Data are as at 31 March 2021. Gross revenue and NPI are for the financial year ended 31 March 2021.

VivoCity is Singapore's largest retail and lifestyle destination that continues to surprise shoppers with its vibrant mix of retail and entertainment offerings.

Despite the COVID-19 challenges, VivoCity has remained focused on invigorating its retail mix and executing suitable enhancement initiatives to maintain its market-leading position.

During the year, reconfiguration works were carried out at a mini-anchor's space on Level 2 and the promenade-facing F&B cluster at Level 1, allowing us to inject fresh F&B and fashion concepts to the mall. VivoCity's existing tenant, adidas, also expanded to establish two exciting flagship stores on Basement 1 and Level 1.

To help tenants tide through COVID-19, VivoCity rolled out one of the most comprehensive support packages in the market. Consequently, FY20/21 gross revenue and NPI contracted by 19.5% and 20.8% to reach S$169.3 million and S$125.6 million respectively. This was mostly due to the impact from COVID-19 including the rental rebates granted to eligible retail tenants as well as restrictions on atrium events.

GROSS REVENUE

S$169.3 million

NET PROPERTY INCOME

S$125.6 million

COMMITTED OCCUPANCY[2]

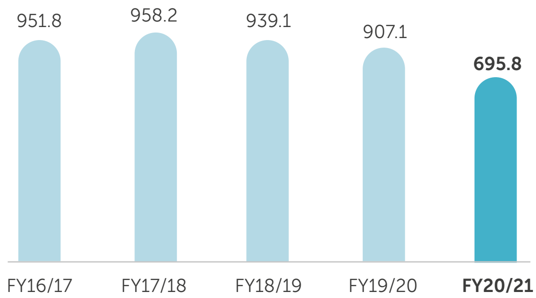
99.1 %

PROPERTY **OVERVIEW**

FY20/21 SHOPPER TRAFFIC AND TENANT SALES IMPACTED BY COVID-19[1]

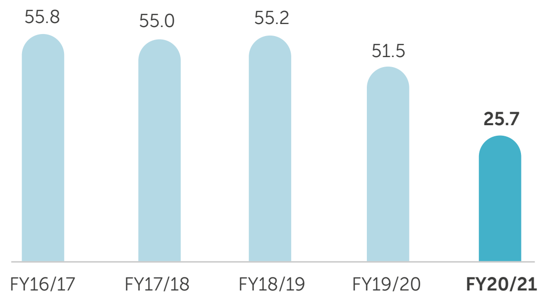
TENANT SALES[2]

S$695.8 million



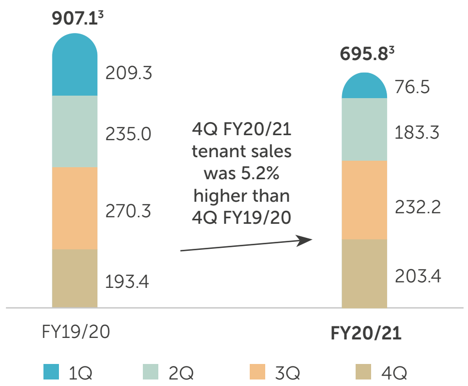
SHOPPER TRAFFIC

25.7 million

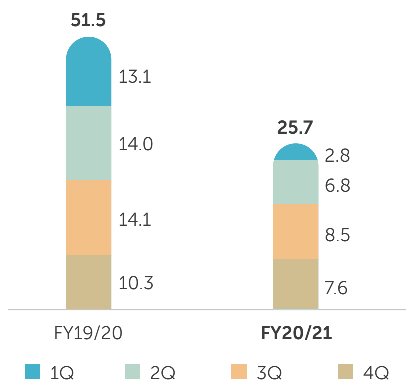


PROGRESSIVE RECOVERY IN TANDEM WITH PHASED EASING OF HEALTH AND SAFETY MEASURES

BREAKDOWN OF TENANT SALES[2] BY QUARTER (S$ MILLION)



BREAKDOWN OF SHOPPER TRAFFIC BY QUARTER (MILLION)



[1] Includes 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, as well as prolonged work-from-home directives, restrictions on atrium events and border closures.
[2] Includes estimates of tenant sales for a portion of tenants.
[3] Total does not add up due to rounding differences.

2

3

3

4

5

6

1 Revitalised Level 1 promenade-facing F&B cluster warmly received by shoppers

2 Garden-inspired Spring Blossoms of Fortune to celebrate Chinese New Year 2021

3 adidas Originals and Performance flagship stores, the largest in Southeast Asia and Singapore respectively

4 Love, Bonito takes on a family-friendly concept, catering to mothers and kids

5 Ongoing tenant remixing effort amid COVID-19 disruptions, introducing new concepts like The Original Boat Noodle

6 Took advantage of circuit breaker downtime to replace flooring of the entire mall

PROPERTY **OVERVIEW**

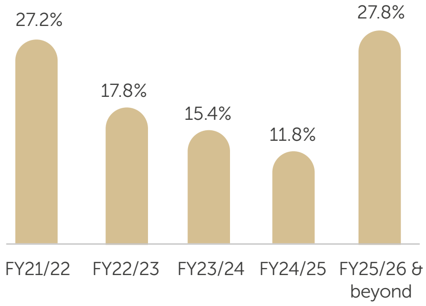
MAPLETREE BUSINESS CITY

Comprising MBC I and MBC II, MBC is a large-scale integrated office and business park complex with Grade A building specifications and ancillary retail space.

MBC I comprises one 18-storey office tower (MBC 10) and three business park blocks (MBC 20E, 20W and MBC 30), and MBC II comprises four business park blocks (MBC 50, 60, 70 and 80) and the Common Premises (the common carpark, multi-purpose hall, retail area and common property which includes the landscape areas, driveways and walkways).

	MBC I	MBC II
Net Lettable Area	1,707,213 square feet	1,184,704 square feet
Number of Leases	38	48
Carpark Lots	2,001 (combined for MBC I and MBC II)	
Title	Strata lease commencing from 25 August 2016 to 29 September 2096	Leasehold 99 years commencing from 1 October 1997
Market Valuation	S$2,226.0 million	S$1,535.0 million
Purchase Price / Agreed Property Value	S$1,780.0 million	S$1,550.0 million
Date of Purchase	25 August 2016	1 November 2019
Key Tenants	The Hongkong and Shanghai Banking Corporation Limited, Info-Communications Media Development Authority, SAP Asia Pte. Ltd.	Google Asia Pacific Pte. Ltd., Cisco Systems (USA) Pte. Ltd., Covidien Private Limited, Crédit Agricole Corporate and Investment Bank

LEASE EXPIRY PROFILE BY GROSS RENTAL INCOME



Number of leases

19	26	20	8	13

TRADE MIX BY GROSS RENTAL INCOME

IT Services & Consultancy	**39.4%**
Banking & Financial Services	**13.7%**
Government Related	**11.4%**
Pharmaceutical	**6.7%**
Consumer Goods	**6.7%**
Electronics	**6.1%**
Shipping Transport	**5.7%**
Others[1]	**10.3%**

MBC has been lauded as a best-in-class integrated office and business park complex. Conveniently located within the Alexandra Precinct, it enjoys close proximity to the CBD as well as parks in the vicinity. It offers more than just Grade A building specifications. Nestled amidst lush greenery and art installations, and furnished with a full suite of facilities and amenities, it was created to provide a vibrant and positive environment for contemporary businesses. Because of these, MBC is home to many well-established tenants.

In FY20/21, MBC II made its maiden full year NPI contribution of S$70.6 million, representing 18.7% of the portfolio's total NPI. This also gave a timely cushion against COVID-19's impact to the portfolio.

As at 31 March 2021, MBC I recorded 94.6% committed occupancy while MBC II achieved full physical occupancy.

MBC's stable cashflows from high quality tenants make it an anchor of stability for MCT.

1 Others include Energy, Real Estate, F&B, and Services.
2 Actual occupancy for MBC I was 90.2%.
Data are as at 31 March 2021. Gross revenue and NPI are for the financial year ended 31 March 2021.


GROSS REVENUE
S$128.8 million
NET PROPERTY INCOME
S$107.2 million
COMMITTED OCCUPANCY[2]
94.6%
MBC I


GROSS REVENUE
S$86.3 million
NET PROPERTY INCOME
S$70.6 million
OCCUPANCY
100%
mapletree
MBC II

PROPERTY **OVERVIEW**

mTOWER

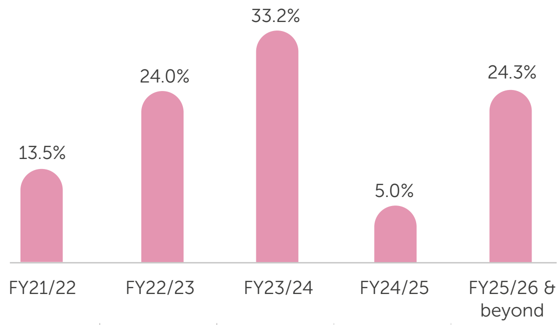
Integrated development comprising a 40-storey office building and a three-storey retail centre

Net Lettable Area	525,701 square feet
Number of Leases	117
Carpark Lots	749
Title	Leasehold 99 years commencing from 1 October 1997
Market Valuation	S$742.0 million
Purchase Price	S$477.2 million
Date of Purchase	27 April 2011
Key Tenants	**Office**: Mapletree Investments Pte Ltd, Casino Regulatory Authority, Maritime and Port Authority of Singapore **Retail**: FairPrice, McDonald's, Ichiban Sushi, Canton Paradise

mTower, formerly known as PSA Building, is a 40-storey integrated development located in the Alexandra Precinct. Its seamless connectivity to the Labrador Park MRT and proximity to the CBD make it an appealing alternative to a CBD office.

Its retail podium, ARC, provides a wide range of F&B, convenience and services offerings to the working population in the vicinity.

LEASE EXPIRY PROFILE BY GROSS RENTAL INCOME



	FY21/22	FY22/23	FY23/24	FY24/25	FY25/26 & beyond
Number of leases	36	33	36	7	5

TRADE MIX BY GROSS RENTAL INCOME

Government Related	**23.1%**
Trading	**16.2%**
Food & Beverage	**14.8%**
Real Estate	**12.6%**
Shipping Transport	**12.1%**
IT Services & Consultancy	**5.9%**
Beauty	**2.4%**
Consumer Services	**2.4%**
Others[1]	**10.5%**

1 Others includes Hypermarket / Departmental Store, Education, Retail Bank, Medical, Fashion Related, Lifestyle, Insurance, Services, Convenience, Sports, Optical and Electrical.

2 Actual occupancy was 75.5% and this was mainly due to the expiry of a major tenant's short-term lease on 31 August 2020.

3 Subsequent to reporting year, there was mutual agreement to terminate a lease at mTower ahead of its commencement. Assuming the lease pre-termination had occurred before 31 March 2021 and the space had remained uncommitted as at 31 March 2021, mTower's committed occupancy would be 79.7%.

Data are as at 31 March 2021. Gross revenue and NPI are for the financial year ended 31 March 2021.

GROSS REVENUE

S$40.2 million

NET PROPERTY INCOME

S$29.4 million

COMMITTED OCCUPANCY[2,3]

91.7 %

PROPERTY **OVERVIEW**

MAPLETREE ANSON

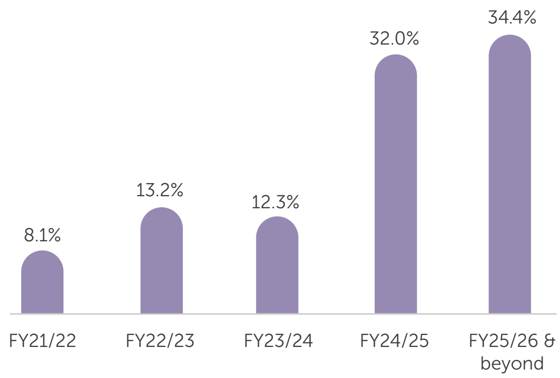
19-storey office building in the CBD with Grade A building specifications

Net Lettable Area	329,237 square feet
Number of Leases	22
Carpark Lots	80
Title	Leasehold 99 years commencing from 22 October 2007
Market Valuation	S$747.0 million
Purchase Price	S$680.0 million
Date of Purchase	4 February 2013
Key Tenants	WeWork Singapore Pte. Ltd., Goldman Sachs Services (Singapore) Pte. Ltd., Hubspot Asia Pte. Ltd.

Mapletree Anson is a 19-storey premium office building situated in the Tanjong Pagar micro-market. The building features Grade A building specifications including large column-free floor plates of over 20,000 square feet, making it suitable for contemporary workplace strategies as well as flexible and collaborative floor-space.

Mapletree Anson boasts of a quality tenant profile that comprises reputable multinational office tenants. Through a proactive leasing strategy, Mapletree Anson was 100% occupied for the full FY20/21.

LEASE EXPIRY PROFILE BY GROSS RENTAL INCOME



Number of leases	3	6	3	6	4

TRADE MIX BY GROSS RENTAL INCOME[1]

IT Services & Consultancy	**28.5%**
Real Estate	**25.1%**
Banking & Financial Services	**21.8%**
Trading	**7.1%**
Insurance	**6.6%**
Electronics	**5.0%**
Shipping Transport	**2.0%**
Energy	**2.0%**
Others	**1.8%**

[1] Total does not add up to 100% due to rounding.
Data are as at 31 March 2021. Gross revenue and NPI are for the financial year ended 31 March 2021.

GROSS REVENUE

S$34.5 million

NET PROPERTY INCOME

S$27.9 million

OCCUPANCY

100%

PROPERTY **OVERVIEW**

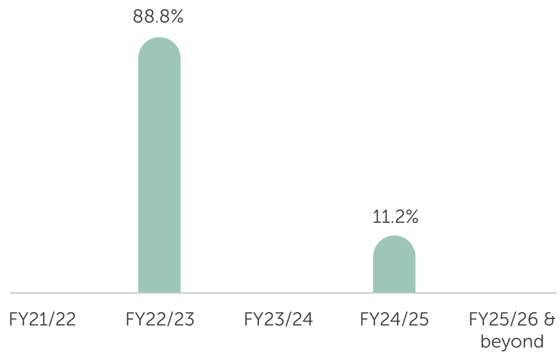
BANK OF AMERICA MERRILL LYNCH HARBOURFRONT

MLHF remained steady and consistent. It reported full occupancy throughout FY20/21 and contributed S$16.2 million of NPI to the portfolio.

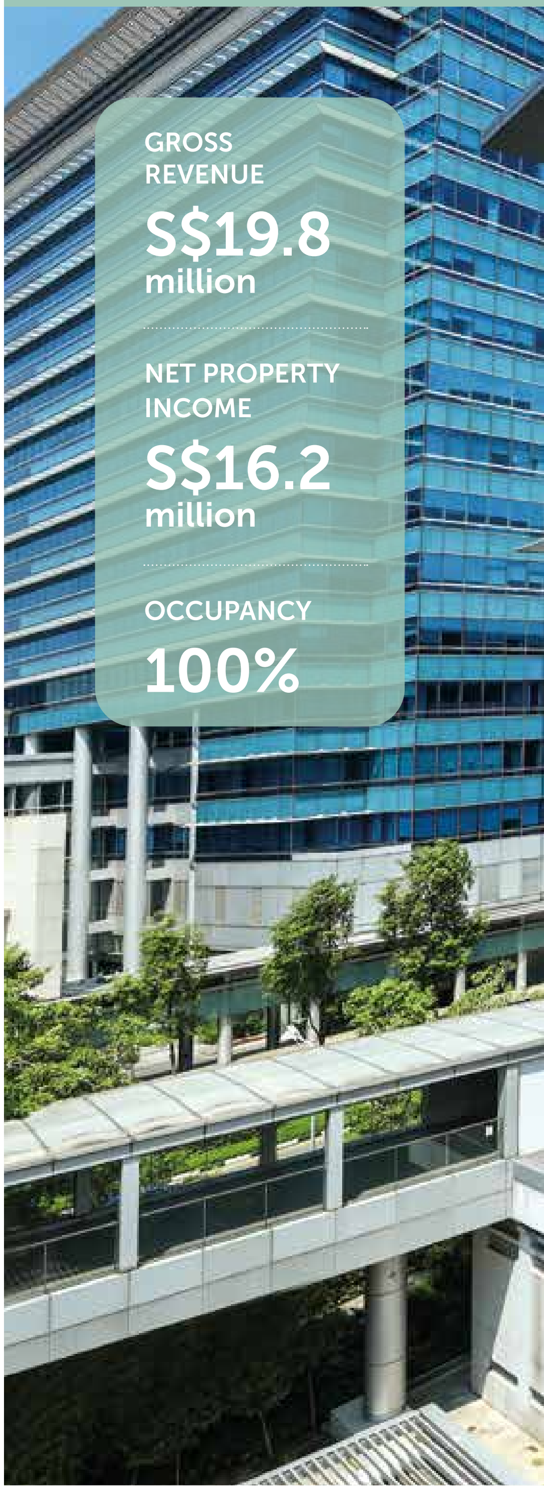
A six-storey office building with a basement carpark

Net Lettable Area	215,734 square feet
Number of Leases	3
Carpark Lots	94
Title	Leasehold 99 years commencing from 1 October 1997
Market Valuation	S$339.0 million
Purchase Price	S$311.0 million
Date of Purchase	27 April 2011
Key Tenant	Merrill Lynch Global Services Pte. Ltd.

LEASE EXPIRY PROFILE BY GROSS RENTAL INCOME



Number of leases	–	2	–	1	–



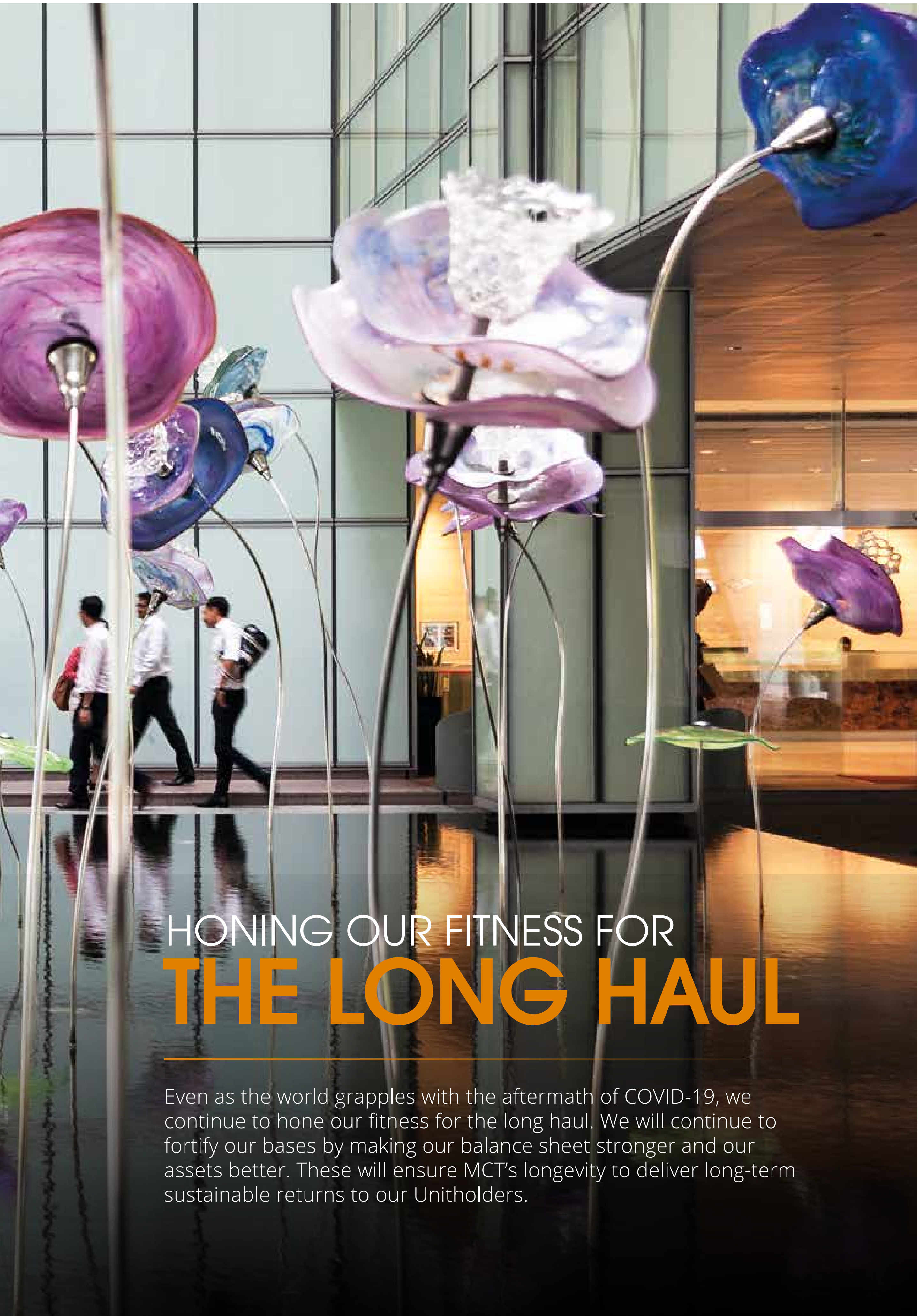
GROSS REVENUE
S$19.8 million

NET PROPERTY INCOME
S$16.2 million

OCCUPANCY
100%

Data are as at 31 March 2021. Gross revenue and NPI are for the financial year ended 31 March 2021.


mapletree
commercial



HONING OUR FITNESS FOR THE LONG HAUL

Even as the world grapples with the aftermath of COVID-19, we continue to hone our fitness for the long haul. We will continue to fortify our bases by making our balance sheet stronger and our assets better. These will ensure MCT's longevity to deliver long-term sustainable returns to our Unitholders.

OPERATIONS **REVIEW**

NAVIGATING A YEAR OF COVID-19

Safe distancing measures, work-from-home directives and extensive border closures were some of the challenges brought on by the COVID-19 pandemic. With retail malls and offices being some of the hardest hit sectors in the industry, our "business as usual" operations have inevitably been impacted too.

The Singapore government imposed an eight-week nationwide circuit breaker from 7 April 2020 followed by a Phase One easing of circuit breaker from 2 to 18 June 2020 during which all business and social activities not deemed to be essential were suspended. For our office and retail spaces, this meant a mandatory halt in operations for all non-essential services. Consequently, our retail spaces experienced a steep decline in footfall and a complete stoppage in atrium events despite remaining open to provide access to essential trades such as supermarkets and F&B operators providing takeaway and delivery services.

As we developed and implemented our response to the impact of COVID-19 on our business, we do so with a commitment to our tenants, shoppers and communities. Under the rental relief framework provided by the COVID-19 (Temporary Measures) (Amendment) Act, eligible retail tenants would receive two months of government-assisted rental waivers and two months of additional rental relief supported by landlords. To further assist our retail tenants in navigating the new climate, MCT complemented such efforts with its own targeted rental assistance programme, rolling out one of the most comprehensive tenant support packages in the market. Since the onset of the pandemic, MCT has extended calibrated rental assistance amounting to more than S$70.0 million to eligible retail tenants. We also implemented other support measures including extension of rental waivers for atrium events and free weekday parking during lunch and dinner hours to encourage shopper traffic from the residents and working population in the vicinity.

In tandem with the multi-phased re-opening of the country, business and social activities had resumed. Following the transition to Phase Two of circuit breaker re-opening from 19 June 2020, our offices saw an increase in physical occupancy as employees gradually returned to their workplaces. Our retail spaces also experienced a progressive recovery in shopper traffic and tenant sales, with the latter outpacing the former. Singapore moved into Phase Three of re-opening from 28 December 2020 whereby social gathering sizes were raised from five to eight. Up to 75% of workers were further allowed to return to their workplaces from 5 April 2021. Notwithstanding these relaxations, prolonged border closures have hindered full recovery. However, workplace capacity and social gathering limits were reverted to 50% and five respectively from 8 May 2021 due to an increase in unlinked locally transmitted cases. To further curb the community spread of COVID-19, Singapore moved back to Phase Two (Heightened Alert) from 16 May to 13 June 2021, tightening measures such as reducing the limit for social gatherings to two, halting dining-in at F&B establishments and making work-from-home as the default working arrangement.

Throughout this entire period, MCT has put in place extensive protective measures across its properties to safeguard the health of the local community. Examples include increasing the frequency of cleaning and sanitising of our premises, deploying disinfecting robots and thermal scanning systems, and enforcing Safe-Entry check-ins.

The prolonged uncertainties from COVID-19 and disruptions due to the various contagion control measures have also put a significant dampener on the demand for retail, office and business park spaces. For retail spaces, beyond rental relief, there were also efforts taken to restructure leases with more flexible terms so as to maintain occupancy. Office and business park leasing activities have slowed dramatically during the first half of FY20/21 while in the second half, tenants increasingly priced in the impact of the pandemic in their rental demands. Additionally, their internal views of future work trends have led them to downsize and seek alternative workspace solutions.

Amidst this challenging operating environment, MCT's portfolio gross revenue decreased 0.8% year-on-year to S$479.0 million while portfolio NPI decreased by 0.2% to S$377.0 million on a full year basis. This was largely attributed to the provision of COVID-19 rental assistance to tenants and was partially alleviated by the maiden full year contribution of MBC II to the portfolio as compared to five months of contribution in FY19/20.

Overall, MCT achieved a high retention rate of 76.4% and the committed occupancy of the portfolio remained high at 97.1% as at 31 March 2021. Subsequent to the reporting year, there was mutual agreement to terminate a lease at mTower. Assuming the lease pre-termination had occurred before 31 March 2021 and the space had remained uncommitted as at 31 March 2021, the committed occupancy for MCT's portfolio would be 95.9%.

ACTIVE ASSET MANAGEMENT AND LEASING

Reigniting the Shopping Experience

Despite the challenges brought on by COVID-19, VivoCity remains a cornerstone of the Singapore retail landscape and is essential to the lifestyle of the community it serves. During the year, efforts to mitigate the effects of COVID-19 through rental reliefs, lease restructuring and flexibility in lease terms have allowed the mall to maintain at least 96% of actual occupancy throughout the year. VivoCity has also continued to revamp itself to welcome shoppers with a revitalised shopping experience. A refreshed tenant mix and well-executed tenant marketing campaign have helped to lighten the mood of pandemic-weary shoppers with a change of pace.

The F&B cluster on Level 1 was revitalised to introduce an eclectic mix of international dining concepts along the stretch, including popular American burger joint Shake Shack and plant-based dining concept Green Common. The entire exercise delivered approximately 30% of return on investment on a stabilised basis[1]. Besides this, new F&B concepts such as Astons Specialities, HEYTEA and Michelin Bib Gourmand Tamjai Samgor Mixian have been introduced to broaden F&B choices. Appealing to young adults and families alike, the new and refreshed F&B offerings have been well-received by shoppers.

On top of these, existing tenant, adidas, expanded its footprint in the mall by approximately 2.7 times to introduce adidas Originals' largest flagship store in Southeast Asia on Basement 1 and adidas Performance's largest flagship store in Singapore on Level 1. Reconfiguration works at Best Denki have widened and created a more inviting shopfront as well as introduced home-grown online-to-offline fashion retailer Love, Bonito. This reconfiguration exercise added approximately 30% of return on investment on a stabilised basis[2]. This proactive approach has refreshed the retail offerings and drawn in shoppers, further strengthening VivoCity's foothold as a destination mall.

Operationally, capital expenditures were re-prioritised to focus on enhancing operational efficiencies. Works to upgrade four sets of chiller plants in VivoCity were fully completed in July 2020. This will help us achieve significant energy and cost savings.

In view of curtailed tourist arrivals, our marketing campaign, "It's Time to Win It All", was timely executed to capture pent-up domestic consumer demand following Phase Two of circuit breaker re-opening. This campaign resonated well with shoppers and was met with an overwhelming response with S$3.7 million in shopper spend captured and S$1.1 million in tenant vouchers issued. On a year-on-year basis, shopper traffic and tenant sales for FY20/21 dipped 50.1% and 23.3% to reach 25.7 million and S$695.8 million respectively. On a quarterly basis, however, tenant sales have been improving progressively. 4Q FY20/21 tenant sales were 5.2% higher than 4Q FY19/20 levels, comparing well against 1Q FY20/21, 2Q FY20/21 and 3Q FY20/21, which recorded sales amounting to 36.6%, 78.0% and 85.9% respectively of the corresponding quarters in FY19/20. Measured against pre-COVID levels, monthly tenant sales from January to March 2021 have reached more than 86% of the corresponding months in 2019, with occupancy cost of 18.7%[3] as at 31 March 2021. Due to the uncertainties associated with COVID-19, VivoCity recorded a -8.7% rental reversion, with 18.6% of the mall's NLA being renewed and re-let.

Resilience and Stability from Office and Business Park Assets

Whilst work-from-home arrangements may have caused businesses to rethink their workspace requirements and strategy, MCT's office and business park assets have continued to demonstrate and lend resilience to the portfolio. In FY20/21, 24.6% of NLA at our offices and business parks were either re-let or renewed, out of a total of 27.2% of NLA expiring in FY20/21. These leases were secured at positive rental reversions of 0.4%. Supported by the Manager's proactive leasing strategy, renewals for both MBC I and MBC II were secured early, with MBC I achieving high committed occupancy of 94.6% and MBC II achieved full occupancy as at 31 March 2021. With its steady cashflows from high quality tenants, the premium integrated office and business park development will continue to be a source of stability and anchor for MCT's performance.

With 8.0% of NLA renewed, Mapletree Anson achieved rental uplift of 7.1% and 100% physical occupancy. The portfolio's stability was further bolstered by MLHF's full occupancy throughout FY20/21.

mTower has seen its actual occupancy fall from 88.1% (as at 31 March 2020) to 75.5% (as at 31 March 2021), reflecting the current difficulties in the office leasing market during COVID-19 and also due to the lease expiry of a major tenant, which occupied 23.5% of the office NLA. The performance of mTower has also been affected by the negotiated pre-termination of a major tenant's lease at mTower in April 2021. However, the pre-termination compensation would provide more than 16 months of lead time for backfilling. Marketing of the space is still in progress. Assuming the pre-termination had occurred before 31 March 2021 and the space had remained uncommitted as at 31 March 2021, mTower would be 79.7% committed.

1 Based on estimated capital expenditure of approximately S$0.7 million.
2 Based on estimated capital expenditure of approximately S$1.3 million.
3 Included the rental assistance granted in FY20/21.

OPERATIONS **REVIEW**

PORTFOLIO OCCUPANCY

Notwithstanding the challenging operating environment, the portfolio maintained a healthy committed occupancy of 97.1% as at 31 March 2021.

	As at March 2017	As at March 2018	As at March 2019	As at March 2020	As at March 2021	
					Actual	Committed
VivoCity	99.0%	93.1%	99.4%	99.6%	97.1%	99.1%
MBC I	99.0%	99.4%	97.8%	96.4%	90.2%	94.6%
MBC II	–	–	–	99.4%	100%	100%
mTower	98.3%	96.1%	96.4%	88.1%	75.5%[1]	91.7%[2]
Mapletree Anson	100%	86.6%	96.8%	97.8%	100%	100%
MLHF	79.2%	100%	100%	100%	100%	100%
MCT Portfolio	**97.9%**	**96.1%**	**98.1%**	**97.1%**	**93.5%**	**97.1%[2]**

SUMMARY OF LEASES COMMITTED IN FY20/21

The retention rate of MCT's tenants in FY20/21 was 76.4%. Retail leases recorded a healthy retention rate of 80.8% while the office and business park leases recorded 75.4% retention rate.

On a portfolio basis, rental rates for renewed and new leases in FY20/21 posted an average decline of 3.1% against preceding fixed rents at the end of the expiring leases.

	Number of Leases Committed	Retention Rate (by NLA)	% Change in Fixed Rents[3]
Retail	105	80.8%	-9.6%[4]
Office/Business Park	31	75.4%	0.4%[5]
MCT Portfolio	**136**	**76.4%**	**-3.1%[5]**

LEASE EXPIRY PROFILE

As at 31 March 2021, MCT has a portfolio weighted average lease expiry ("WALE") on a committed basis of 2.4 years. With a typical retail lease term of three years, the WALE for retail leases was 2.1 years. The WALE for the office and business park assets was healthy at 2.7 years largely contributed by the defensive lease profiles at MBC, Mapletree Anson and MLHF.

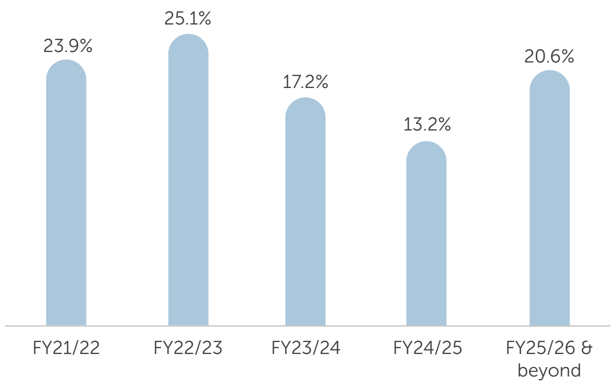
Based on the date of commencement of leases, MCT's portfolio WALE was 2.1 years as at 31 March 2021.

MCT's overall portfolio had 575 committed leases of which 23.9% would be expiring in FY21/22.

The leases entered into in FY20/21 contributed 22.2% of gross rental income as at 31 March 2021 and had a WALE of 4.2 years.

LEASE EXPIRY PROFILE BY GROSS RENTAL INCOME

(as at 31 March 2021)



Number of Leases

FY21/22	FY22/23	FY23/24	FY24/25	FY25/26 & beyond
184	176	132	48	35

1 Mainly due to the expiring of a major tenant's short-term lease on 31 August 2020.
2 The committed occupancies for mTower and MCT's portfolio would be 79.7% and 95.9% respectively assuming the lease pre-termination at mTower had occurred before 31 March 2021 and the space had remained uncommitted as at 31 March 2021.
3 On a committed basis and based on the average of the fixed rents over the lease period of the new committed leases divided by the preceding fixed rents of the expiring leases. Rent reviews are typically not included in the calculation of rental reversions.
4 Includes the effect from trade mix changes and units subdivided and/or amalgamated.
5 Mainly due to the expiry of a major tenant's short-term lease at mTower on 31 August 2020 and assuming the pre-terminated tenant had remained committed to lease part of the space as at 31 March 2021. Including the effect of this short-term lease and assuming the pre-terminated tenant had not signed the lease and the space had remained uncommitted as at 31 March 2021, rental reversion for Office/Business Park and MCT Portfolio would be 3.0% and -1.7% respectively. Excluding the effect of this short-term lease and assuming the pre-terminated tenant had not signed the lease and the space had remained uncommitted as at 31 March 2021, rental reversion for Office/Business Park and MCT Portfolio would be 4.5% and -0.9% respectively.

TENANT PROFILE

MCT's top ten tenants (excluding an undisclosed tenant) contributed 28.5% of gross rental income as at 31 March 2021. For both retail and office/business park assets, MCT's tenants come from a wide variety of trade sectors, providing good diversification. No single trade segment accounted for more than 19.3% of MCT's gross rental income.

BREAKDOWN OF TENANTS IN MCT'S PORTFOLIO

(as at 31 March 2021)

Property	Number of Tenants
VivoCity	308
MBC	62[1]
mTower	110
Mapletree Anson	19
MLHF	3
Total	**472[2]**

MCT TOP TEN TENANTS BY GROSS RENTAL INCOME

(as at 31 March 2021)

	Tenant	% of Gross Rental Income
1	Google Asia Pacific Pte. Ltd.	10.7%
2	Merrill Lynch Global Services Pte. Ltd.	3.2%
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	2.0%
8	NTUC Fairprice Co-operative Ltd	1.9%
9	Samsung Asia Pte. Ltd.	1.8%
10	WeWork Singapore Pte. Ltd.	1.7%
	Total	**28.5%[3]**

MCT TRADE MIX BY GROSS RENTAL INCOME

(as at 31 March 2021)

	Trade Mix	% of Gross Rental Income
1	IT Services & Consultancy	19.3%
2	F&B	14.1%
3	Banking & Financial Services	10.5%
4	Fashion	7.2%
5	Government Related	6.6%
6	Fashion Related	4.0%
7	Hypermarket / Departmental Store	3.8%
8	Shipping Transport	3.8%
9	Real Estate	3.7%
10	Beauty	3.0%
11	Electronics[4]	3.0%
12	Pharmaceutical	2.9%
13	Consumer Goods	2.9%
14	Sports	2.1%
15	Electronics[5]	2.1%
16	Lifestyle	2.1%
17	Others[6]	8.9%
	Total MCT Portfolio	**100%**

1 MBC I and MBC II had 30 and 34 tenants respectively. Total does not add up to 62 due to common tenants.
2 Total does not add up due to common tenants across properties.
3 Excluding the undisclosed tenant.
4 Refers to tenants in office/business park.
5 Refers to tenants in retail.
6 Others includes Trading, Energy, Entertainment, Retail Bank, Optical, Insurance, Education, Consumer Services, Medical, Services and Convenience.

FINANCIAL & CAPITAL MANAGEMENT REVIEW

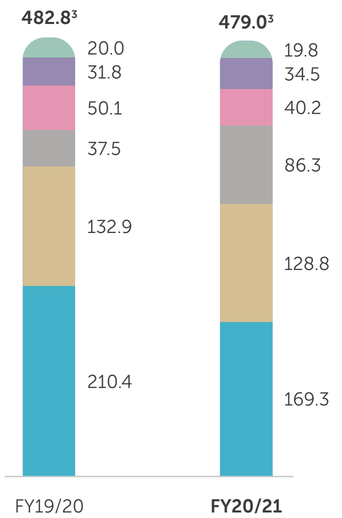
	FY20/21 (S$'000)	FY19/20 (S$'000)	Variance (%)
Gross revenue	478,997	482,825	(0.8)
Property operating expenses	(101,987)	(104,885)	2.8
Net property income	**377,010**	**377,940**	**(0.2)**
Finance income	754	813	(7.3)
Finance expenses	(76,848)	(78,787)	2.5
Manager's management fees	(37,538)	(35,148)	(6.8)
Trustee's fees	(1,049)	(952)	(10.2)
Other trust expenses	(1,153)	(1,345)	14.3
Net foreign exchange gain/(loss)	8,639	(7,900)	N.M.
Net change in fair value of financial derivative	(8,786)	8,885	N.M.
Profit before tax and fair value change in investment properties	**261,029**	**263,506**	**(0.9)**
Net change in fair value of investment properties	(192,420)	279,591	N.M.
Income tax expense	(3)	(2)	(50.0)
Profit after tax	**68,606**	**543,095**	**(87.4)**
Amount available for distribution to Unitholders	**314,720[1]**	**243,218[2]**	**29.4**
DPU (Singapore cents)			
– Taxable distribution	8.45	7.97	6.0
– Capital distribution	1.04	0.03	N.M.
Total DPU	**9.49[1]**	**8.00[2]**	**18.6**

N.M.: Not meaningful

GROSS REVENUE

S$479.0 million
0.8%

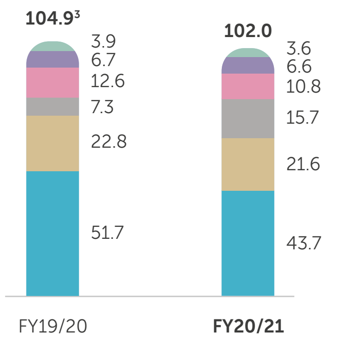
(S$ million)



PROPERTY OPERATING EXPENSES

S$102.0 million
2.8%

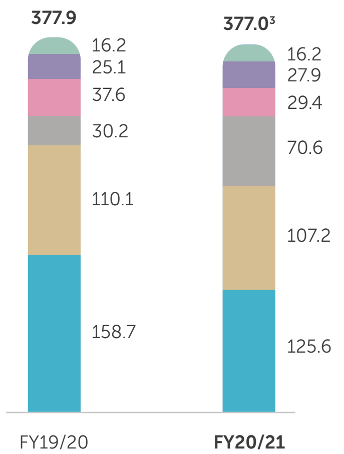
(S$ million)



NET PROPERTY INCOME

S$377.0 million
0.2%

(S$ million)



VivoCity | MBC I | MBC II | mTower | Mapletree Anson | MLHF

[1] Includes the release of S$28.0 million from the retained cash carried forward from 4Q FY19/20.
[2] In 4Q FY19/20, MCT made capital allowance claims and retained capital distribution totalling S$43.7 million to conserve liquidity in view of the uncertainty due to the COVID-19 pandemic.
[3] Total does not add up due to rounding differences.

FY20/21 was an extraordinary year for everyone as the COVID-19 pandemic precipitated a host of challenges that still persist today. Notwithstanding, we continued our approach in managing MCT proactively and nimbly. With a view to safeguard the long-term health of the retail sector, we provided meaningful assistance to eligible retail tenants to weather the headwinds.

Although our full year financial performance was dampened by the COVID-19 rental rebates, MBC II's maiden full year contribution helped to cushion the impact.

GROSS REVENUE

Gross revenue was 0.8% lower at S$479.0 million for FY20/21 compared to FY19/20. This was mainly due to rental rebates granted to eligible tenants affected by COVID-19 and lower other income, partially offset by the full year contribution from MBC II of S$86.3 million in FY20/21.

Revenue for Mapletree Anson was S$2.7 million higher than FY19/20 mainly due to higher rental income from higher occupancy and step-up rent in existing leases, offset by lower other income.

Revenue for MLHF was S$0.2 million lower than FY19/20 mainly due to lower other income, offset by step-up rent in existing leases.

Revenue for MBC I was lower by S$4.1 million mainly due to lower rental income from lower occupancy and lower other income, partially offset by the effects of step-up rents in existing leases.

Revenue for mTower was S$9.9 million lower than FY19/20 mainly due to lower rental income from lower occupancy at mTower, lower carpark income and rental rebates granted to eligible retail tenants at ARC, offset by cash grants received.

Revenue for VivoCity was S$41.1 million lower than FY19/20 mainly due to the rental rebates granted to eligible tenants affected by the COVID-19 as well as lower rental income from restructured leases, negative rental revision, lower occupancy and lower turnover rent. Carpark income and advertising and promotion income were also lower due to COVID-19 restrictions. This was partially offset by compensation sum received from pre-termination of leases and step-up rents in existing leases.

PROPERTY OPERATING EXPENSES

Property operating expenses were 2.8% lower at S$102.0 million compared to FY19/20. Excluding the full year impact of MBC II of S$15.7 million, the Group incurred lower staff costs, property maintenance expenses, utilities expenses, marketing and promotion expenses, property tax expense and property management fees across all other properties.

NET PROPERTY INCOME

Net property income was S$377.0 million in FY20/21, marginally lower by 0.2% compared to S$377.9 million in FY19/20 due to lower gross revenue offset by lower property operating expenses.

FINANCE EXPENSES

Finance expenses were 2.5% lower at S$76.8 million for FY20/21 compared to FY19/20 mainly due to lower interest rates on floating rate borrowings, lower interest rates from refinancing of fixed rate notes and interest expense incurred on bridging loans drawn down to part finance the MBC II acquisition in 2H FY19/20. This was partially offset by the full year effect of interest expenses for MBC II.

MANAGER'S MANAGEMENT FEES

Manager's management fees were 6.8% higher at S$37.5 million for FY20/21 compared to FY19/20 mainly due to higher total assets value resulting from the acquisition of MBC II.

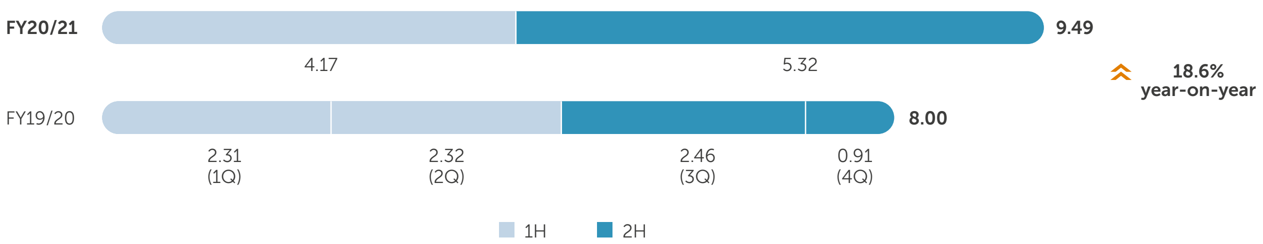
AMOUNT AVAILABLE FOR DISTRIBUTION AND DISTRIBUTION PER UNIT

In 4Q FY19/20, MCT made capital allowance claims and retained capital distribution totalling S$43.7 million to conserve liquidity in view of the COVID-19 uncertainties. MCT released S$28.0 million of this retained cash as distribution to Unitholders in FY20/21. As a result, the amount available for distribution to Unitholders for FY20/21 totalled S$314.7 million, up 29.4% year-on-year.

Correspondingly, the DPU for FY20/21 was 9.49 Singapore cents, a year-on-year increase of 18.6%.

FINANCIAL & CAPITAL MANAGEMENT REVIEW

The breakdown of the DPU in Singapore cents for FY20/21 as compared to FY19/20 is as follows:



PROJECT MANAGEMENT FEES

The Property Manager was contracted to carry out project management for the asset enhancement initiatives ("AEIs") at VivoCity and mTower.

The AEI at VivoCity included the conversion of 32,000 square feet of commercial space on Level 3 into a public library, decanting and using the space to extend the existing Basement 1 retail space, injection of a new stack of escalators to connect Basement 2 and Level 1 through the Basement 1 extension, as well as related works such as addition of solar panels on the new rooftop carpark shelter, addition of toilets on Basement 1 and upgrading of the water feature at the outdoor plaza. The AEI at mTower relates to the first phase of the upgrading of common area toilets and lift lobbies.

The project management fees payable represent 3% of the total construction costs of the AEIs. The quantum of the project management fee is within market norms and reasonable range as assessed by WT Partnership (S) Pte Ltd in its opinion issued on 10 May 2018 and 13 March 2020.

As at 31 March 2021, the construction cost for AEIs at VivoCity and mTower were finalised. The total project management fees paid/payable to the Property Manager in relation to the AEIs at VivoCity and mTower were S$364,000 and S$191,000 respectively. The project management fees were capitalised in investment properties.

The fee and disclosure are in accordance to the Manager's undertaking as disclosed in the MCT IPO prospectus.

NET ASSETS ATTRIBUTABLE TO UNITHOLDERS

	As at 31 March 2021	As at 31 March 2020	Change (%)
Total Assets (S$'000)	8,950,584	9,007,071	(0.6)
Total Liabilities (S$'000)	3,241,616	3,220,123	0.7
Net Assets Attributable to Unitholders (S$'000)	5,708,968	5,786,948	(1.3)
Number of Units in Issue ('000)	3,316,204	3,307,510	0.3
NAV per Unit (S$)	1.72	1.75	(1.7)

Total assets value decreased by 0.6% to S$8,950.6 million as at 31 March 2021 as compared to S$9,007.1 million as at 31 March 2020. The decrease was largely due to the decline in valuation of the investment properties due to the impact of COVID-19.

Total liabilities increased by 0.7% to S$3,241.6 million as at 31 March 2021 as compared to S$3,220.1 million as at 31 March 2020. The increase was mainly due to borrowings drawn down for working capital purposes.

Correspondingly, net assets attributable to Unitholders decreased by 1.3% to S$5,709.0 million as compared to the previous financial year ended 31 March 2020.

NAV per Unit was lower at S$1.72 as at 31 March 2021. The adjusted NAV per Unit (after excluding the distributable amount payable for 2H FY20/21) was S$1.67.

VALUATION OF ASSETS

As at 31 March 2021, MCT's properties were valued at S$8,737.0 million, mainly due to the impact of COVID-19 driving changes in passing rents as well as lower market rents and reduced rental growth profile, offset by compression of capitalisation rates for MBC I, MBC II and MLHF due to market transactions as compared to a year ago. Accordingly, net fair value loss of investment properties of S$192.4 million was recorded.

	As at 31 March 2021[1]			As at 31 March 2020
	S$ million	S$ per square feet ("psf") NLA	Capitalisation Rate	S$ million
VivoCity	3,148.0	2,922 psf	4.625%	3,262.0
MBC I	2,226.0	1,304 psf	Office: 3.80% Business Park: 4.85%	2,198.0
MBC II	1,535.0	1,296 psf	Business Park: 4.80% Retail: 4.75%	1,560.0
mTower	742.0	1,411 psf	Office: 4.00% Retail: 4.85%	791.0
Mapletree Anson	747.0	2,269 psf	3.50%	762.0
MLHF	339.0	1,571 psf	3.80%	347.0
MCT Portfolio	**8,737.0**			**8,920.0**

CAPITAL MANAGEMENT

The Manager continues to proactively manage MCT's capital structure and takes a disciplined approach in addressing funding requirements and managing refinancing and interest rate risks.

In FY20/21, MCT secured S$360.0 million of term loan facilities and S$370.0 million of green loan facilities for refinancing needs. MCT completed the redemption of S$160.0 million of fixed rate notes due in August 2020 and refinanced S$369.3 million of bank borrowings ahead of their maturities in April 2021. Subsequent to 31 March 2021, the MTN of S$70.0 million classified as current liabilities has been fully redeemed upon maturity with existing facilities, thus completing all refinancing for FY21/22.

The Group manages its interest rate risk by maintaining a mix of fixed and floating rate borrowings. The Group uses derivative financial instruments to hedge its interest rate risks. As part of the Manager's active capital management approach, Interest Rate Swaps ("IRS") of notional S$200.0 million and forward start IRS of notional S$50.0 million were executed to provide certainty on interest expenses arising from term loan facilities. As at 31 March 2021, approximately 70.7% of the gross borrowings have been fixed by way of IRS and fixed rate debt.

As at 31 March 2021, MCT's total gross debt outstanding of S$3,032.9 million remained fully unsecured with minimal financial covenants. Due to the downward valuation of the investment properties, the aggregate leverage ratio increased from 33.3% as at 31 March 2020 to 33.9% as at 31 March 2021, well below the statutory limit, and this is not expected to have a significant impact on MCT's risk profile. As at 31 March 2021, MCT Group has a sizeable debt headroom of S$2.8 billion (based on regulatory limit of 50%[2]).

As at 31 March 2021, the aggregate leverage ratio was 53.1% based on net assets. For the financial year ended 31 March 2021, MCT achieved a healthy interest coverage ratio of 4.4 times and a prudent average all-in cost of debt of 2.48% per annum. Overall, MCT has maintained a well-distributed debt maturity profile with no more than 24% of debt due for refinancing in any financial year and an average term to maturity of 4.2 years.

Subsequent to the reporting year, Moody's affirmed MCT's Baa1 issuer rating and changed outlook from negative to stable.

1 The valuation for VivoCity was conducted by Savills Valuation and Professional Services (S) Pte. Ltd., while the valuations for MBC I, MBC II, mTower, Mapletree Anson and MLHF were conducted by CBRE Pte. Ltd.

2 On 16 April 2020, MAS raised the leverage limit from 45.0% to 50.0%.

FINANCIAL & CAPITAL MANAGEMENT REVIEW

KEY FINANCIAL INDICATORS

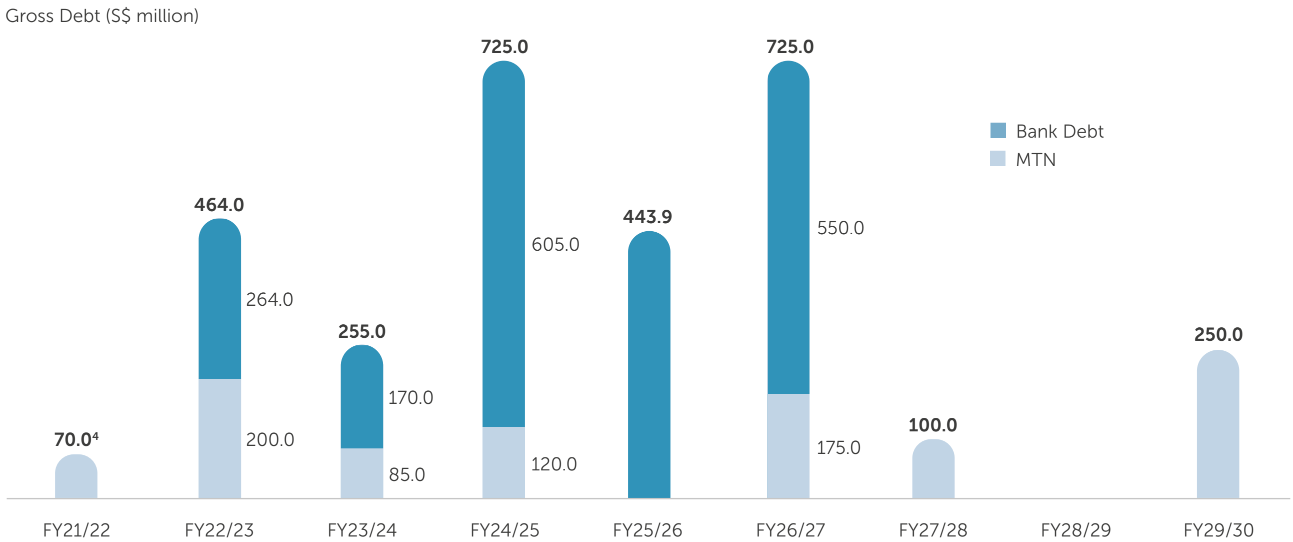
	As at 31 March 2021	As at 31 March 2020
Total Debt Outstanding (S$ million)[1]	3,032.9	3,003.2
Aggregate Leverage Ratio		
– Based on Total Deposited Property	33.9%	33.3%
– Based on Net Assets	53.1%	51.9%
Interest Coverage Ratio	4.4 times	4.3 times
% of Fixed Rate Debt	70.7%[2]	78.9%
Weighted Average All-In Cost of Debt (per annum)[3]	2.48%	2.94%
Average Term to Maturity of Debt	4.2 years	4.2 years
Unencumbered Assets as % of Total Assets	100%	100%
MCT Corporate Rating (by Moody's)	Baa1 (Negative)	Baa1 (Stable)

PRIORITISING FINANCIAL FLEXIBILITY

As at 31 March 2021, approximately S$618.6 million of cash and undrawn committed facilities were available for working capital or future financial obligations. During the financial year, we have proactively completed refinancing ahead of time, maintained a well-distributed debt maturity profile and continued to remain well-capitalised with ample financial flexibility.

We will continue to focus on long-term resilience and sustainable returns underpinned by prudent and disciplined capital management.

DEBT MATURITY PROFILE (as at 31 March 2021)



% of Total Debt

FY21/22	FY22/23	FY23/24	FY24/25	FY25/26	FY26/27	FY27/28	FY28/29	FY29/30
2%	15%	8%	24%	16%	24%	3%	–	8%

1 Reflects total gross debt after taking into account the CCIRS taken to hedge the JPY8.7 billion floating rate medium term notes.
2 Including forward start IRS of S$50.0 million, fixed debt is 72.4%.
3 Including amortised transaction costs.
4 Subsequent to the reporting year, S$70.0 million of MTN was redeemed.

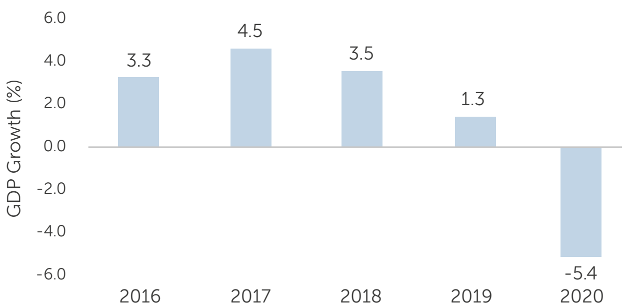
INDEPENDENT **MARKET OVERVIEW**

1. THE SINGAPORE ECONOMY

1.1 Economic Overview

According to the Ministry of Trade and Industry ("MTI"), Singapore's Gross Domestic Product ("GDP") contracted by 5.4% in 2020, a reversal from the 1.3% growth in 2019. Despite the contraction, there were optimistic nods in the economic indicators as Singapore entered Phase 3 of re-opening on 28 December 2020. Singapore's economy expanded by 1.3% year-on-year and 3.1%[1] on a quarter-on-quarter basis in 1Q 2021, extending the 3.8% expansion in the preceding quarter. The execution of vaccination programmes is expected to boost confidence and support the gradual recovery of economic activities.

Chart 1: Singapore Historical GDP Growth Rate



Source: MTI

The manufacturing sector was the best performing sector in 1Q 2021 with 10.7% expansion year-on-year. The overall growth was mainly contributed by output expansion in biomedical manufacturing, electronics and precision engineering clusters which are poised to see sustained output growth.

The service producing industries contracted 0.5% year-on-year in 1Q 2021, but saw a slight growth of 1.1% quarter-on-quarter. Contractions were mainly led by the accommodations, transportation & storage, food & beverage services ("F&B") and wholesale & retail trade, as these sectors were impacted by weak external demand, social distancing measures and travel restrictions. On the other hand, the information & communications and finance & insurance sectors recorded growth of 6.4% and 4.7% year-on-year respectively in 1Q 2021.

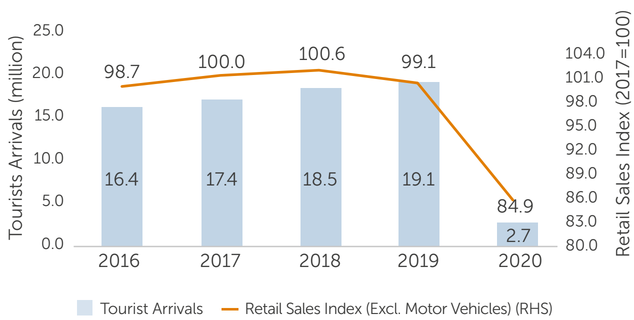
Tourism Sector

COVID-19 has created an unprecedented situation with widespread global travel restrictions. With border closures, visitor arrivals in Singapore fell to 2.74 million, representing an 85.7% drop in 2020 compared to 2019. However, with the vaccination programmes underway, there could be some improvement in travel confidence.

In October 2020, the Event Industry Resilience Roadmap was introduced to steer the restoration process. The opening of Connect@Changi in early March at SingExpo, a pilot short-stay facility, is designed to support safe meetings between international business travellers and Singapore residents. When fully opened in mid-2021, the facility will yield some 1,300 guest rooms and 340 meeting rooms. However, due to the evolving nature of the pandemic, the Singapore Government has signalled that it will monitor the domestic situation closely before deciding on the next steps.

Singapore's position as a safe and attractive leisure and business hub will boost the short to medium term outlook of the tourism sector. CBRE expects Singapore hotel occupancy to pick up in 2021, supported by the demand from Stay-Home Notices and frontline workers, and potentially reach pre-COVID levels by 2024.

Chart 2: Visitor Arrivals & Retail Sales Index (excluding Motor Vehicles)



Sources: CBRE, Department of Statistics, STB

1.2 Government Response to COVID-19 and Supporting Measures

The Singapore government had dedicated nearly S$100 billion through five special budgets, amounting to almost 20% of the country's GDP, to overcome the COVID-19 pandemic.

On 5 June 2020, the COVID-19 (Temporary Measures) (Amendment) Bill was passed to resolve financial concerns and support eligible Small and Medium Enterprises ("SMEs"), as well as affected landlords and businesses, by providing additional relief. The key amendments include rental support for eligible SMEs via a new rental relief framework

[1] On a seasonally-adjusted basis.

INDEPENDENT **MARKET OVERVIEW**

and relief for tenants who were unable to vacate their business premises due to COVID-19.

Additional loan and cashflow support schemes were also available for landlords and businesses affected by the pandemic. Landlords could defer both principal and interest repayments till 31 December 2020, should they be required to provide rental waivers or repayment rescheduling to affected tenants. More flexibility was also extended to Singapore-listed REITs, whereby they are permitted to extend their timelines for distribution of their taxable income.

In the mid to long-term, some development slippages and delay in construction activities are expected, as a result of manpower issues and measures imposed due to the pandemic. For landlords, under the COVID-19 (Temporary Measures) Act, temporary relief from inability to perform contractual obligations without any liability will be provided.

While Singapore Tourism Board ("STB") has rolled out campaigns to support domestic tourism, Singapore's borders remain largely closed to international tourists. However, the country has gradually reopened its borders, with a "fast lane" agreement with China that took effect from 8 June 2020 which allows essential business travel.

Singapore was the first country in Asia Pacific to approve both the Pfizer-BioNTech and Moderna vaccines in December 2020 and February 2021 respectively. Immunisation is currently being rolled out to the wider population in phases across 2021. As at 24 May 2021, approximately 3.7 million vaccine doses[1] have been administered, with more than 1.6 million people having completed the full vaccination regime. Singapore aims to complete vaccination for the population by end-2021.

In February 2021, the government unveiled the Budget for 2021 (Emerging Stronger Together), allocating S$11 billion to a COVID-19 Resilience Package, S$24 billion to enable firms and workers to emerge stronger, an additional S$5.4 billion to a second tranche of the Jobs and Skills Package, support for the built environment sector, as well as a new S$900 million household support package.

Although the global and local economy have shown signs of recovery, there are still lingering uncertainties emerging from COVID-19. In May 2021, Singapore saw an increase in locally-transmitted cases. In response, the government tightened border controls and safe management measures. These measures were introduced as "Phase 2 (Heightened Alert)" taking effect from 16 May to 13 June 2021. Under the new measures, social gatherings were limited to two persons and "mask off" activities such as dining-in, strenuous indoor exercise classes and personalised services such as facials and saunas were halted. However, retail shopping and attractions and museums are still allowed to operate albeit with reduced capacities - shopping malls have to adhere to capacity limit of 16sqm of GFA per person, while attractions and museums can only receive visitors of up to 25% of operating capacity and up to 20 persons for tour groups. MICE events and weddings are still allowed with up to 100 persons with pre-event testing ("PET") or 50 persons without PET. As a result of the increase in community cases, the Singapore-Hong Kong Travel Bubble originally planned for 26 May 2021 had also been deferred.

To cushion the impact over this period, the government will increase support for F&B businesses under the Jobs Support Scheme ("JSS") from 10% to 50% of the first S$4,600 of gross monthly wages paid to local employees during this period. Additionally, the government will also provide one month of rental waiver for hawker stalls and coffee shop tenants of government agencies.

On 28 May 2021, the government announced additional financial support for qualifying tenants and SMEs affected during Phase 2 (Heightened Alert) period. For privately-owned commercial properties, some landlords have extended rental waivers or rebates to aid their tenants during this period. To provide additional support, the Inland Revenue Authority of Singapore ("IRAS") will disburse 0.5 month of rental relief payout to qualifying tenants, which will be disbursed starting from mid-August 2021 and assessed based on the latest contractual gross rent during the period from 14 to 29 May 2021.

Moving forward, the government will continue to review its measures regularly to manage risk, while maintaining an open economy.

1.3 Economic Outlook

Looking ahead, the trajectory of the pandemic remains uncertain and with the emergence of new COVID-19 variants, major economies continue to face an uneven path to recovery. With global vaccination programmes underway, some green shoots are expected to boost overall sentiment. While sectors such as tourism and aviation face a protracted recovery due to travel restrictions, the F&B and retail sectors are expected to benefit from the uptick confidence in consumer sentiments. The Singapore economy is expected to see gradual albeit uneven recovery across various sectors toward the latter half of 2021. Supported by the return of international travel to some degree, MTI expects the economy to expand by 4.0% to 6.0% in 2021.

2. THE RETAIL MARKET OVERVIEW

2.1 Retail Sales Index[2]

Retail sales faced an extraordinary year as the retail sector faced unprecedented obstacles in 2020. As a result of the pandemic and circuit breaker,

[1] Ministry of Health, COVID-19 vaccination statistics, 24 May 2021.
[2] Retail Sales Index (2017=100), in Chained Volume Terms (seasonally adjusted), Monthly, SA (SSIC 2015 Version 2018).

international travel and consumption came to a standstill. In Singapore, small retail businesses bore the brunt of the decline as many were not financially equipped to withstand the sudden disruptions. F&B also declined, especially due to the circuit breaker and could only rely on deliveries and takeaways.

On the other hand, sectors such as supermarket and household equipment recorded better performances due to increased demand for domestic consumption especially during the circuit breaker. This prompted the retailers to build a digital community by marketing their services/products on social media, while concurrently upgrading the technology infrastructure of their business. Retailers and restaurants will have to re-strategise and adapt to a gradual albeit uncertain recovery.

The total retail sales index (excluding motor vehicles) for March 2021 recorded a 6.3% increase year-on-year. The majority of the growth was due to a lower base last year when safe distancing measures were first unveiled to contain the pandemic. With the relaxation of safe distancing measures and increased mobility patterns, sales in the Supermarkets (-13.0%), mini-marts & convenience stores (-7.2%) and food & alcohol (-9.9%) subsectors declined year-on-year as compared to last year, when the majority of people stayed home during the circuit breaker.

As more people have gone back to shopping centres, recreational goods (32.7%), wearing apparel and footwear (42.6%), watches and jewellery (59.0%), furniture & household equipment (3.9%) and computer & telecommunications equipment (24.4%) have recorded year-on-year increases, reflecting the changes in lifestyle and consumption patterns of residents. On the other hand, shoppers have also adapted to the "new normal" brought about by the social distancing measures and started shopping more online. This is evidenced by the increase in proportion of online sales to total retail sales. Overall, the proportion of online retail trade (excluding motor vehicles) have increased by 37.1%. The proportions for Supermarkets (64.1%), Computer and telecommunications equipment (12.8%) and Furniture & household equipment (50.8%) have also increased year-on-year. Moving forward, retail sales are expected to stay subdued in the first half of this year, at least, given the absence of tourism-led demand.

The Food & Beverage Services Index[1] registered a year-on-year growth of 5.9% in March 2021. Growth was recorded across almost all components including restaurants (15.7%), fast food outlets (5.9%) and other eating places (4.5%). According to data by Chope, restaurant reservations were up 41% in December 2020 on a year-on-year basis and even restaurants that do not take reservations reported very strong demand. On the contrary, food caterers declined (-25.6%) as more people were eating out and demand for food catering declined.

2.2 Existing Retail Supply

In 1Q 2021, total islandwide retail stock declined by 1.0% year-on-year to 66.1 million sq ft due to the removal of stock from the renovation works at Changi Airport Terminal 2 and Wilkie Edge. Total private retail stock declined by 1.3% year-on-year to 49.4 million sq ft. This decline was largely due to the removal of stock in Rest of Central Region ("RCR") where Liang Court is undergoing demolishment works.

Both the Fringe Area and Suburban area accounted for most of the private retail stock amongst the submarkets, at respective 25.5% and 25.8% respectively. The Downtown Core, Orchard Road and RCR accounted for 15.2%, 14.7% and 18.7% respectively. There were no significant project completions in 1Q 2021 as construction schedules of most projects continued to experience delay.

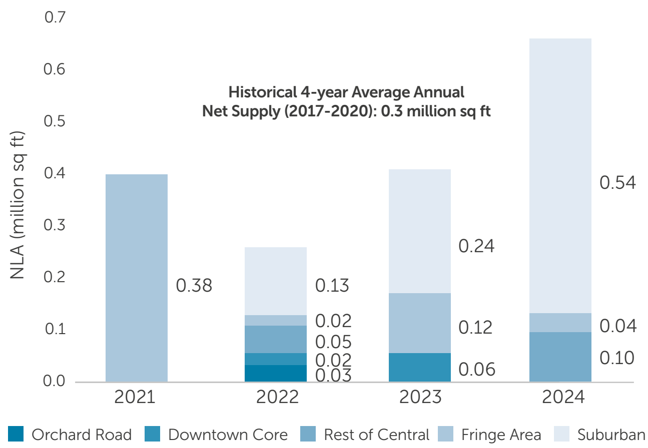
HarbourFront/Alexandra Micro-market

There was approximately 1.3 million sq ft of retail space in the HarbourFront/Alexandra micro-market and there was no new completion in the last year.

2.3 Future Retail Supply

Between 2Q 2021 to 2024, about 1.7 million sq ft of retail space will be entering the market, averaging 0.4 million sq ft per year over the next four years. This is slightly higher than the average annual supply of 0.3 million in the last four years. The bulk of the potential supply will complete in 2024 in the suburban areas.

Chart 3: Future Retail Supply

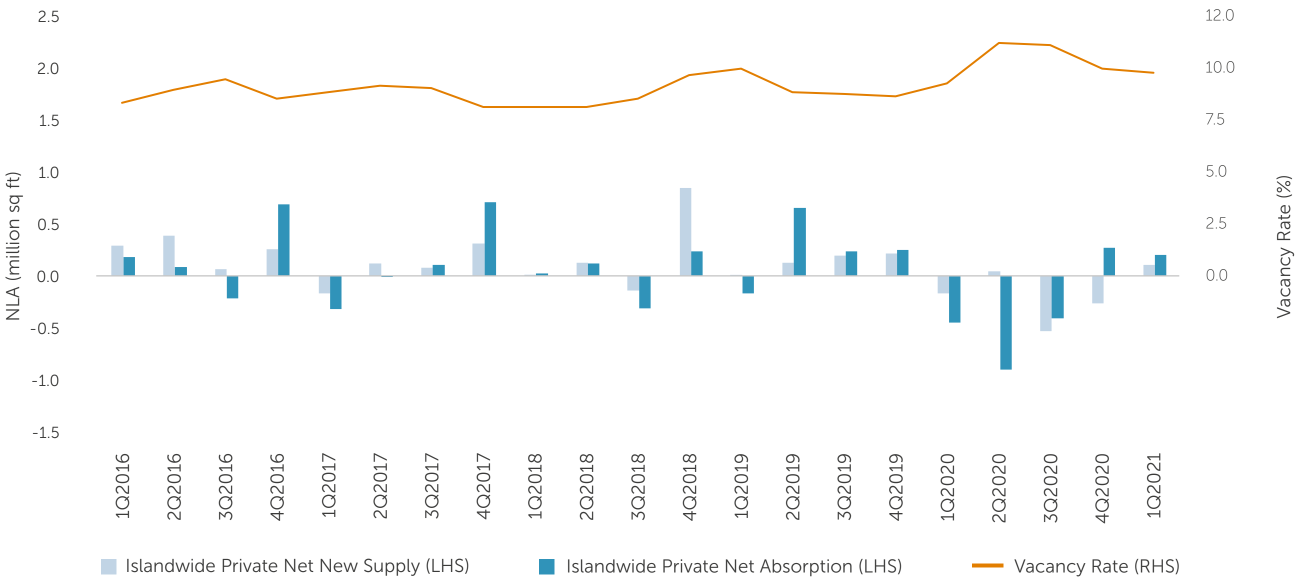


Sources: CBRE, URA

[1] Food & Beverage Services Index, (2017 = 100), In Chained Volume Terms, (SSIC 2015 Version 2018), Monthly, Seasonally Adjusted.

INDEPENDENT **MARKET OVERVIEW**

Chart 4: Islandwide Retail Demand and Occupancy



Sources: CBRE, URA

As COVID-19 impaired construction activities, some projects were delayed to 2021. There will be approximately 0.4 million sq ft of retail space expected to complete in 2021, including Grantral Mall@Macpherson and the AEI work at I12 Katong.

In 2022, some 0.3 million sq ft of retail space is expected to be completed. Majority of these will be in Outside Central Region, including Komo Shoppes, Sengkang Grand Mall and Forest Town. In 2023, approximately 0.2 million sq ft of retail space is expected to be introduced, including the retail podiums of Central Boulevard Towers, Woodleigh Mall, Dairy Farm Residence and One Holland Village. Another 0.7 million sq ft of supply will be completed in 2024. These include JTC's mixed use project at Punggol Way, Changi's Airport Terminal 2, retail podium of SP development and the redevelopment of Liang Court. Overall, across 2Q 2021 to 2024, the majority of retail supply will be in the Suburban and Fringe markets, representing 52.8% and 32.0% respectively. The remaining 15.2% will be in the Orchard Road, Downtown Core and Rest of Central Region markets.

HarbourFront/Alexandra Micro-market

There is no planned future retail supply to the HarbourFront/Alexandra micro-market between 2Q 2021 and 2023.

2.4 Demand and Occupancy

Due to border closures and social distancing measures, retailers have felt the brunt of the pandemic. Coupled with changing lifestyle trends, the retail market witnessed prominent closures. Examples include Robinsons Singapore closing its last two department stores in 2021 and multi-brand sports retailer AW lab exiting the city state.

Islandwide private retail market recorded absorption of 0.2 million sq ft for 1Q 2021 compared to the negative absorption of 0.4 million sq ft in 1Q 2020. The overall islandwide private retail vacancy rate as at 1Q 2021 is 9.7%, an increase of 0.5 percentage points compared to a year ago. Closures and exits by retailers contributed largely to the rise in the vacancy rate.

HarbourFront/Alexandra Micro-market

The HarbourFront/Alexandra micro-market was highlighted under the Greater Southern Waterfront precinct in URA's Master Plan 2019. This urban transformation will create a new major gateway for urban living.

Key developments in the HarbourFront/Alexandra corridor precinct include VivoCity, HarbourFront Centre and ARC, which are about a ten-minute drive from the CBD. They provide a range of retail and dining experiences and offerings, solidifying the micro-market's position with a strong retail presence that caters across different demographics.

Benefitting from direct MRT access, the precinct continues to be popular with retailers and has had various new store openings despite the slowdown in the retail market during the pandemic.

At VivoCity, American fine-casual chain Shake Shack opened its fifth outlet in Singapore in October 2020 and home-grown online-to-offline retailer, Love, Bonito, opened its fourth store in Singapore in September 2020. The latter spans 4,300 sq ft and also caters to mothers with kids. New-to-market retailers like Hong Kong plant-based grocery store and café Green Common were also introduced to VivoCity.

At HarbourFront Centre, Japanese chain store Dondondonki opened its ninth store in Singapore in 2H 2020. This 15,000 sq ft outlet aims to be more food-centric with a plethora of prepacked food, fresh produce and cuts and Japanese snacks, catering to the growing office and residential catchment population.

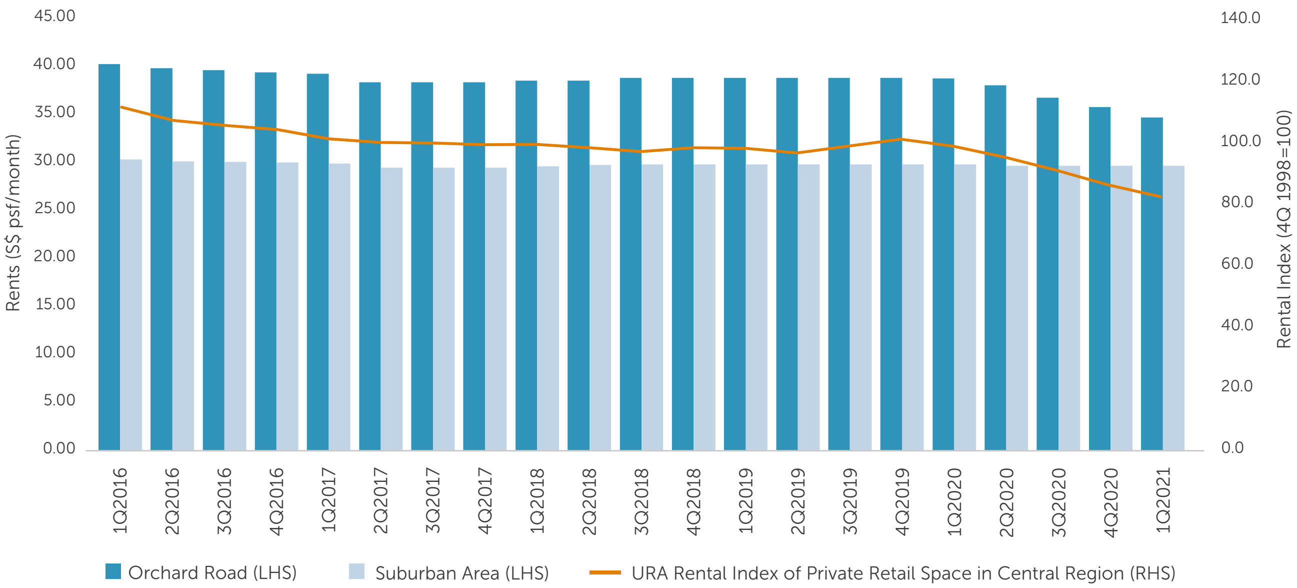
2.5 Retail Rents[1]

Recovery of the retail market is expected to be protracted due to prolonged uncertainties. CBRE expects that these could be mitigated by the moderate level of upcoming supply. Increasingly, landlords are also readjusting their rental expectations and have put maintaining occupancy as a priority.

The Suburban market continues to be the most resilient and has withstood market rental compression due to strong shopper traffic footfall, recording suburban rents at S$29.50 psf/month in 1Q 2021, unchanged from the past three quarters.

Affected by the weak tourism footfall and continued border closures, Orchard Road experienced a sharper decrease in rents. Prime rents in Orchard Road have declined by 9.5% year-on-year and 2.0% quarter-on-quarter to S$34.90 psf/month in 1Q 2021. With uncertainty in the tourism sector, the rental gap between Orchard Road and the Suburban market could narrow further in the short to medium term. CBRE expects prime retail rents to gradually stabilise throughout 2021.

Chart 5: Monthly Retail Rents



Source: CBRE

[1] Please note that there has been a change in historical prime retail rents due to a revision in the rental basket in 1Q 2021. For the Orchard Road submarket, selected buildings located in secondary locations/ strata-titled/ of an older building age were removed from the basket. The revisions were made to provide a better reflection of average market rents in the submarket. Orchard Road prime capital values were also revised accordingly due to the change in rental baskets for 1Q 2021.

INDEPENDENT **MARKET OVERVIEW**

2.6 Retail Transactions

Retail transaction volume grew in 1Q 2021, totalling S$240.8 million, increasing sharply from the S$22.1 million recorded in 1Q 2020. The major contributor was the sale of Yew Tee Point by Frasers Centrepoint Trust to Arch Capital Management for S$220.0 million or S$1,971 psf.

The only other retail transaction during the quarter was a strata sale at People's Park Centre for S$20.8 million or S$2,887 psf.

There were no notable retail transactions recorded in the HarbourFront/Alexandra micro-market in 2020.

Table 1: Selected Retail Transactions in 2020 and 1Q 2021

Quarter	Property Name	Price (S$ million)	Price (S$ psf)	Land Tenure	Buyer	Seller
2Q 2020	30 Raffles Place	192.7	3,099	99 years	Siriti R Pte Ltd	Oxley Beryl
3Q 2020	Northpoint City (south wing)	550.0	3,786	99 years	Bright Bloom Capital Limited	Frasers Property
3Q 2020	Jem Shopping Mall (3.8%)	45.0	2,042	99 years	Lendlease Global Commercial REIT	Lendlease Investment Management
4Q 2020	Anchorpoint (Retail)	110.0	1,545	Freehold	Jobina Construction	Frasers Centrepoint Trust
1Q 2021	Yew Tee Point	220.0	1,971[1]	99 years	Arch Capital	Frasers Centrepoint Trust

Source: CBRE

[1] Based on strata area recorded by REALIS.

2.7 Retail Outlook

Given the setbacks and disruptions caused by the circuit breaker and border closures, the retail market was sluggish throughout 2020 and witnessed consolidations, closures and exits in the industry.

However, the market saw some green shoots emerging towards the end of 2020 as shopper traffic began to return to pre-COVID levels.

The recovery of the retail market is expected to be prolonged due to global uncertainties. With continued border closures, the retail market will be largely supported by domestic spending. Leasing activities have gained traction with new openings of mostly F&B concepts and this is expected to pick up in 2021. Landlords and tenants alike are re-strategising their plans and looking for gaps to establish a first mover advantage with the aim of capturing evolving trends.

As a result of the pandemic, customers have moved towards e-commerce and consequently, retailers are increasingly combining online and offline strategies. IKEA, for example, in addition to opening a retail store at JEM, has introduced Click & Collect service for both merchandise and food. Unlike their traditional warehouse stores, the new store focuses on "small store concepts" which allows IKEA to merchandise household items differently. While consumers can shop online for the larger, bulkier furniture items, they can also purchase the smaller household items at the new concept IKEA store for instant gratification.

There was also an increased focus on "wellness". As consumers become more aware of food sources and ingredients, new concepts that focus on organic food, sustainable sourcing and healthy eating have emerged. An example is plant-based eatery and grocery retailer, Green Common, that opened at VivoCity.

Moving forward, uncertainties are expected to remain due to the evolving nature of Singapore's domestic COVID-19 cases. Landlords are expected to curate their tenant mix and recalibrate their malls' positionings for the new normal. From the investment market viewpoint, CBRE opines that on the back of improved sentiments and return to business normalcy in Singapore, barring any temporary measures, there may be renewed interest from investors in retail assets as investors look to acquire assets at opportunistic levels.

3. THE OFFICE MARKET OVERVIEW

3.1 Existing Office Supply

As at 1Q 2021, islandwide office stock stood at 61.7 million sq ft, a 0.1% decrease (34,200 sq ft) year-on-year. The CBD Core[1] office stock accounted for 31.2 million sq ft (or 50.6% of islandwide office stock) with 14.1 million sq ft being Grade A CBD Core office[2] space. Fringe CBD stock totalled 16.1 million sq ft (or 26.0%) while the Decentralised Area accounted for 14.4 million sq ft (or 23.4%). 1Q 2021 saw the injection of Dyson's Headquarters at St James Power Station into the market at 118,200 sq ft.

Tanjong Pagar and HarbourFront/ Alexandra Micro-market

In 1Q 2021, office stock in the Tanjong Pagar submarket stood at 4.96 million sq ft while the HarbourFront/ Alexandra submarket stood at 3.68 million sq ft. The submarkets have seen an increasing amount of interest as occupiers start to become open-minded about office requirements. As cost savings are still at the front of everyone's minds, occupiers do want to assess if they can get back the best value for the rental expenditures incurred.

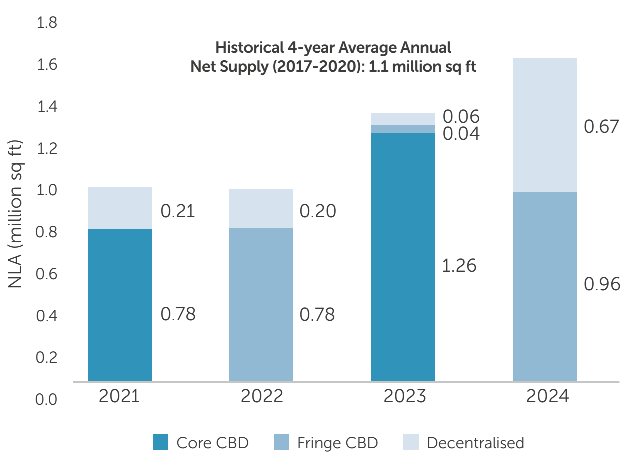
3.2 Future Office Supply

Due to the slower-than-expected resumption of construction activities, delay in office development projects is expected. For 2Q 2021 to 2024, islandwide new office supply pipeline is projected at 4.95 million sq ft[3], comprising 41.1% in the CBD Core market, 22.9% in the Decentralised[4] market and 36.0% in CBD Fringe[5] market.

In addition, landlords have started to evaluate redevelopment opportunities to leverage the CBD Incentive Scheme and Strategic Development Incentive Scheme aimed at older properties. Two properties that would undergo redevelopments under the scheme are the Fuji Xerox Towers and AXA Tower. Notable supply coming on board in 2021 in the Core CBD include CapitaSpring (635,000 sq ft) and Afro Asia (140,000 sq ft), while Surbana Jurong Campus office component (211,600 sq ft) in the Decentralised area is expected to be completed in 4Q 2021. In 2022, supply would mainly come from the Fringe CBD and Decentralised areas. These include Hub Synergy Point Redevelopment (131,200 sq ft), Gucco Midtown (650,000 sq ft) and Rochester Commons (195,000 sq ft).

For 2023, the office market expects two notable projects to be completed: Central Boulevard Towers (1,258,000 sq ft) in the Core CBD and One Holland Village office component (58,600 sq ft) in the Decentralised area. In 2024, the redevelopment works of Keppel Towers and Keppel Towers 2 (525,600 sq ft) and Shaw Towers (435,600 sq ft) are expected to be completed in the Fringe CBD and the 34-storey development by SP Group (670,000 sq ft) will complete in the Decentralised area. However, construction works could possibly be delayed due to the pandemic.

Chart 6: Future Office Supply



Sources: CBRE, URA

Tanjong Pagar and HarbourFront/ Alexandra Micro-market

For the Tanjong Pagar submarket, the redevelopment of Hub Synergy Point is expected to be completed in 3Q 2021, adding around 131,200 sq ft of office space to the micro-market.

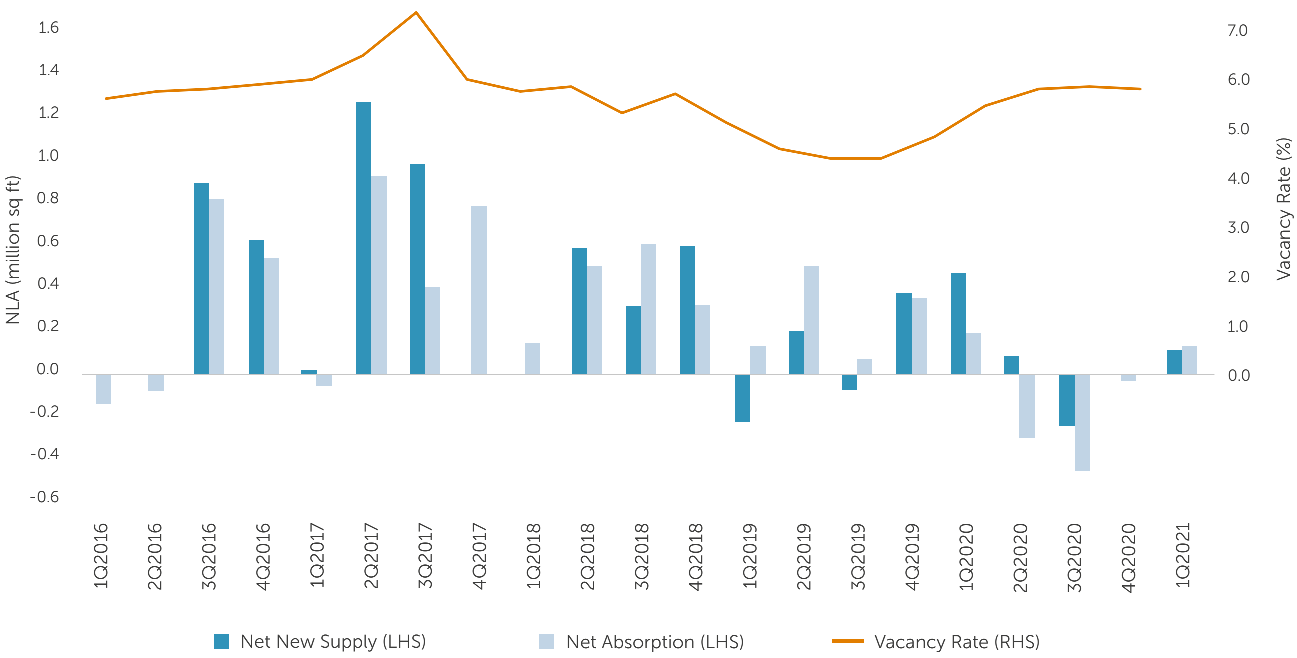
For the HarbourFront/Alexandra micro-market, St James Power Station was completed in 1Q 2021, contributing about 118,200 sq ft of office space. It will be the new global headquarters for Dyson.

1 The CBD Core area comprises the four micro-markets: Raffles Place, Shenton Way, Marina Bay and Marina Bay Centre.
2 A revision of our basket was conducted in 1Q 2019 to maintain building grading qualifications and more accurate location demarcations. Only figures from 1Q 2019 onwards will reflect the revision of numbers, historical figures are unchanged.
3 The net lettable area and TOP dates are preliminary estimates and are subject to change.
4 The Decentralised markets are anchored mainly by clusters of office in HarbourFront/Alexandra, Western Suburban and Eastern Suburban areas.
5 The CBD Fringe area includes Tanjong Pagar, Beach Road/City Hall as well as Orchard Road.

INDEPENDENT **MARKET OVERVIEW**

3.3 Demand and Occupancy

Chart 7: Islandwide Office Demand and Occupancy



Sources: CBRE, URA

Islandwide net absorption for 1Q 2021 was 0.1 million sq ft, an expansion for the first time in three quarters. Due to increasingly positive sentiments, occupiers showed interest in Grade A office space with most of the take up stemming from the Core CBD.

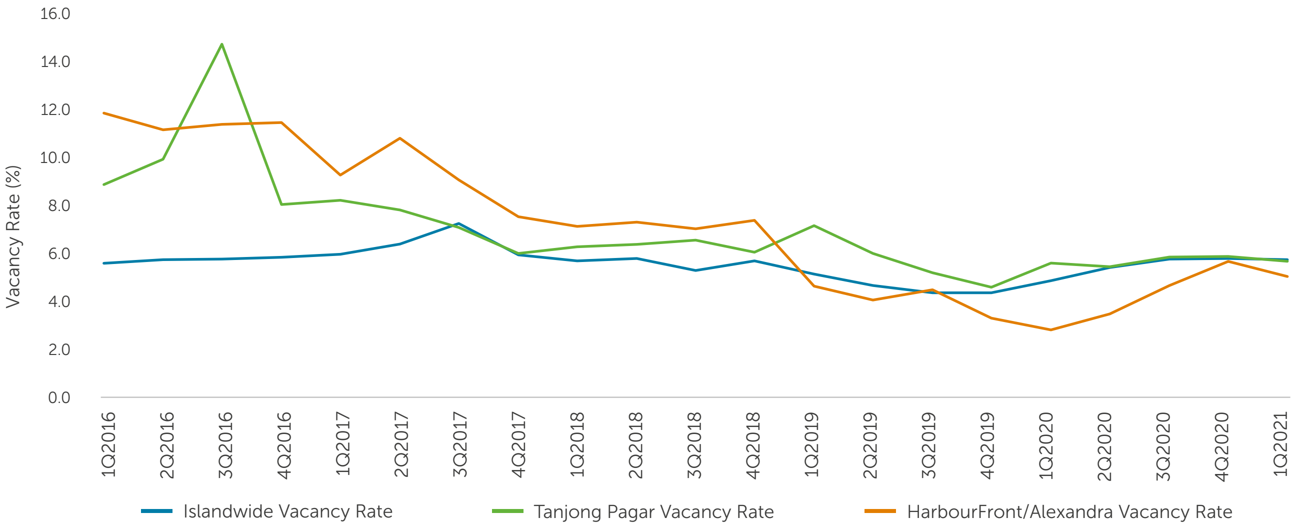
With net absorption outpacing net supply, Islandwide vacancy rate compressed marginally quarter-on-quarter from 6.0% in 4Q 2020 to 5.9% in 1Q 2021. This was predominantly due to the completion of St James Power Station which has been fully leased to Dyson. The Grade A office space market remained relatively resilient, but more vacancies are expected in the Grade B office market as occupiers in those buildings continue to recalibrate their office footprint. Occupiers remained cautious and prudent as firms prioritised cost-cutting alongside challenges brought by COVID-19. Large occupiers have started downsizing exercises, albeit at a slower pace. With high occupancy costs and impending cost containment exercises, firms may seek to relocate to other buildings of similar quality at competitive rents. Demand has been driven mainly through renewals or relocations as firms continue to reassess their footprints.

The technology sector, which has been seeking sizeable office space expansion and new entry into the market, continued to drive demand. Several Chinese technology firms are looking to shift and/or have shifted their global or Asia Pacific headquarters to Singapore. Global political uncertainties and US data security concerns have added impetus for these firms to relocate to Singapore. This validates Singapore's strong and stable market fundamentals. In the longer term, Singapore's digital transformation plans will further drive and support demand. Other prominent sectors that contributed to leasing activities include information and communication, financial services and flexible workplace sectors.

Tanjong Pagar and HarbourFront/ Alexandra Micro-market

The Tanjong Pagar micro-market will see a number of new developments in the next few years with the redevelopment of Keppel Towers, Keppel Towers 2, Hub Synergy Point and AXA Towers. Once completed, these will help to bring up the area's overall branding and positioning, contributing positively to the overall appeal of the micro-market. The vacancy rate for Tanjong Pagar submarket was 5.8% in 1Q 2021, rising 0.1 percentage points from 1Q 2020. Meanwhile, the vacancy rate for the HarbourFront/Alexandra submarket was at 5.2% in 1Q 2021.

Chart 8: Office Vacancy Rate



Source: CBRE

The HarbourFront/Alexandra micro-market is located in the city fringe and offers an attractive alternative for occupiers. The office components at MBC I and MLHF have increased the quality of offices in the area and attracted demand by tenants who are drawn to the relatively reasonable pricing and large floor plates.

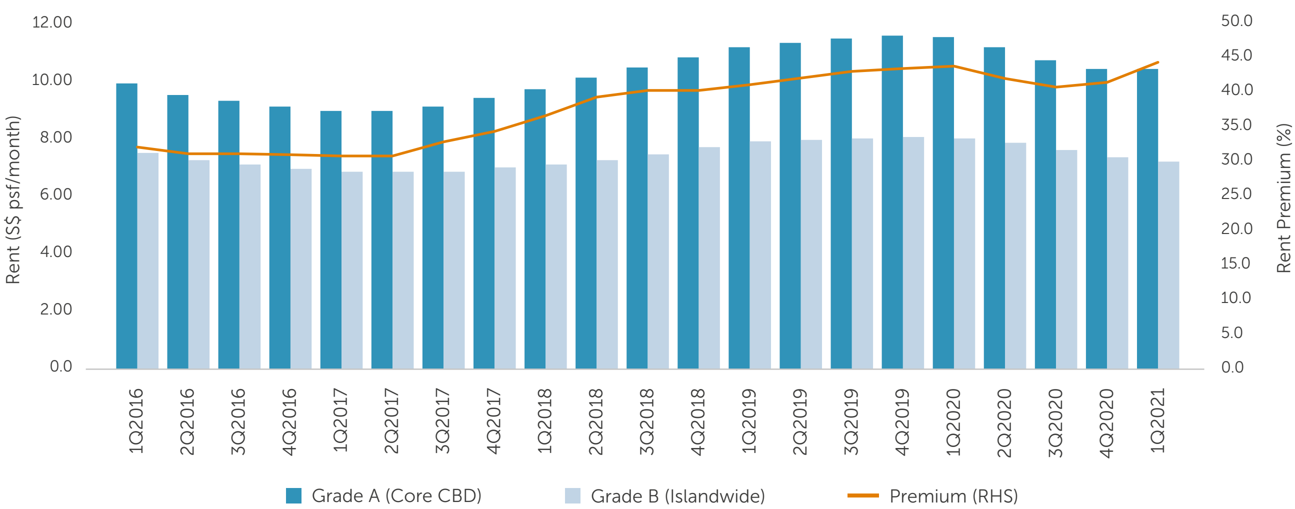
In the longer term, with the gradual completion of projects under the Greater Southern Waterfront master plan, the HarbourFront/Alexandra micro-market will see a myriad of land uses, with supporting amenities and facilities, positioning the precinct as the gateway to "Future Live, Work and Play".

3.4 Office Rents

Office rents continued to weaken for a fourth consecutive quarter in 1Q 2021 due to market corrections and impending increase in vacancies. In 1Q 2021, the rental decline in Grade A Core CBD ceased after four quarters of consecutive corrections. 1Q 2021 rents remained stable on a quarter-on-quarter basis at S$10.40 psf/month, but this was a 9.6% decrease year-on-year. On the other hand, Grade B Islandwide rents fell 2.0% quarter-on-quarter or 10.0% year-on-year to S$7.20 psf/month in 1Q 2021. With more flight-to-quality office movements, the difference in Grade A and Grade B markets office rents became more apparent. The Grade B market continued to be slow, as occupiers in this submarket re-assessed their office requirements and landlords of older Grade B buildings prioritised tenant retention by lowering rents.

Despite a decline in office market rents, the correction was less than the decline during the Global Financial Crisis period. This was partially attributable to the additional fiscal measures provided by the government, such as rental relief and property tax rebates, which helped to cushion the contraction.

Chart 9: Monthly Office Rents



Source: CBRE

INDEPENDENT **MARKET OVERVIEW**

3.5 Office Investment Market and Capital Values

Office investments stood at S$971.8 million in 1Q 2021, a sharp increase from the S$135.9 million recorded in 1Q 2020.

1Q 2021 saw several notable office transactions on the back of positive sentiment in the office investment market. OUE Commercial REIT sold a 50% stake in OUE Bayfront to Allianz Real Estate for S$633.7 million (S$3,170 psf). In addition, Sin Capital sold Finexis Building to PGIM for S$122.0 million (S$2,556 psf). Certis Cisco Security sold the Certis Cisco Centre for S$150.0 million (S$384 psf)[1] to Certis & Lendlease Property Trust.

Grade A CBD Core capital values contracted by 5.0% year-on-year to S$2,850 psf in 1Q 2021. Over the same period, Grade A CBD Core prime yields dipped 22 bps to 3.45%. Notwithstanding, Singapore's office sector remains healthy and is positioned to benefit from the gradual economic recovery, given continued leasing activities from new and displaced occupiers and tightened office supply pipeline.

3.6 Growth Drivers

Singapore is a trusted leading manufacturing location for biomedical and pharmaceutical companies to innovate and develop products that cater to the demand in Asia, with the likes of GlaxoSmithKline and Roche having built bases here. In addition, eight out of the top ten pharmaceutical companies such as Pfizer and Novartis have facilities here, producing four of the top ten drugs in terms of global revenue. Singapore has built an ecosystem to catalyse innovation as it continues to facilitate research and development value with public-private partnerships.

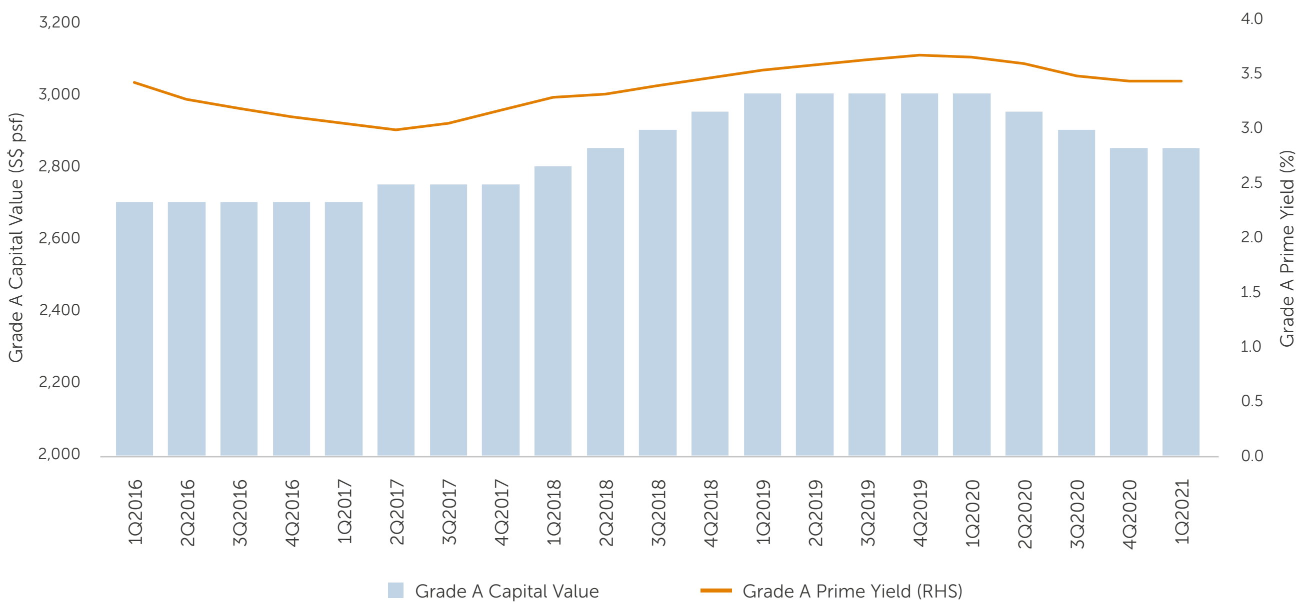
In the Infocomm sphere, Singapore has put digital transformation as one of the transformative pillars to position the country as a future-ready and innovative economy. The infocomm media ("ICM") industry road map targets a 6.0% nominal value-added growth and to contribute more than 210,000 ICM sector workers across the next few years.

The government has envisioned Singapore to be a hub for consumer-centric innovation with robust ICT infrastructure and a tech-savvy population. Moreover, it also aims to enable companies to digitally transform and adapt to evolving consumer preferences and global demand. In 2020, the government introduced an E-Commerce Booster Package to help SMEs improve and adapt from offline to online. Key features of the package include supporting up to 90% of total cost incurred by SMEs to build their online business infrastructure.

3.7 Office Outlook

Global market uncertainties are likely to continue in 2021, leading to delayed business opening and/or expansions, rising unemployment and a standstill in the aviation and travel industries. The office market in 2021

Chart 10: Office Capital Values and Prime Yield



Source: CBRE

[1] Based on maximum permissible GFA after increase in plot ratio.

is envisaged to be a year of two halves, with the industry still facing some pressure in 1H 2021 and showing signs of improvement in the second half.

Occupiers from the technology, information and communications, financial and insurance sectors will continue to drive leasing activities, either for headquarters or regional expansions. In addition, demand will also come from family offices and asset management firms. The strength in Singapore's office market lies in the highly-diversified occupier profile that has shaped demand and interest, hence giving the sector resilience.

In light of the tightened supply pipeline, anticipated supply entering in 2021 have recorded strong pre-commitment levels. The recovery will not be even across all office buildings. Grade A Core CBD office space is expected to remain highly sought after due to its prime location and superior building specifications. CBRE expects Grade A rents to recover first, amidst potential supply slippages and stable vacancy levels vis-à-vis the rest of the market. In line with moderate economic recovery, the office market is expected to rebound gradually in 2021. However, confidence in the office market was once again affected as Singapore entered "Phase 2 (Heightened alert)" in May 2021 with work-from-home stipulated as the default work arrangement.

The COVID-19 pandemic has altered the future of office spaces and the way occupiers plan and utilise space. Occupiers are now reviewing their business working models and arrangements, be it office-based, remote working, or a combination of both. In the short to medium term, remote working is expected to impact future office demand and feature extensively in working spaces due to social distancing measures.

Moving forward, CBRE envisions the future office environment to feature a hybrid format, promoting both office and remote working, as remote working will not be able to replicate or replace the benefits of community, collaboration, culture and organisation growth that an office environment can offer.

4. THE BUSINESS PARK MARKET OVERVIEW

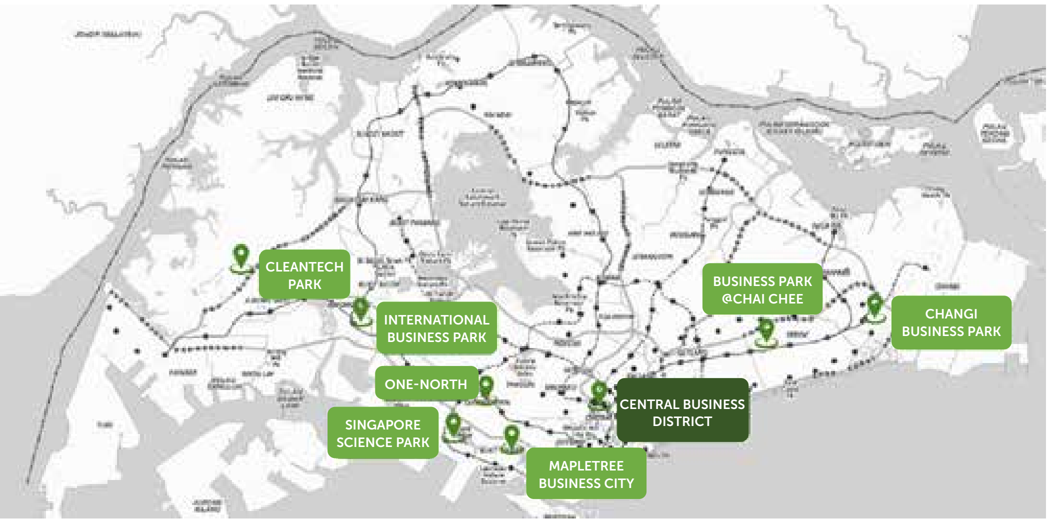
4.1 Overview and Existing Business Park Supply

Business parks are campus-like business spaces that typically occupy at least five hectares of land. Business park space typically features modern office-like specifications and tenants engaged in non-pollutive activities like advanced technology, research and development in high value-added and knowledge intensive industries, as well as back-office, hub and spoke model and headquarter type functions that meet the permissible usage requirements by URA.

Over time, some of the business parks have developed their own distinct identities. Changi Business Park is reputed to be a back-office hub for financial institutions such as DBS, Credit Suisse, Standard Chartered and technology companies such as IBM and Honeywell, whereas one-north is positioned as a Biomedical Sciences, Infocomm Technology and Media hub with tenants like Autodesk, GlaxoSmithKline, Oracle and Lucasfilm.

International Business Park has been the base for knowledge-based activities with traditional technology and manufacturing tenants such as Creative Technology, Dell, Evonik, M1 and Sony. Singapore Science Park is home to mostly research and technology companies such as the Defence Science Organisation National Laboratories, Avaya and Shimadzu.

Figure 1: Key Business Park Clusters in Singapore



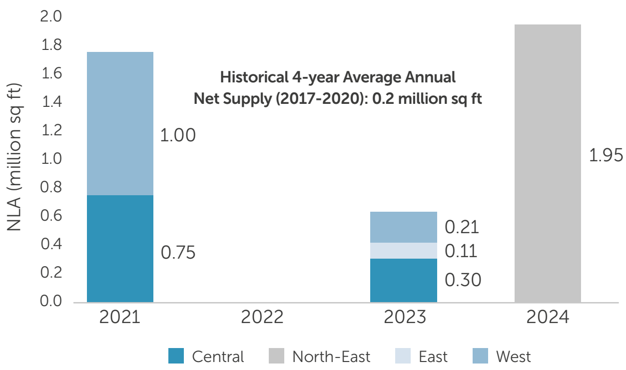
Sources: OneMap & CBRE

INDEPENDENT **MARKET OVERVIEW**

Mapletree Business City, located in the City Fringe, features Grade A building specifications within an integrated business hub with a wide range of amenities. These include mid-range specialty restaurants, food courts, multipurpose auditorium, conference facilities, tennis and futsal courts, fitness club with lap pool amidst extensive gardens and greenery. This has attracted a wide range of tenants such as Google, HSBC, Info-Communications Media Development Authority, SAP and Samsung.

Islandwide Business Park stock increased marginally by 0.5% year-on-year to 23.8 million sq ft as at 1Q 2021. The net increase in stock was from the completion of AEI works at TUV SUD @ International Business Park in 4Q 2020 and the partial completion of Wilmar International HQ at one-north in 1Q 2021.

Chart 11: Future Business Park Supply



Sources: JTC, CBRE

Note that the numbers may not add up due to rounding.

4.2 Future Business Park Supply

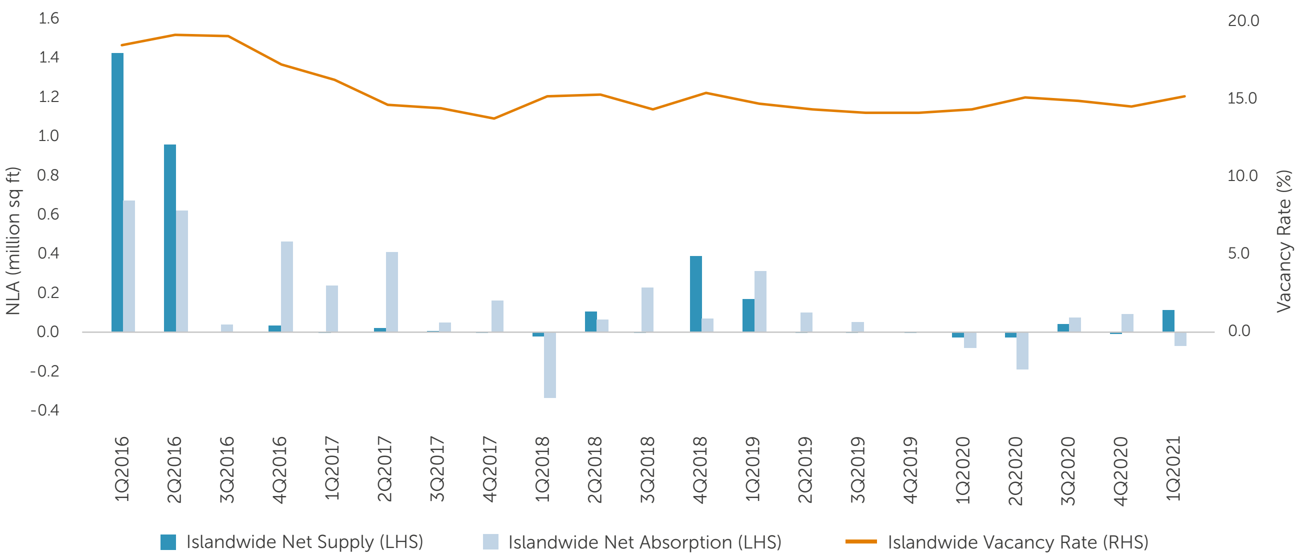
From 2Q 2021 to 2024, future supply of business parks is estimated to be 4.3 million sq ft, with at least 40% of the upcoming supply already pre-committed. Due to disruptions and delays in constructions, many projects scheduled to be completed in 2020 and 2021 have been delayed. An estimated 1.8 million sq ft[1] of NLA in business park space is expected to enter the market between 2Q and 4Q 2021. Most of the new stock is build-to-suit projects for single-users. These include headquarters for MNCs like Razer SEA (186,800 sq ft), Grab (364,300 sq ft) and Wilmar (198,700 sq ft), all located in one-north. JTC's Cleantech Three development (531,200 sq ft) and JTC's AEI works on another Cleantech Loop development (113,600 sq ft) are also scheduled to be completed in 2021.

There is no new supply in 2022.

In 2023, three new projects are expected to come onstream, namely Ascendas REIT's redevelopment of iQuest@IBP (212,000 sq ft), Kajima's headquarters in Changi Business Park (111,700 sq ft) and a 12-storey biomedical sciences development, Biopolis Phase 6, developed by Ho Bee Land (302,800 sq ft).

Beyond 2023, the first phase of Punggol Digital District (1,951,700 sq ft), which is being developed as a digital economy hub, is expected to be completed in 2024. In addition, as shown in the URA Master Plan 2019, there are land sites allocated for future Business Park developments in Woodlands North Coast. However, the timeline of development for these sites have not been announced.

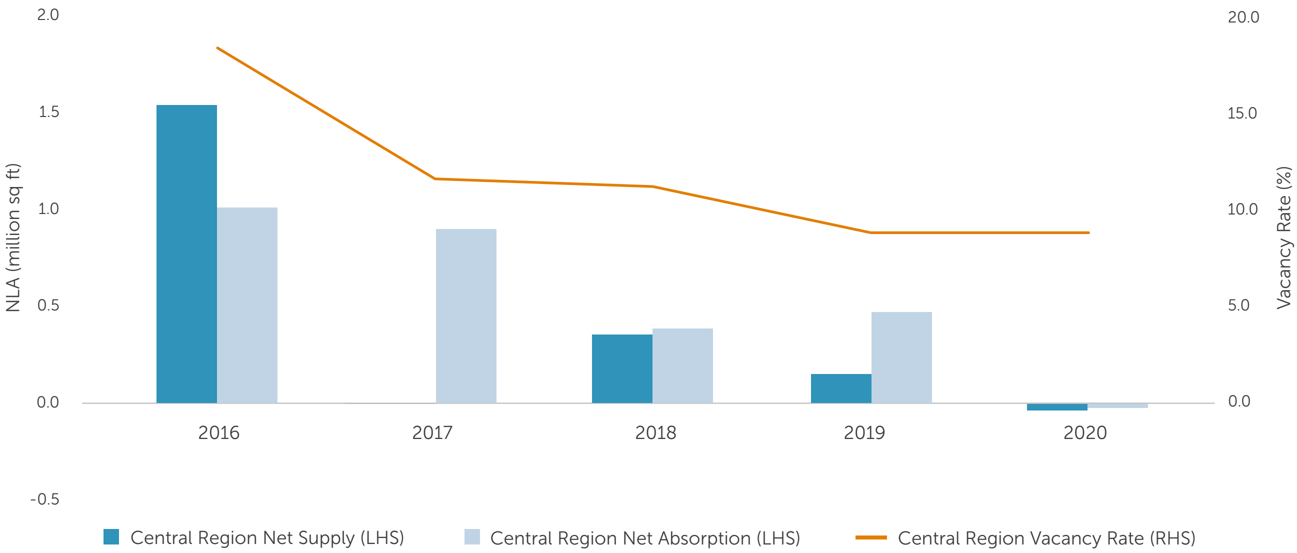
Chart 12: Islandwide Business Park Supply, Demand & Vacancy



Sources: JTC, CBRE

[1] Includes total NLA of Wilmar BP Development, which gained partial completion status in 1Q 2021.

Chart 13: Central Region Business Park, Supply, Demand & Vacancy



Sources: JTC, CBRE

4.3 Demand and Occupancy

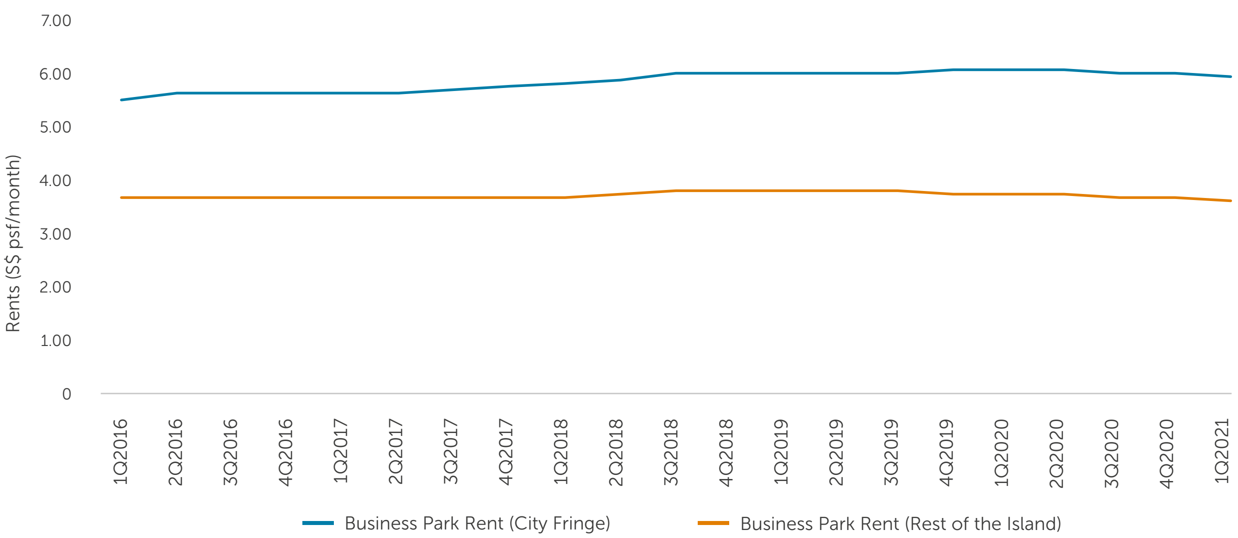
According to JTC, islandwide net absorption for the past four quarters was -120,965 sq ft. This was mainly due to negative net absorption in one-north and Changi Business Park, as well as the removal of some stock for AEI in the Singapore Science Park. Islandwide vacancy increased 0.9 percentage points year-on-year to 14.9% in 1Q 2021.

Despite the global pandemic and economic uncertainties, the business park market remained relatively resilient as leasing activities continued to be driven mainly by renewals, as well as infocomm, technology and biomedical sciences and global MNCs locating their headquarters in business parks. There was also some demand from co-working operators. For instance, JustCo will open a 30,000 sq ft centre within Razer Inc in one-north.

4.4 Business Park Rents

The increasing rental gap between the two submarkets, City Fringe and Rest of the Island, is potentially creating a two-tier market within the Business Park space. Despite uncertainties in the global economy, business park rents were relatively stable due to limited new stock and stable occupancy. As at 1Q 2021, rents for the City Fringe business parks were S$5.75 psf/month (-1.7% year-on-year)

Chart 14: Business Park Rents



Source: CBRE

INDEPENDENT **MARKET OVERVIEW**

while rents for the Rest of the Island submarket dipped slightly to S$3.65 psf/month (-2.7% year-on-year).

Business parks in the City Fringe submarket have always commanded a rental premium relative to those located in the Rest of the Island. This reflects the former's clear advantage in attracting occupiers who are drawn to more competitive rental levels coupled with excellent locational attributes and close proximity to the CBD. Cost-conscious occupiers, on the other hand, prefer spaces within the Rest of the Island submarket.

4.5 Business Parks Transactions

Table 2: Business Park Transactions in 2020 and 2021 Year-to-Date

Quarter	Property Name	Price (S$ million)	Price (S$ psf)	Area (sq ft)	Land Tenure	Buyer	Seller
1Q 2020	Biopolis Phase 6	223.6	502 on GFA	445,254*	60 years	HB Universal Pte Ltd	JTC
1Q 2020	Galaxis (25% stake)	102.9 (based on 25% stake)	627 on NLA	163,975[1]**	60 years	AREIT	MBK Real Estate Asia
4Q 2020	The Sandcrawler	175.8	726 on GFA	242,142*	30 + 30 years	Blackstone Group	Lucas Real Estate
1Q 2021	GSK Asia House & GSK Building	144.8	1,062 on NLA	136,341**	30 + 30 years	Boustead Industrial Fund	BP-Vista
2Q 2021	Galaxis (75% stake)	534.4 (based on 75% stake)	1,086 on NLA	491,924[2]**	60 years	AREIT	Ascendas Fusion 5 Holding Pte Ltd

Source: CBRE

1 NLA reflects 25% stake acquired against the total NLA of Galaxis at 655,898 sq ft.
2 NLA reflects 75% stake acquired against the total NLA of Galaxis at 655,898 sq ft.
* Area based on GFA.
** Area based on NLA.

There were three Business Park transactions within the one-north submarket, as well as a transaction with a change of use from warehouse to Business Park in 2020.

In 1Q 2020, Ho Bee Land's subsidiary won the concept and price tender to build, own and operate Biopolis Phase 6 by JTC Corporation for S$223.6 million. As part of JTC's Biopolis precinct, the 12-storey development will have business park spaces for biomedical research and related activities as well as office and retail uses. In the same quarter, Ascendas REIT acquired a 25% equity stake in Galaxis for S$102.9 million from vendor MBK Real Estate Asia. Ascendas REIT has thereafter proceeded to acquire the remaining 75% stake in Galaxis from Ascendas Fusion 5 Holding Pte Ltd, for a purchase consideration of S$534.4 million in May 2021.

In 4Q 2020, Blackstone acquired The Sandcrawler for S$175.8 million from a unit of Lucasfilm. The property is home to anchor tenant, Disney.

Additionally, in 4Q 2020, Perennial/HPRY Holdings acquired Big Box[3] in Jurong for S$118.0 million. Currently a warehouse, Perennial has obtained confirmation from JTC to rezone the site into a Business Park space. It will be renamed as Perennial Business City, with an additional S$70.0 million being invested to further enhance and redevelop the site. Once redeveloped, the site's GFA and NLA will increase to 1.5 million sq ft and 1.1 million sq ft, up from 1.4 million sq ft and 1.0 million sq ft respectively.

3 The transaction is not detailed in the business park transaction table as it is currently still zoned as B1 Warehouse.

In a related party transaction in 1Q 2021, BP-Vista, a limited liability partnership between Boustead Projects Limited (30%) and Al Sariya Real Estate LP (70%) sold GSK Asia House at 23 Rochester Park and three conservation bungalows located at 20-22 Rochester Park to Boustead Industrial Fund, which is a wholly-owned subsidiary of Boustead Projects Limited, for S$144.8 million. The development is the headquarters of GSK and, together with thirteen other properties, will be part of Boustead Industrial Fund's portfolio.

4.6 Business Parks Outlook

Overall, the business park market continues to show signs of resilience underpinned by stable occupancy and healthy fundamentals, despite cost containment strategies by occupiers amidst weaker economic performance and outlook. Notwithstanding the impact of COVID-19, industrial macroeconomic indicators have shown that the manufacturing sector is on a sustained growth trajectory, driven by biomedical and electronics services.

The quality of tenants, yield spreads for investors and competitive rents for occupiers vis-à-vis office buildings in the CBD have contributed to rising interests and activities in the Business Park market. Leasing demand continues to be spurred by high value-added industries such as technology, biomedical, pharmaceutical, and advanced manufacturing which have continued to seek business park spaces with high specifications within the City Fringe. This is also further supported by the government's initiative to grow Singapore into a global bio-hub within one-north.

The pipeline of business park is largely owner-occupied designated as headquarters for both local and regional firms. This means limited availability of new multi-user space in the business park pipeline, which potentially translates into positive take-up for other business park areas/submarkets.

Business Park spaces are generally released via public tender by the government. In this way, new business park supply is controlled through calibrated supply and demand dynamics, thus providing market stability. Underpinned by growing high value-added industries, the sector is poised to benefit moving forward.

QUALIFYING CLAUSE

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The outbreak of the Novel Coronavirus (COVID-19), declared by the World Health Organisation as a "Global Pandemic" on 11 March 2020, has impacted many aspects of daily life and the global economy – with some real estate markets experiencing significantly lower levels of transactional activity and liquidity.
This report has been prepared under conditions of heightened market uncertainty and conditions may change more rapidly and significantly than during standard market conditions. A higher degree of caution should be attached to our analysis than would normally be the case.

BOARD OF DIRECTORS

TSANG YAM PUI
Non-Executive Chairman and Director

Mr Tsang Yam Pui is the Non-Executive Chairman and Director of the Manager.

Mr Tsang is also the Non-Executive Director and a Member of the Audit and Risk Committee of the Sponsor.

Mr Tsang is concurrently the Non-Executive Director of Bolonia Company Limited. He was formerly the Chief Executive Officer and Executive Director of NWS Holdings Limited from June 2004 until his retirement on 31 December 2018 and continued to serve as a Non-Executive Director until 31 December 2020.

Prior to Mr Tsang's appointment at NWS Holdings Limited, he served in the Hong Kong Police Force for 38 years where he held many key appointments before retiring as its Commissioner in 2003.

For his distinguished public service, Mr Tsang was awarded the Gold Bauhinia Star (Hong Kong SAR), the Order of the British Empire, the Queen's Police Medal and the Colonial Police Medal for Meritorious Service.

Past directorships in listed entities over the last three years:
- Wai Kee Holdings Limited (listed in Hong Kong)
- NWS Holdings Limited (listed in Hong Kong)

KWA KIM LI
Lead Independent Non-Executive Director
Chairperson, Nominating and Remuneration Committee

Ms Kwa Kim Li is the Lead Independent Non-Executive Director and the Chairperson of the Nominating and Remuneration Committee of the Manager.

Ms Kwa is concurrently the Managing Partner of the law firm, Lee & Lee, Advocates and Solicitors. Ms Kwa has been in active legal practice for over 30 years, and her areas of practice include real estate, banking, family trusts and cross border transactions.

At present, she sits on the boards of Jurong Town Corporation and Changi Airport Group (Singapore) Pte. Ltd.. She is also a Trustee of the Singapore Cardiac Society.

Ms Kwa holds a Bachelor of Laws degree from the National University of Singapore.

Past directorships in listed entities over the last three years:
Nil

PREMOD P. THOMAS
Chairman, Audit and Risk Committee
Independent Non-Executive Director

Mr Premod P. Thomas is the Chairman of the Audit and Risk Committee and an Independent Non-Executive Director of the Manager.

He is concurrently the Chief Executive Officer and Executive Director of Bayfront Infrastructure Management Pte. Ltd. ("Bayfront"), a Singapore-based specialist infrastructure debt securitisation company, and an Executive Director of BIM Asset Management Pte. Ltd. and Bayfront Infrastructure Capital II Pte. Ltd, both subsidiaries of Bayfront. Mr Thomas is also the Founder and Chief Executive Officer of Capital Insights Pte. Ltd., an investment holding company which focuses on private investments and strategy consulting. Before this, he held various appointments in Bank of America, Standard Chartered Bank, Temasek Holdings (Private) Limited and the Hong Leong Group in Malaysia.

He serves as an Independent Director and Chairman of the Risk Oversight Committee of Fullerton India Credit Company Ltd. He is an Independent Director of Gemstone Asset Holdings Pte. Ltd. and the Independent Chairman of the Investment Committee of Mapletree Global Student Accommodation Private Trust, a private trust constituted in Singapore, to invest in student accommodation in the United States of America and United Kingdom.

Mr Thomas holds a Masters in Business Administration degree from the Indian Institute of Management, Ahmedabad and a Bachelor of Commerce degree from Loyola College, Chennai.

Past directorships in listed entities over the last three years:
Nil

KAN SHIK LUM
Independent Non-Executive Director
Member, Nominating and Remuneration Committee

Mr Kan Shik Lum is an Independent Non-Executive Director and a Member of the Nominating and Remuneration Committee of the Manager.

Mr Kan worked with DBS Bank Ltd for over 33 years before he retired in 2015. He was the Managing Director, Capital Markets where he oversaw the equity fund raising in primary and secondary markets. He also helped to augment the DBS Bank's capital markets franchise in Singapore and Hong Kong.

Mr Kan is currently an Independent Director and a member of the Audit Committee of Azalea Asset Management Pte. Ltd., and its subsidiaries, Astrea III Pte. Ltd., Astrea IV Pte. Ltd. and Astrea V Pte. Ltd., all of which are involved in the investment into non-commercial real estate private equity funds.

Mr Kan holds a Master of Arts degree in Economics from the Queen's University at Kingston, Canada and a Bachelor of Arts Honours (Magna Cum Laude) degree in Economics from McMaster University, Canada.

Past directorships in listed entities over the last three years:
Nil

KOH CHENG CHUA
Independent Non-Executive Director
Member, Audit and Risk Committee

Mr Koh Cheng Chua is an Independent Non-Executive Director and a Member of the Audit and Risk Committee of the Manager.

Mr Koh is concurrently the Managing Director & Head of Group Credit – Commercial Credit in United Overseas Bank Limited ("UOB") where he oversees credit approval and risk management of mid-cap corporates and small to medium-sized enterprises in Singapore and the region. Prior to this role, Mr Koh was Head of UOB's corporate banking business in Singapore. Prior to joining UOB in 2013, Mr Koh was with DBS Bank Ltd for over 25 years during which he held various senior management positions. He has more than 30 years of experience in corporate and investment banking and private equity.

In addition, Mr Koh is a member of the Advisory Committee of the School of Business Management in Nanyang Polytechnic and an Alternate Non-Executive Director of Orix Leasing Singapore Limited.

Mr Koh holds a Bachelor of Business Administration degree from the National University of Singapore. He also attended the International Management Programme at INSEAD Business School.

Past directorships in listed entities over the last three years:
Nil

WU LONG PENG
Independent Non-Executive Director
Member, Audit and Risk Committee

Mr Wu Long Peng is an Independent Non-Executive Director and a Member of the Audit and Risk Committee of the Manager.

Mr Wu was previously the Executive Director of Kuok (Singapore) Limited until 2017 and has more than 30 years of experience in finance and corporate affairs over various industries. Mr Wu is a Non-Executive Director of K2 Strategic Pte. Ltd.. Abroad in the United Kingdom, he is a Non-Executive Director of Gamma Communications PLC (a company listed on the Alternative Investment Market (AIM)). Mr Wu is also a Non-Executive Director of Epsilon Telecommunications Limited and certain other Epsilon group of companies.

Mr Wu is a Fellow Member of the Association of Chartered Certified Accountants, United Kingdom and a Member of the Institute of Singapore Chartered Accountants.

Past directorships in listed entities over the last three years:
- Malaysian Bulk Carriers Berhad (listed in Malaysia)
- PACC Offshore Services Holdings Ltd (delisted in 2020)

BOARD OF **DIRECTORS**

MAK KEAT MENG
Independent Non-Executive Director
Member, Audit and Risk Committee

Mr Mak Keat Meng is an Independent Non-Executive Director and a Member of the Audit and Risk Committee of the Manager.

Mr Mak worked with Ernst & Young LLP ("E&Y") for over 37 years before he retired in 2019. He was an Audit Partner and Head of Audit where he oversaw the audit practice in Singapore and ASEAN. He was also a permanent member of E&Y's Audit Review Committee which holds regular meetings to deliberate on technical and accounting/ auditing issues.

Mr Mak is the Non-Executive Director and the Chairman of the Audit Committee and a member of the Risk Management Committee of NTUC Income, an insurance group. He is also the Non-Executive Director of Paloe Private Limited, a company providing accounting and IT-related advisory services.

Mr Mak holds a Master of Business Administration degree from the International Management Centre (UK) and a Bachelor of Commerce (Accounting) from the University of Auckland, New Zealand. He is also a Fellow Member of Chartered Accountants, Australia and New Zealand, Fellow Member of the Association of Chartered Certified Accountants and a Member of the Institute of Singapore Chartered Accountants.

Past directorships in listed entities over the last three years:
Nil

ALVIN TAY
Independent Non-Executive Director

Mr Alvin Tay is an Independent Non-Executive Director.

Mr Tay was previously the Managing Editor, English/Malay/Tamil Media Group at Singapore Press Holdings Limited before his retirement in February 2018. Prior to that, he was the Editor of The Business Times, a newspaper publication of Singapore Press Holdings Limited from 2002 to 2016.

Mr Tay is also a Non-Executive Director of The RICE Company Limited, a not-for profit organisation involved in the promotion of arts and cultural activities in Singapore.

Mr Tay holds a Bachelor of Social Science (Honours) from the University of Singapore.

Past directorships in listed entities over the last three years:
Nil

HIEW YOON KHONG
Non-Executive Director
Member, Nominating and Remuneration Committee

Mr Hiew Yoon Khong is a Non-Executive Director of the Manager.

Mr Hiew is currently the Executive Director and Group Chief Executive Officer of the Sponsor. He was formerly a Non-Executive Director of Mapletree Logistics Trust Management Ltd., Mapletree Industrial Trust Management Ltd. and Mapletree North Asia Commercial Trust Management Ltd..

Mr Hiew joined the Sponsor in 2003 as Group Chief Executive Officer. He has since led the Mapletree Group from a Singapore-centric real estate company worth S$2.3 billion to a global company with total assets under management of more than S$66.3 billion.

His past directorships include serving as a member on the Board of Trustees of the National University of Singapore and Board member of Sentosa Development Corporation.

Mr Hiew holds a Master of Arts degree in Economics from the University of Warwick, and a Bachelor of Arts degree in Economics from the University of Portsmouth.

Past directorships in listed entities over the last three years:
- Mapletree Logistics Trust Management Ltd. (as Manager of Mapletree Logistic Trust)
- Mapletree Industrial Trust Management Ltd. (as Manager of Mapletree Industrial Trust)
- Mapletree North Asia Commercial Trust Management Ltd. (as Manager of Mapletree North Asia Commercial Trust)

WENDY KOH
Non-Executive Director

Ms Wendy Koh is a Non-Executive Director of the Manager.

Ms Koh is concurrently the Group Chief Financial Officer of the Sponsor. She oversees the Finance, Tax, and Treasury functions of the Sponsor. She holds various appointments within the Sponsor group including as the Non-Executive Director of Mapletree Logistic Trust Management Ltd., Mapletree Industrial Trust Management Ltd. and Mapletree North Asia Commercial Trust Management Ltd..

Prior to her current role, she was the Regional Chief Executive Officer, South East Asia of the Sponsor from August 2014 to July 2019, heading the Sponsor's business in South East Asia and Head, Strategy and Research in 2014, overseeing strategy, planning and research for the Sponsor. She was also previously engaged by the Sponsor as an advisor to review the Sponsor's strategy implementation from FY09/10 to FY13/14, and was involved in the formulation of the Sponsor's second Five-Year Plan.

Before joining the Sponsor, Ms Koh was Co-head, Asia-Pacific Property Research at Citi Investment Research. With 20 years of experience as a real estate equities analyst, she was involved in many initial public offerings and capital raising deals including for Mapletree Logistics Trust, Mapletree Industrial Trust and Mapletree Commercial Trust.

Ms Koh holds a Bachelor of Business (Honours) degree specialising in Financial Analysis from the Nanyang Technological University, Singapore and the professional designation of Chartered Financial Analyst from the CFA Institute.

Past directorships in listed entities over the last three years:
Nil

AMY NG
Non-Executive Director

Ms Amy Ng is a Non-Executive Director of the Manager.

Ms Ng is currently the Regional Chief Executive Officer, South East Asia & Group Retail of the Sponsor. She oversees the Sponsor's business in Singapore and the rest of the South East Asia region (excluding those in real estate investment trusts). She also has direct responsibility over the Sponsor's retail assets and operations in Singapore, China, Malaysia and Vietnam, where she provides executive management and leadership. She holds various appointments in the Sponsor group including as the Non-Executive Director of Vietsin Commercial Complex Development Joint Stock Company, Singapore Cruise Centre Pte. Ltd. and Gemstone Asset Holdings Pte. Ltd. as well as an Alternate Director of MS Commercial Pte. Ltd..

Ms Ng was appointed the Chief Executive Officer and Executive Director of the Manager from its initial public offering in 2011 to 2015. Before the listing of MCT, Ms Ng was the Chief Executive Officer of the Sponsor's Singapore Investments business unit. She was responsible for the Sponsor's commercial portfolio in Singapore where she also headed the Sponsor's Marketing, Property Management and Development Management departments in Singapore. Prior to joining the Sponsor, Ms Ng held various appointments in the CapitaLand group of companies.

Ms Ng holds a Master of Business Administration degree from the University of Surrey, United Kingdom and a Bachelor of Arts degree from the National University of Singapore. She also attended the Executive Development Programme at Wharton Business School.

Past directorships in listed entities over the last three years:
Nil

SHARON LIM
Executive Director and
Chief Executive Officer

Ms Sharon Lim is both the Executive Director and the Chief Executive Officer of the Manager.

Ms Lim is also a Director of Mapletree Commercial Trust Treasury Company Pte. Ltd. and 80 Alexandra Pte. Ltd., subsidiaries of Mapletree Commercial Trust and a member of the Management Committee of Mapletree Business City LLP, a subsidiary of Mapletree Commercial Trust.

Ms Lim joined the Manager as the Chief Operating Officer in 2015. Prior to joining the Manager, Ms Lim held various appointments in the CapitaLand group. Ms Lim was the Executive Director and Chief Executive Officer of CapitaMalls Malaysia REIT Management Sdn Bhd, the manager of CapitaMalls Malaysia Trust, which is listed on Bursa Malaysia. Prior to that, she was responsible for CapitaMall Asia's retail platform in Malaysia as Country Head, Malaysia of CapitaMall Trust Management Limited.

Ms Lim holds a Master of Business Administration degree from Murdoch University, Australia and a Bachelor of Business degree from the RMIT University, Australia.

Past directorships in listed entities over the last three years:
Nil

MANAGEMENT TEAM & PROPERTY MANAGEMENT TEAM

SHARON LIM
Chief Executive Officer

JANICA TAN
Chief Financial Officer

KOH WEE LEONG
Head,
Investments & Asset Management

TENG LI YENG
Director,
Investor Relations

GOH PECK CHENG
Vice President,
Investments & Asset Management

JANICE LIM
Vice President,
Finance

FIONA ONG
Vice President,
Finance

MICHELLE LAM
Senior Manager,
Investments & Asset Management

PHANG YI LIANG
Senior Manager,
Investments & Asset Management

WAN KWONG WENG
Joint Company Secretary

SEE HUI HUI
Joint Company Secretary

LI LIT SIEW
Director, *Mapletree Commercial Property Management*

CHARISSA WONG
Director, *Mapletree Commercial Property Management*
Head, *Retail Management*

GEORGINA GOH
Head,
Office Marketing

GWEN AU
Vice President,
Marketing Communications

CHAY PUI LENG
Vice President,
Office Marketing

SOO WEI-PING
Vice President,
Retail Marketing

TAN PUAY CHER
Vice President,
Portfolio Property Management

RICKY SOH
Senior Manager,
Property Management

TERENCE YONG
Senior Manager,
Retail Design Management

MANAGEMENT **TEAM**

SHARON LIM
Chief Executive Officer

Please refer to Ms Sharon Lim's profile under the Board of Directors section of this Annual Report.

JANICA TAN
Chief Financial Officer

Ms Janica Tan is responsible for the overall financial and capital management functions for MCT. She is also a Director of Mapletree Commercial Trust Treasury Company Pte. Ltd. and 80 Alexandra Pte. Ltd., subsidiaries of MCT, and a member of the Management Committee of Mapletree Business City LLP, a subsidiary of MCT.

Prior to joining the Manager in 2016, she was the Chief Financial Officer of OUE Commercial REIT Management Pte. Ltd., the manager of OUE Commercial REIT. Before that, she was the Senior Vice President of OUE Limited.

She holds an ACCA professional qualification. She is also a non-practising member of the Institute of Singapore Chartered Accountants.

KOH WEE LEONG
Head, Investments & Asset Management

Mr Koh Wee Leong oversees the asset management and investment activities for the Manager. This includes formulating business plans, supervising the operations of MCT's properties, implementing MCT's property-related strategies, as well as identifying, researching and evaluating potential acquisitions and divestments. He is also a member of the Management Committee of Mapletree Business City LLP, a subsidiary of MCT.

Prior to his current appointment, Mr Koh was Director, Investor Relations of the Manager.

Before joining the Manager, Mr Koh held various positions in the CapitaLand group from 2007 to 2011. His responsibilities included evaluating and executing investments in real estate and financial products in various countries as well as structuring, marketing and managing private equity real estate funds.

From 2005 to 2007, he was with KPMG where he carried out projects in business advisory and corporate finance. He started his career in the Singapore Economic Development Board in 2002.

He has a Master of Science degree from the Nanyang Technological University, Singapore and a Bachelor of Engineering degree from the National University of Singapore.

TENG LI YENG
Director, Investor Relations

Ms Teng Li Yeng is responsible for MCT's investor relations function and is in charge of maintaining high standards of corporate disclosure for MCT through clear and timely communication, as well as cultivating relationships and fostering effective two-way dialogues with MCT stakeholders including analysts as well as potential and existing investors.

Prior to joining the Manager, Ms Teng was with the CapitaLand Group where her responsibilities included strategic planning and investor relations with public and private equity partners. She headed up the investor relations function for dual-listed CapitaMalls Asia Limited from 2013 to 2014 before it was privatised.

Ms Teng started her career with Singapore's Ministry of Trade & Industry where she was involved in FTA negotiations and formulating bilateral trade and economic policies with China.

She holds a Bachelor of Science degree in Economics from the University College London, United Kingdom and the International Certificate of Investor Relations.

GOH PECK CHENG
Vice President, Investments & Asset Management

Ms Goh Peck Cheng's responsibilities include formulating and executing business plans and asset enhancement initiatives, as well as sourcing and evaluating potential acquisitions for MCT. She was part of the team that launched MCT in 2011 and has over 20 years of real estate experience covering asset management, investments and lease management.

Prior to joining the Manager, Ms Goh held asset management and investment positions at Mapletree Logistics Trust Management Ltd. (the Manager of Mapletree Logistics Trust), where she was responsible for managing the logistics portfolio as well as sourcing and evaluating new acquisition opportunities.

Ms Goh holds a Bachelor of Science degree (Estate Management) with Honours from the National University of Singapore.

JANICE LIM
Vice President, Finance

Ms Janice Lim is responsible for the day-to-day finance operations of MCT's portfolio.

Ms Lim was formerly the Senior Finance Manager of OUE Commercial REIT Management

Pte. Ltd.. Prior to that, she was with OUE Limited as Finance Manager. Ms Lim started her career with KPMG LLP Singapore as an external auditor.

Ms Lim holds a Bachelor of Accountancy degree from the Nanyang Technological University, Singapore and is a non-practising member of the Institute of Singapore Chartered Accountants.

FIONA ONG
Vice President, Finance

Ms Fiona Ong joined the Finance team of the Manager in 2021. She assists the Chief Financial Officer in the financial management and accounting function of MCT including statutory reporting, compliance, capital management, treasury and taxation matters.

Before joining the Manager, Ms Ong was the CFO of UES Holdings Pte. Ltd. where she was responsible for the overall financial management functions. Prior to that, she was the financial controller of SIIC Environment Holdings Ltd.. Ms Ong started her career with Ernst and Young LLP as an external auditor.

Ms Ong holds a Bachelor of Accountancy degree from the Nanyang Technological University, Singapore and is a non-practising member of the Institute of Singapore Chartered Accountants. She is also an Associate Chartered Valuer and Appraiser of Singapore.

MICHELLE LAM
Senior Manager, Investments & Asset Management

Ms Michelle Lam's responsibilities include formulating and executing business plans and asset enhancement initiatives, as well as sourcing and evaluating potential acquisitions for MCT.

Prior to this, Ms Lam was with the Sponsor's Commercial business unit in Singapore where she was responsible for asset management and property taxes. She also held property tax positions with the Sponsor's Logistics and Industrial business units.

Ms Lam holds a Bachelor of Science degree (Real Estate) from the University of Reading, United Kingdom.

PHANG YI LIANG
Senior Manager, Investments & Asset Management

Mr Phang Yi Liang is responsible for formulating and executing the asset management strategies. He is also responsible for sourcing and evaluating potential acquisitions for MCT.

Prior to joining the Manager, Mr Phang held investments and asset management positions under the Sponsor's Singapore Investments unit where he was responsible for asset management, research, as well as the evaluation of potential commercial acquisitions and development opportunities in Singapore.

Mr Phang holds a Bachelor of Science degree (Real Estate) from the National University of Singapore.

WAN KWONG WENG
Joint Company Secretary

Mr Wan Kwong Weng is the Joint Company Secretary of the Manager as well as the other three Mapletree REIT Managers. He is concurrently the Group Chief Corporate Officer of the Sponsor, where he is responsible for all of legal, compliance, corporate secretarial, human resource as well as corporate communications and administration matters across all business units and countries.

In addition, Mr Wan is the Secretary and a Member of the Singapore Management University Real Estate Programme Advisory Board.

Prior to joining the Sponsor, Mr Wan was Group General Counsel – Asia at Infineon Technologies for seven years, where he was a key member of its Asia-Pacific management team. He started his career as a litigation lawyer with one of the oldest law firms in Singapore, Wee Swee Teow & Co., and was subsequently with the Corporate & Commercial/Private Equity practice group of Baker & McKenzie in Singapore and Sydney.

Mr Wan has an LL.B. (Honours) (Newcastle upon Tyne), where he was conferred the Wise Speke Prize, as well as an LL.M. (Merit) (London). He also attended the London Business School Senior Executive Programme. He is called to the Singapore Bar, where he was awarded the Justice FA Chua Memorial Prize, and is also on the Rolls of Solicitors (England & Wales). Mr Wan was conferred the Public Service Medal (P.B.M.) in 2012 and Public Service Star (B.B.M.) in 2017 for his contributions to Central Singapore CDC.

SEE HUI HUI
Joint Company Secretary

Ms See Hui Hui is the Joint Company Secretary of the Manager as well as Director, Legal of the Sponsor.

Prior to joining the Sponsor in 2010, Ms See was in the Corporate/ Mergers & Acquisitions practice group of WongPartnership LLP, one of the leading law firms in Singapore. She started her career as a litigation lawyer with Tan Kok Quan Partnership.

Ms See holds an LL.B. (Honours) from the National University of Singapore, and is admitted to the Singapore Bar.

CORPORATE GOVERNANCE

The Manager of MCT is responsible for the strategic direction and management of the assets and liabilities of MCT as well as its subsidiaries (collectively, the "Group"). As a REIT manager, the Manager is licensed by the MAS and holds a Capital Markets Services Licence for REIT management ("CMS Licence").

The Manager discharges its responsibility for the benefit of MCT and its unitholders ("Unitholders"), in accordance with the applicable laws and regulations as well as the trust deed constituting MCT (as amended) (the "Trust Deed"). To this end, the Manager sets the strategic direction of the Group and gives recommendations to DBS Trustee Limited, in its capacity as trustee of MCT (the "Trustee"), on the acquisition, divestment and enhancement of assets of the Group.

The Manager's roles and responsibilities include:

- carrying on the Group's business to generate returns in a sustainable manner and conducting all transactions on normal commercial terms and on an arm's length basis;
- preparing annual budget proposal with forecast on gross revenue, property expenditure, capital expenditure and providing explanations on major variances against prior year's actual results and written commentaries on key issues and any other relevant assumptions. The purpose of such proposals and analyses is to chart the Group's business for the year ahead and to explain the performance of MCT's properties compared to the prior year; and
- ensuring compliance with applicable laws and regulations, including the Securities and Futures Act (Chapter 289 of Singapore), the Listing Manual of Singapore Exchange Securities Trading Limited (the "SGX-ST"), the Code on Collective Investment Schemes ("CIS Code") issued by the MAS (including Appendix 6 of the CIS Code, the "Property Funds Appendix"), the Singapore Code on Takeovers and Mergers, the Trust Deed, written directions, notices, codes and other guidelines that the MAS and other regulators may issue from time to time and any tax rulings.

The Manager is committed to complying with the substance and spirit of the Code of Corporate Governance 2018 (the "Code"). The following describes the main corporate governance policies and practices of the Manager with reference to the Code and, where there are deviations from any of the provisions of the Code, explanations for such deviations are provided in this report including an explanation on how the practices adopted are consistent with the intent of the principles of the Code.

(A) BOARD MATTERS

The Board's Conduct of Affairs

Principle 1: Effective Board

Our Policy and Practices

The Manager adopts the principle that the Board of Directors (the "Board") is collectively responsible for the long-term success of MCT and an effective Board for the Manager is one constituted with the right core competencies and diversity of experience, so that the collective wisdom of the Board can give guidance and provide insights as well as strategic thinking to the management team of the Manager (the "Management").

The key roles of the Board are to:

- guide the corporate strategy and direction of the Manager;
- ensure that the Management discharges business leadership and demonstrates the highest quality of management with integrity and enterprise; and
- oversee the proper conduct of the Manager.

In discharging their roles and responsibilities, all Directors of the Board are expected to act and have acted in the best interests of MCT.

The positions of Chairman and Chief Executive Officer ("CEO") are held by two separate persons in order to maintain effective oversight. The Board has also established the Audit and Risk Committee (the "AC") and the Nominating and Remuneration Committee (the "NRC"), each of which operates under delegated authority from the Board, to assist the Board in discharging its oversight function.

The Board comprises twelve directors (the "Directors"), of whom eleven are Non-Executive Directors and seven are Independent Directors.

The following sets out the composition of the Board:

- Mr Tsang Yam Pui, Non-Executive Chairman and Director;
- Ms Kwa Kim Li, Lead Independent Non-Executive Director and Chairperson of the NRC;
- Mr Premod P. Thomas, Independent Non-Executive Director and Chairman of the AC;
- Mr Kan Shik Lum, Independent Non-Executive Director and Member of the NRC;
- Mr Koh Cheng Chua, Independent Non-Executive Director and Member of the AC;
- Mr Wu Long Peng, Independent Non-Executive Director and Member of the AC;
- Mr Mak Keat Meng, Independent Non-Executive Director and Member of the AC;
- Mr Alvin Tay, Independent Non-Executive Director;
- Mr Hiew Yoon Khong, Non-Executive Director and Member of the NRC;
- Ms Wendy Koh, Non-Executive Director;
- Ms Amy Ng, Non-Executive Director; and

- Ms Sharon Lim, Executive Director and CEO.

The Board comprises business leaders and distinguished professionals with banking, legal, real estate, strategic planning, management and accounting experience.

The diverse professional backgrounds of the Directors enable the Management to benefit from their external, varied and objective perspectives on issues brought before the Board for discussion and deliberation.

Each Director is appointed on the strength of his or her calibre, experience, stature and potential to give proper guidance to the Management on the business of the Group. In addition, the Board considers additional factors such as the age, gender and educational background of its members. The profiles of the Directors are set out in pages 62 to 65 of this Annual Report. The Board is of the view that the present principal directorships included in their individual profiles are sufficient to inform Unitholders of their principal commitments. The Board meets regularly, at least once every quarter, to review the business performance and outlook of the Group and deliberate on business strategy, including any significant acquisitions, disposals, fund-raisings and development projects undertaken by the Group. When exigencies prevent a Director from attending a Board or Board committee meeting in person, such Director can participate by audio or video conference.

The meeting attendance of the Board, the AC, the NRC and AGM for FY20/21 is as follows:

		Board	AC	NRC	AGM[1]
Number of meetings held in FY20/21		**5**	**5**	**1**	**1**
Board Members	**Membership**				
Mr Tsang Yam Pui (Appointed on 1 November 2007) (Last reappointment on 30 September 2019)	Non-Executive Chairman and Director	5	N.A.[2]	N.A.[2]	1
Ms Kwa Kim Li (Appointed on 30 April 2014) (Last reappointment on 30 September 2019)	Lead Independent Non-Executive Director and Chairperson of the NRC	5	N.A.[2]	1	1
Mr Premod P. Thomas (Appointed on 15 June 2015) (Last reappointment on 28 September 2020)	Independent Non-Executive Director and Chairman of the AC	5	5	N.A.[2]	1
Mr Kan Shik Lum (Appointed on 1 December 2015) (Last reappointment on 28 September 2018)	Independent Non-Executive Director and Member of the NRC	5	N.A.[2]	1	1
Mr Koh Cheng Chua (Appointed on 9 June 2014) (Last reappointment on 30 September 2019)	Independent Non-Executive Director and Member of the AC	5	5	N.A.[2]	1
Mr Wu Long Peng (Appointed on 15 December 2018) (Last reappointment on 30 September 2019)	Independent Non-Executive Director and Member of the AC	5	5	N.A.[2]	1
Mr Mak Keat Meng (Appointed on 15 December 2019) (Last reappointment on 28 September 2020)	Independent Non-Executive Director and Member of the AC	5	5	N.A.[2]	1
Mr Alvin Tay (Appointed on 15 December 2018) (Last reappointment on 30 September 2019)	Independent Non-Executive Director	5	N.A.[2]	N.A.[2]	1
Mr Hiew Yoon Khong (Appointed on 18 May 2007) (Last reappointment on 28 September 2020)	Non-Executive Director and Member of the NRC	5	N.A.[2]	1	1

CORPORATE GOVERNANCE

		Board	AC	NRC	AGM[1]
Number of meetings held in FY20/21		**5**	**5**	**1**	**1**
Board Members	**Membership**				
Ms Wendy Koh (Appointed on 15 December 2019) (Last reappointment on 28 September 2020)	Non-Executive Director	5	5[3]	N.A.[2]	1
Ms Amy Ng (Appointed on 1 April 2010) (Last reappointment on 28 September 2020)	Non-Executive Director	5	N.A.[2]	N.A.[2]	1
Ms Sharon Lim (Appointed on 1 August 2015) (Last reappointment on 28 September 2020)	Executive Director and CEO	5	5[3]	1[3]	1

Notes:

1 Held on 22 July 2020.
2 N.A. means not applicable.
3 Attendance was by invitation.

The Board has also approved a set of delegations of authority which sets out approval limits for investments and divestments, development, operational and capital expenditures and treasury activities to be undertaken by the Group. Approval sub-limits are also provided at various management levels to facilitate operational efficiency as well as provide a system of checks and balances.

The Board has prescribed certain limits on transactions to be undertaken by the Group, above which approval from the Board is required. The Board's approval is required for material transactions undertaken by the Group. Such material transactions are also included in the set of delegations of authority which has been clearly communicated to Management in writing. These include:

- equity fund-raising;
- acquisition, development and disposal of properties above Board-prescribed limits;
- overall project budget variance and ad hoc development budget above Board-prescribed limits;
- debt fund-raising above Board-prescribed limits; and
- derivative contracts above Board-prescribed limits.

The Board recognises that the Directors are fiduciaries who are obliged at all times to act objectively in the best interests of MCT and hold the Management accountable for performance. In line with this, the Board has a standing policy that a Director must not allow himself or herself to get into a position where there is a conflict between his or her duty to MCT and his or her own interests. The Manager has a policy which provides that where a Director has a conflict of interest in a particular matter, he or she will be required to disclose his or her interest to the Board, recuse himself or herself from deliberations on the matter and abstain from voting on the matter. Every Director has complied with this policy, and where relevant, such compliance has been duly recorded in the minutes of meeting or written resolutions.

The Manager has in place an internal code on general conduct and discipline which sets out the framework and guidelines on ethical values such as honesty and responsibility as well as the appropriate conduct expected of the Management and employees. The Board sets the appropriate tone from the top in respect of the desired organisational culture and ensure proper accountability within the Manager.

Each Director is given a formal letter of appointment setting out his or her duties and obligations under the relevant laws and regulations governing the Manager and the Group. The Manager also has in place an orientation programme to brief new Directors on the Group's business, strategic directions, risk management policies, the regulatory environment in which the Group operates and the governance practices of the Group and the Manager, including in areas such as accounting, legal and industry-specific knowledge as appropriate. The Board is updated on any material change to relevant laws, regulations and accounting standards by way of briefings from professionals or updates issued by Management.

The Management provides the Board with timely and complete information prior to Board meetings, as well as when the need arises.

The Management is required to provide adequate and timely information to the Board, which includes matters requiring the Board's decision, as well as ongoing reports relating to the operational and financial performance of the Group. The Management is also required to furnish any additional information requested by the Board in a timely manner in order for the Board to make informed decisions.

The Directors have separate and independent access to Management and the Company Secretary.

The appointment and removal of the Company Secretary is subject to the approval of the Board.

The Company Secretary attends to the administration of corporate secretarial matters and advises the Board on governance matters. The Company Secretary also attends all Board and Board committee meetings and provides assistance to the Chairman in ensuring adherence to Board procedures.

The Board takes independent professional advice as and when necessary, at the Manager's expense, to enable it and/or the Independent Directors to discharge their responsibilities effectively. The AC meets the external and internal auditors separately at least once a year, without the presence of the Management.

Board Composition and Guidance

Principle 2: Appropriate level of independence and diversity of thought

Our Policy and Practices

The Board reviews from time to time the size and composition of the Board and each Board committee, to ensure that the size of the Board and each Board committee is appropriate in facilitating effective decision making.

The Manager adopts the principle that a board composition with a strong and independent element as well as diversity of thought and background will allow the Directors to engage in robust deliberations with Management and provide external, diverse and objective insights on issues brought before the Board for discussion and deliberation. In particular, the Non-Executive Directors will also conduct periodic review of the investment mandate as well as the strategic focus of MCT with Management. Further, such a board composition, and the separation of the roles of the Chairman and the CEO, provide oversight to ensure that Management discharges its roles and responsibilities effectively and with integrity.

The Board assesses the independence of each Director in accordance with the requirements of the Code and Regulations 13D to 13H of the Securities and Futures (Licensing and Conduct of Business) Regulations ("SFLCB Regulations"). A Director is considered to be independent if he or she is independent in conduct, character and judgement, and has no relationship with the Manager, its related corporations, its substantial shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of his or her independent business judgement in the best interests of MCT; and is independent from the management and any business relationship with the Manager and MCT, every substantial shareholder of the Manager and every substantial unitholder of MCT, is not a substantial shareholder of the Manager or a substantial unitholder of MCT and has not served on the Board for a continuous period of nine years or longer.

For FY20/21, each of the Independent Directors had carried out an assessment on whether there were any relationships or circumstances which may impact his or her independent status. Accordingly, each of the Independent Directors had either made a negative declaration or disclosed such relationships or circumstances as applicable. The declarations or disclosures made by each Independent Director had been reviewed by the NRC.

CORPORATE **GOVERNANCE**

The Board of the Manager, after considering the relevant requirements under the SFLCB Regulations, specifically Regulation 13E(b)(i) of the SFLCB Regulations and the Code, wishes to set out its views in respect of each of the Directors as follows:

Name of Director	(i) had been independent from the management of the Manager and MCT during FY20/21	(ii) had been independent from any business relationship with the Manager and MCT during FY20/21	(iii) had been independent from every substantial shareholder of the Manager and every substantial unitholder of MCT during FY20/21	(iv) had not been a substantial shareholder of the Manager or a substantial unitholder of MCT during FY20/21	(v) has not served as a director of the Manager for a continuous period of 9 years or longer as at the last day of FY20/21
Mr Tsang Yam Pui[1,10]	✓			✓	
Ms Kwa Kim Li[2,10]	✓		✓	✓	✓
Mr Premod P. Thomas[3,10]	✓			✓	✓
Mr Kan Shik Lum[4,10]	✓			✓	✓
Mr Koh Cheng Chua[5,10]	✓		✓	✓	✓
Mr Wu Long Peng	✓	✓	✓	✓	✓
Mr Mak Keat Meng	✓	✓	✓	✓	✓
Mr Alvin Tay	✓	✓	✓	✓	✓
Mr Hiew Yoon Khong[6,10]				✓	
Ms Wendy Koh[7,10]				✓	✓
Ms Amy Ng[8,10]				✓	
Ms Sharon Lim[9,10]				✓	✓

Notes:

1 Mr Tsang Yam Pui is currently a Non-Executive Director and a member of the Audit and Risk Committee of the Sponsor, which is a substantial shareholder of the Manager and a substantial unitholder of MCT. Pursuant to the SFLCB Regulations, during FY20/21, Mr Tsang is deemed not to be (a) independent from a business relationship with the Manager and MCT; and (b) independent from every substantial shareholder of the Manager and every substantial unitholder of MCT by virtue of his directorship in the Sponsor. Nonetheless, the Board is satisfied that, as at 31 March 2021, Mr Tsang was able to act in the best interests of all Unitholders as a whole.

2 Ms Kwa Kim Li is a partner of Lee & Lee Advocate and Solicitors ("Lee & Lee"). The Sponsor group of companies had made payments to Lee & Lee in FY20/21.

Pursuant to the SFLCB Regulations, during FY20/21, Ms Kwa is deemed not to be independent from a business relationship with the Manager and MCT by virtue of the payments made by the Sponsor group of companies, being related corporations of the Manager, to Lee & Lee, as Ms Kwa is a partner of Lee & Lee.

However, Ms Kwa is not involved in the conduct of such matters and therefore, the Board, in consultation with the NRC, takes the view that her Independent Director status is not compromised.

The Board is satisfied that, as at 31 March 2021, Ms Kwa was able to act in the best interests of all Unitholders as a whole.

3 Mr Premod P. Thomas is the Independent Director of Gemstone Asset Holdings Pte. Ltd., which is a related corporation of both the Manager and the Sponsor. He is also the Chief Executive Officer and Executive Director of Bayfront Infrastructure Management Pte. Ltd. ("Bayfront") and the Executive Director of BIM Asset Management Pte. Ltd. ("BIM") and Bayfront Infrastructure Capital II Pte. Ltd. ("Bayfront Capital"), both of which are subsidiaries of Bayfront. Bayfront, BIM and Bayfront Capital are companies in which Temasek Holdings (Private) Limited ("Temasek"), a related corporation and a substantial shareholder of the Manager (through the Sponsor) and a substantial unitholder of MCT, has an effective interest of more than 20%.

Pursuant to the SFLCB Regulations, during FY20/21, Mr Thomas is deemed not to be (a) independent from a business relationship with the Manager and MCT; and (b) independent from every substantial shareholder of the Manager and every substantial unitholder of MCT by virtue of his directorship in Gemstone Asset Holdings Pte. Ltd. and his employment with Bayfront and directorships in BIM and Bayfront Capital.

However, in the abovementioned capacity, Mr Thomas is not under an obligation to act in accordance with the directions, instructions or wishes of the Sponsor or Temasek (as the case may be) and therefore, the Board, in consultation with the NRC, takes the view that his Independent Director status is not compromised.

The Board is satisfied that, as at 31 March 2021, Mr Thomas is able to act in the best interests of all Unitholders as a whole.

4 Mr Kan Shik Lum is the Independent Director of Azalea Asset Management Pte. Ltd. and its subsidiaries, Astrea III Pte. Ltd., Astrea IV Pte. Ltd. and Astrea V Pte. Ltd, all of which are related corporations of Temasek. Temasek is a related corporation and a substantial shareholder of the Manager (through the Sponsor) and a substantial unitholder of MCT.

Pursuant to the SFLCB Regulations, during FY20/21, Mr Kan is deemed not to be (a) independent from a business relationship with the Manager and MCT; and (b) independent from every substantial shareholder of the Manager and every substantial unitholder of MCT by virtue of his directorships in the abovementioned related corporations of Temasek.

However, in the abovementioned capacities, Mr Kan is not under an obligation to act in accordance with the directions, instructions or wishes of Temasek and therefore, the Board, in consultation with the NRC, takes the view that Mr Kan's Independent Director status is not compromised.

The Board is satisfied that, as at 31 March 2021, Mr Kan is able to act in the best interests of all Unitholders as a whole.

5 Mr Koh Cheng Chua is the Managing Director & Head of Group Credit – Commercial Credit in United Overseas Bank Limited ("UOB"). MCT received payments from UOB in excess of S$200,000 in FY20/21.

Under Practice Guidance 2 of the Code, a director may be considered as not independent if he is, among others, an executive officer of an organisation which provided to or received from the company or any of its subsidiaries any significant payments or material services in the current or immediate past financial year. As a guide, payments aggregated over any financial year in excess of S$200,000 should generally be deemed significant.

The Sponsor group of companies had also made payment to UOB in FY20/21.

Pursuant to the SFLCB Regulations, during FY20/21, Mr Koh is deemed not to be independent from any business relationship with the Manager and MCT by virtue of (a) the payments received by MCT from UOB and (b) the payments made by the Sponsor group of companies, being related corporations of the Manager, to UOB, as Mr Koh is employed as an executive officer at UOB.

Notwithstanding that MCT received payments from UOB in excess of S$200,000 in FY20/21, the Board, in consultation with the NRC, takes the view that, as at 31 March 2021, Mr Koh's Independent Director status is not compromised as these amounts relate to rental payments for the UOB branch in VivoCity, licence fees for the ATMs at VivoCity and ARC, and payments for Mapletree vouchers sold under UOB credit card rewards programme. These transactions were all conducted on an arm's length basis and Mr Koh was not involved in the negotiations of any of the agreements. In respect of the payments made by the Sponsor group of companies to UOB for banking services rendered to the Sponsor group of companies, the transactions were all conducted on an arm's length basis and Mr Koh was not involved in the negotiations of any of the agreements and therefore his Independent Director status is not compromised.

The Board is satisfied that, as at 31 March 2021, Mr Koh was able to act in the best interests of all Unitholders as a whole.

6 Mr Hiew Yoon Khong is currently the Executive Director and Group Chief Executive Officer of the Sponsor, which is a substantial shareholder of the Manager and a substantial unitholder of MCT.

Pursuant to the SFLCB Regulations, during FY20/21, Mr Hiew is deemed not to be (a) independent from the management of the Manager and MCT by virtue of his employment with the Sponsor; (b) independent from any business relationship with the Manager and MCT by virtue of the payments which the Sponsor had made to and/or received from the Manager and/or the trustee of MCT during FY20/21; and (c) independent from every substantial shareholder of the Manager and every substantial unitholder of MCT by virtue of his employment with and his directorship in the Sponsor. Nonetheless, the Board is satisfied that, as at 31 March 2021, Mr Hiew was able to act in the best interests of all Unitholders as a whole.

7 Ms Wendy Koh is currently the Group Chief Financial Officer of the Sponsor, which is a substantial shareholder of the Manager and a substantial unitholder of MCT. She is also a Non-Executive Director of Mapletree Logistics Trust Management Ltd. (the manager of Mapletree Logistics Trust), Mapletree Industrial Trust Management Ltd. (the manager of Mapletree Industrial Trust) and Mapletree North Asia Commercial Trust Management Ltd. (the manager of Mapletree North Asia Commercial Trust), all of which are related corporations of the Sponsor.

Pursuant to the SFLCB Regulations, during FY20/21, Ms Koh is deemed not to be (a) independent from the management of the Manager and MCT by virtue of her employment with the Sponsor; (b) independent from any business relationship with the Manager and MCT by virtue of the payments which the Sponsor had made to and/or received from the Manager and/or the trustee of MCT during FY20/21; and (c) independent from every substantial shareholder of the Manager and every substantial unitholder of MCT by virtue of her employment with the Sponsor and her directorships in the abovementioned related corporations of the Sponsor. Nonetheless, the Board is satisfied that, as at 31 March 2021, Ms Koh was able to act in the best interests of all Unitholders as a whole.

8 Ms Amy Ng is currently the Regional Chief Executive Officer, South East Asia & Group Retail of the Sponsor, which is a substantial shareholder of the Manager and a substantial unitholder of MCT. She is also the Non-Executive Director of Vietsin Commercial Complex Development Joint Stock Company, Singapore Cruise Centre Pte. Ltd. and Gemstone Asset Holdings Pte. Ltd., all of which are related corporations of the Sponsor.

Pursuant to the SFLCB Regulations, during FY20/21, Ms Ng is deemed not to be (a) independent from the management of the Manager and MCT by virtue of her employment in the Sponsor; (b) independent from any business relationship with the Manager and MCT by virtue of the payments which the Sponsor had made to and/or received from the Manager and/or the trustee of MCT during FY20/21; and (c) independent from every substantial shareholder of the Manager and every substantial unitholder of MCT by virtue of her employment with the Sponsor and her directorships in the abovementioned related corporations of the Sponsor. Nonetheless, the Board is satisfied that, as at 31 March 2021, Ms Ng was able to act in the best interests of all Unitholders as a whole.

9 Ms Sharon Lim is currently the Executive Director and CEO of the Manager, which is a related corporation of the Sponsor.

Pursuant to the SFLCB Regulations, during FY20/21, Ms Lim is deemed not to be (a) independent from the management of the Manager and MCT by virtue of her employment with the Manager; (b) independent from any business relationship with the Manager and MCT by virtue of the payments which the Manager had made to the Sponsor and/or received from the trustee of MCT during FY20/21; and (c) independent from every substantial shareholder of the Manager and every substantial unitholder of MCT by virtue of her employment with and directorship in the Manager which is a related corporation of the Sponsor. Nonetheless, the Board is satisfied that, as at 31 March 2021, Ms Lim was able to act in the best interests of all Unitholders as a whole.

10 For the purposes of Regulation 13E(b)(ii) of the SFLCB Regulations, as at 31 March 2021, each of the abovementioned Directors were able to act in the best interests of all the Unitholders as a whole.

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Based on a review of the relationships between the Directors and the Group in accordance with the requirements of the Code and the SFLCB Regulations and declarations of independence by the Independent Directors, the Board considers the following Directors to be independent:

- Ms Kwa Kim Li;
- Mr Premod P. Thomas;
- Mr Kan Shik Lum;
- Mr Koh Cheng Chua;
- Mr Wu Long Peng;
- Mr Mak Keat Meng; and
- Mr Alvin Tay.

In view of the above, more than half of the Board comprises Independent Directors. Non-Executive Directors make up a majority of the Board.

The Board is of the opinion that its current size is appropriate, taking into account the scope and nature of operations of the Manager and MCT, for effective decision-making and constructive debate. The Board comprises Directors who collectively have the core competencies, such as accounting or finance, business or management experience, industry knowledge, strategic planning experience and customer-based experience or knowledge, required for the Board to be effective in all aspects of its roles.

Provision 2.4 of the Code requires the disclosure of the Manager's board diversity policy and progress made towards implementing the board diversity policy. The Manager is in the process of formalising a board diversity policy. Nonetheless, the NRC is of the view that it has been and continues to ensure that the Board and Board committees have an appropriate level of independence and diversity of thought and background in its composition to enable it to make decisions in the best interests of the Group as explained in other parts of this report. The Manager is accordingly of the view that despite this deviation from Provision 2.4 of the Code, its practice is consistent with the intent of Principle 2 of the Code as a whole.

Chairman and CEO

Principle 3: Clear division of responsibilities

Our Policy and Practices

The Board and the Manager adopts the principle of clear separation of the roles and division of responsibilities between the Chairman of the Board and the CEO of the Manager (which has been set out in writing) and that no one individual has unfettered powers of decision-making. The Chairman and the CEO are not related to each other so as to maintain an appropriate balance of power, increased accountability and greater capacity of the Board for independent decision-making.

The Chairman is a Non-Executive Director who is responsible for the overall management of the Board as well as ensuring that the Directors and Management work together with integrity and competency, and he guides the Board in constructive debates on the Group's strategic direction, management of its assets and governance matters.

The CEO is responsible for the running of the Manager's business operations. She has full executive responsibilities over the business and operational decisions of the Group. The CEO is also responsible for ensuring the Group's compliance with the applicable laws and regulations in its day-to-day operations.

As the Chairman is not an independent director, in accordance with Provision 3.3 of the Code, Ms Kwa Kim Li has been appointed as the Lead Independent Director of the Manager. The principal responsibilities of the Lead Independent Director are to act as Chairperson of the Board when matters concerning the Chairman are to be considered, and to be available to the Board and Unitholders for communication of Unitholders' concerns when other channels of communication through the Chairman or CEO are inappropriate, as well as for leading all deliberations on feedback regarding performance of the CEO and any interested party transactions. Ms Kwa also has the discretion to hold meetings with the other Independent Directors without the presence of the Management as she deems appropriate or necessary and to provide feedback to the Chairman after such meetings.

Board Membership

Principle 4: Formal and transparent process for appointments

Our Policy and Practices

The Manager adopts the principle that Board renewal is a necessary and ongoing process to ensure good governance and to remain relevant to the changing needs of the Manager and the Group's business.

The Board established the NRC in January 2016 and it comprises three Directors, being Ms Kwa Kim Li, Mr Kan Shik Lum and Mr Hiew Yoon Khong, all of whom are non-executive and the majority of whom (including the Chairperson) are independent. Ms Kwa Kim Li is the Chairperson of the NRC and also the Lead Independent Non-Executive Director of the Manager.

The NRC has written terms of reference setting out its scope and authority in performing the functions of a nominating committee, which include assisting the Board in matters relating to:

- the appointment and re-appointment of the Board and committee members;
- the appointment of the Executive Director and CEO and the framework for the appointment of key management personnel of the Manager, as well as the succession plan and framework for the Executive Director, CEO and key management personnel of the Manager;
- the process and criteria for evaluating the performance of the Board, the Board committees and the Directors;
- the training and professional development programmes for the Board; and
- the determination, on an annual basis and as and when circumstances require, of the independent status of a Director, bearing in mind the relevant principles and provisions of the Code and the SFLCB Regulations, as well as any other applicable regulations and guidelines and salient factors.

The composition of the Board is determined based on the following principles:

- the Chairman of the Board should be a non-executive director of the Manager;
- the Board should comprise directors with a broad range of commercial experience including expertise in fund management, law, finance, audit, accounting and real estate;
- independent directors make up a majority of the Board if the Chairman is not an independent director; and
- non-executive directors make up a majority of the Board.

The Board adheres to the principle of progressive renewal and seeks to ensure its composition provides for appropriate level of independence and diversity of thought and background. In identifying suitable candidates for appointment to the Board, the Board prioritises the needs of the Group and takes into account the industry and business experience, skills, expertise and background of the candidates. In addition, the Board will give due regard to the requirements in the Listing Manual and the Code. The Board will also consider the candidate's ability to commit sufficient time to the affairs of the Group so as to diligently fulfil director's duties. The Board has the option to engage external consultants if necessary to assist the Board in identifying suitable candidates.

As at least half of the Board comprises Independent Directors, the Manager will not be voluntarily subjecting any appointment or reappointment of directors to voting by Unitholders.

The Manager does not, as a matter of policy, limit the maximum number of listed company board representations its Board members may hold as long as each of the Board members is able to commit his or her time and attention to the affairs of the Group, including attending Board and Board committee meetings and contributing constructively to the management of the Manager and the Group. The Manager believes that each Director is best placed to decide whether he or she has sufficient capacity to discharge his or her duties and responsibilities as Director in the best interests of the Manager and Unitholders. Taking into account the meeting attendance records of the Directors in FY20/21 as well as the contribution and performance of each individual Director at such meetings, the Board is satisfied that all the Directors have been able to adequately carry out their duties as Director notwithstanding their principal commitments.

In keeping with the principle that a Director must be able to commit his or her time and attention to the affairs of the Group, the Board will generally not approve the appointment of alternate directors. There were no alternate directors appointed in FY20/21.

The NRC reviews and makes recommendations of nominations and/or re-nominations of directors on the Board and Board committees to the Board for approval. As a principle of good corporate governance, all Board members are required to submit themselves for re-nomination and re-election at regular intervals during the annual general meeting of the Manager.

Board Performance

Principle 5: Formal assessment of the effectiveness of the Board

Our Policy and Practices

The Manager adopts the principle that the Board's performance is ultimately reflected in the performance of the Manager and the Group.

To assess the performance of the Board and the Board committees, the Manager conducts annual confidential board effectiveness surveys. The survey of the effectiveness of the Board, AC and NRC in respect of FY20/21 has been carried out.

To this end, the NRC will assist the Board in the assessment of the effectiveness of the Board, its Board committees, as well as the contribution by the Chairman and each Director, by reviewing the

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performance evaluation process and making recommendations to the Board. The evaluation results will be reviewed by the NRC and then shared with the Board. As part of the assessment, the NRC considers the adequacy of Board composition, the Board's performance and areas of improvement, level of strategic guidance to the Management and the overall effectiveness of the Board, as well as each individual Director's attendance, contribution and participation at the Board and Board committee meetings. The Board also believes that performance evaluation is an ongoing process and strives to maintain regular feedback and interactions between the Directors and the Management.

(B) REMUNERATION MATTERS

Procedures for Developing Remuneration Policies

Principle 6: Formal and transparent procedure for fixing the remuneration of Directors and key management personnel

Level and Mix of Remuneration

Principle 7: Appropriate level of remuneration

Disclosure on Remuneration

Principle 8: Clear disclosure of remuneration matters

Our Policy and Practices

The Manager adopts the principle that remuneration matters should be sufficiently structured and benchmarked with good market practices to attract qualified talent to grow and manage its business.

The Manager adopts the principle that remuneration for the Board and Management should be viewed in totality. The remuneration structure supports the continuous development of the management bench strength to ensure robust talent management and succession planning.

Pursuant to the Guidelines to All Holders of a Capital Markets Services Licence for Real Estate Investment Trust Management (Guideline No: SFA04-G07), the Manager has disclosed in this report information on its NRC as set out below.

Additional information on remuneration matters are disclosed in compliance with the requirements of the United Kingdom's Alternative Investment Fund Managers Regulations 2013 (as amended) ("AIFMR").

Nominating and Remuneration Committee

The Manager has an established NRC which consists of a minimum of three members and is constituted in a way that enables it to exercise its judgment and demonstrate its ability to make decisions which are consistent with the current and future financial status of the business.

The current members are: Ms Kwa Kim Li, Lead Independent Non-Executive Director and Chairperson of NRC, Mr Kan Shik Lum, Independent Non-Executive Director, and Mr Hiew Yoon Khong, Non-Executive Director. The NRC met once during FY20/21 and was guided by an independent remuneration consultant, Willis Towers Watson, who has no relationship with the Manager, the controlling shareholders of the Manager or its related entities and the Board of Directors that would interfere with its ability to provide independent advice to the NRC.

The NRC has written terms of reference setting out its scope and authority in performing the functions of a nominating and remuneration committee, which include assisting the Board in matters relating to:

- reviewing and recommending to the Board all nominations for the appointment and re-appointment of Directors and of members to the various Board committees;
- reviewing and recommending to the Board the succession plan for the Executive Director and CEO of the Manager;
- the remuneration framework for the Directors, the Executive Director and CEO and the Management, including all option plans, stock plans and the like as well as the performance hurdles of such plans;
- the specific remuneration package for the Directors and key management personnel; and
- the termination payment, gratuities, severance payment and other similar payments to the Executive Director and CEO of the Manager.

Decision-making Process for Determining the Remuneration Policy

The NRC is responsible for the annual review of remuneration policy (including termination terms), its implementation and ensuring that such terms of remuneration are fair and in compliance with relevant legislation and regulation. The NRC makes remuneration decisions for employees annually in May following the end of the performance year. This timing allows the full year financial results of the Group to be considered along with the other non-financial goals and objectives. The NRC developed the Manager's remuneration policy with a number of principles in mind (the "Remuneration Principles"). The overarching principle is to promote sustainable long-term success of MCT. The remuneration policy should:

- **Align with Unitholders**: A proportion of variable remuneration is deferred and delivered in the form of deferred awards over MCT phantom units, thereby aligning the interests of employees and Unitholders;
- **Align with performance and value creation**: Total variable compensation is managed and structured taking into consideration the level of performance and value creation attained which is being assessed holistically and determined based on financial performance and achievement of non-financial goals;
- **Encourage retention**: Deferred variable compensation does not give rise to any immediate entitlement. Awards normally require the participant to be employed continuously by the Manager until at least the third anniversary of the grant in order to vest in full; and
- **Be competitive**: Employees receive competitive compensation and benefits packages, which are reviewed annually and benchmarked by an independent remuneration consultant to the external market.

In determining specific individual compensation amounts, a number of factors are considered including non-financial goals and objectives, financial performance of the Group and the individual performance and contributions to the Group during the financial year. Particularly for Management and key management personnel, a portion of their variable compensation is deferred and subjected to downside risks to prevent excessive risk taking.

Guided by the Remuneration Principles, the key objectives and features of the Manager's policy on the remuneration of its Directors are as follow:

- the level of directors' fees should be appropriate (but not excessive) to attract and retain the Directors to provide good stewardship of the Manager and the Group;
- directors' fees are reviewed annually and subject to the approval of the Manager's shareholder;
- to ensure that each Director's fees are commensurate with his or her responsibilities and time spent, each Director is paid a basic retainer and Directors who perform additional services through the Board committees are paid additional fees for such services;
- Non-Executive Directors who are employees of the Sponsor do not receive any director's fees in their capacity as Directors, and the CEO also does not receive any director's fees in her capacity as a Director; and
- no Director is involved in deciding his or her own remuneration.

Directors' fees are paid entirely in cash.

Guided by the Remuneration Principles, the key objectives and features of the Manager's policy on the remuneration of its executives are as follow:

- the level and structure of executive remuneration should be competitive (but not excessive) to attract, motivate and retain a pool of talented executives for the present and future growth of the Manager; and
- executive remuneration should be performance-related with a view to promoting the long-term success and sustainability of the Manager and the Group.

The CEO is not present during the discussions relating to her own compensation and terms and conditions of service, and the review of her performance. However, the Board, with the assistance of the NRC, reviews the CEO's performance and the NRC Chairperson, or her designate, will share with the CEO their views of her performance. In accordance with the directions and guidelines from the MAS on the remuneration of key executive officers of REIT managers, the Board, with the assistance of the NRC, reviews the CEO's specific remuneration package to ensure its compliance with the substance and spirit of such directions and guidelines from the MAS.

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The remuneration of the Board and the employees of the Manager is paid by the Manager, and not paid by MCT. The Manager has set out in the table below information on the fees paid to the Directors for FY20/21:

Board Members	Membership	Fees Paid for FY20/21
Mr Tsang Yam Pui	Non-Executive Chairman and Director	S$121,500
Ms Kwa Kim Li	Lead Independent Non-Executive Director and Chairperson of the NRC	S$89,000
Mr Premod P. Thomas	Independent Non-Executive Director and Chairman of the AC	S$99,000
Mr Kan Shik Lum	Independent Non-Executive Director and Member of the NRC	S$74,000
Mr Koh Cheng Chua	Independent Non-Executive Director and Member of the AC	S$84,000
Mr Wu Long Peng	Independent Non-Executive Director and Member of the AC	S$84,000
Mr Mak Keat Meng	Independent Non-Executive Director and Member of the AC	S$84,000
Mr Alvin Tay	Independent Non-Executive Director	S$54,000
Mr Hiew Yoon Khong	Non-Executive Director and Member of the NRC	Nil[1]
Ms Wendy Koh	Non-Executive Director	Nil[1]
Ms Amy Ng	Non-Executive Director	Nil[1]
Ms Sharon Lim	Executive Director and CEO	Nil[2]

Notes:

1 Non-Executive Directors who are employees of the Sponsor do not receive any director's fees in their capacity as Directors.

2 The CEO does not receive any director's fees in her capacity as a Director.

Link between Pay, Performance and Value Creation

Employee remuneration at the Manager comprises fixed pay, variable incentive, allowances and benefits. Fixed pay comprises a salary and an annual wage supplement. All employees receive a salary that reflects their responsibilities and the level of experience and expertise needed to undertake their roles. Allowances and benefits include statutory provident contributions and benefits-in-kind to enable employees to undertake their role by ensuring their well-being.

Variable incentive is a material component of total remuneration and comprises Performance Target Bonus ("PTB"), Variable Bonus ("VB") and Long-term Incentive ("LTI") award. The PTB amount is determined based on the achievement of non-financial Key Performance Indicators ("KPIs") which are critical to improving the organisational effectiveness, operational efficiency and overall risk profile of the Manager, e.g. digitalisation to improve workflow and processes by implementing Docusign and Office 365, high participation rate in Employee Engagement Survey representing broad-based feedback received, regular active investors and tenants engagement despite safe management measures due to the COVID-19 pandemic, raising the capability of the workforce through increased participation in learning and development. The VB amount is assessed based on the achievement of financial KPIs such as NPI, DPU and NAV which measure the financial metrics essential to the Unitholders. KPIs and their weightages may change from year to year. The LTI award is a form of unit-linked incentive plan and represents conditional rights to receive a cash sum based on the achievement of MCT's Total Shareholder Return ("TSR") targets and value of a notional investment in MCT.

To this end, the NRC has reviewed the performance of the Manager for FY20/21 and is satisfied that all KPIs have been achieved.

For the Management, a significant proportion of their variable incentive is deferred under the Manager's VB banking mechanism and vesting schedule of LTI award. Deferral of these two components is a key mechanism to building sustainable business performance. Under the VB banking mechanism, only a portion of a VB award declared in the financial year will be paid out while the rest of the VB award will be deferred and paid out in the subsequent years. The deferred VB award will be subjected to downside risks depending on future performance. This ensures alignment between remuneration and sustaining business performance in the longer term. For the LTI award, it is subject to three to five years vesting schedule. The settlement value of the LTI award is linked to the value of MCT units at the time of vesting.

Employees of the Manager are eligible to be considered for variable pay each year. Variable pay for all employees takes into account MCT, the Manager and the individual's performance against agreed financial and non-financial objectives similar to that of the Management. However, in execution, the PTB and VB are combined to form consolidated variable pay for the employees.

The Manager will continue to be guided by the objective of delivering long term sustainable returns to Unitholders. The remuneration of the Management will continue to be aligned with the goal of value creation for Unitholders. The performance will be measured over a five-year period, with an interim review at the end of the third year.

All fixed pay, variable incentives and allowances are payable wholly in cash. All payments are entirely paid by the Manager and not as an additional expense imposed on MCT.

To assess the individual performance, a four-point rating scale is used by the supervisors to provide an overall assessment of an employee's performance, and employees are required to perform a self-evaluation. The overall, final rating is reconciled during each employee's performance appraisal. The Manager has ensured that this has been adhered to.

The remuneration for the CEO in bands of S$250,000 and a breakdown of the remuneration of the CEO and all of the key management personnel of the Manager in percentage terms, are provided in the remuneration table below. At present, there are only four key management personnel of the Manager (including the CEO).

TOTAL REMUNERATION BANDS OF CEO AND KEY MANAGEMENT PERSONNEL FOR FY20/21

	Salary, Allowances and Statutory Contributions	Bonus[1]	Long-term Incentives[2]	Benefits	Total
Above S$1,250,000 to S$1,500,000					
Ms Sharon Lim	29%	46%	25%	N.M.[3]	100%
Other Key Management Personnel					
Ms Janica Tan	41%	40%	19%	N.M.[3]	100%
Mr Koh Wee Leong	47%	37%	16%	N.M.[3]	100%
Ms Charissa Wong[4]	53%	36%	11%	N.M.[3]	100%

Notes:

1 The amounts disclosed are bonuses declared during the financial year.

2 The amounts disclosed include the grant of the LTI award. The LTI award is a form of unit-linked incentive plan and represents conditional rights to receive a cash sum based on the achievement of MCT's TSR targets and fulfillment of vesting period of up to five years.

3 Not meaningful.

4 Ms Charissa Wong is an employee of the Property Manager and is deemed a key management personnel who has responsibility for the Management of VivoCity which is material to the performance of MCT.

The total remuneration for the CEO and the key management personnel in FY20/21 was S$3.09 million.

The Manager is cognisant of the requirements as set out under Provision 8.1 of the Code and the "Notice to All Holders of a Capital Markets Services Licence for Real Estate Investment Trust Management" to disclose: (a) the remuneration of its CEO and each individual Director on a named basis; (b) the remuneration of at least its top five executive officers (who are neither Directors nor the CEO), on a named basis, in bands of S$250,000; and (c) in aggregate the total remuneration paid to its top five key management personnel (who are not Directors or the CEO), and in the event of non-disclosure, the Manager is required to provide reasons for such non-disclosure.

The Board had assessed and decided not to disclose (i) the remuneration of the CEO in exact quantum; (ii) the remuneration of at least its top five key management personnel (who are neither Directors nor the CEO), on a named basis, in bands of S$250,000; and (iii) the aggregate remuneration paid to its top five key management personnel (who are not Directors or the CEO), as the Manager is of the view that remuneration details are commercially sensitive due to the confidential nature of remuneration matters and with keen competition for management staff in the REIT industry, such disclosure may result in talent retention issues. The Board is of the view that despite the deviation from Provision 8.1 of the Code, the Manager has been transparent on remuneration matters in line with the intent of Principle 8 of the Code, as information on the Manager's remuneration policies, level and mix of remuneration, procedure for setting remuneration and the relationships between

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remuneration, performance and value creation has been disclosed in detail in the preceding paragraphs.

Since the remuneration of the CEO and key management personnel of the Manager are not separately billed to MCT but instead paid by the Manager, the Manager is also of the view that the interest of the Unitholders would not be prejudiced as the indicative range of the CEO's remuneration, as well as the total remuneration for the CEO and key management personnel of the Manager, have been provided.

There were no employees of the Manager who were substantial shareholder of the Manager, substantial unitholder of MCT or immediate family members of a Director, the CEO or a substantial shareholder of the Manager or substantial unitholder of MCT and whose remuneration exceeded S$100,000 during FY20/21.

In solidarity with its stakeholders in overcoming the challenges posed by COVID-19, Management and the Board had elected to take a reduction in their base salary and basic retainer fee by between 5% to 10% for FY20/21.

Quantitative Remuneration Disclosure under AIFMR

The Manager is required under the AIFMR to make quantitative disclosures of remuneration. Disclosures are provided in relation to (a) the staff of the Manager; (b) staff who are senior management; and (c) staff who have the ability to materially affect the risk profile of MCT.

All individuals included in the aggregated figures disclosed are rewarded in line with the Manager's remuneration policies.

The aggregate amount of remuneration awarded by the Manager to its staff in respect of the Manager's financial year ended 31 March 2021 was S$6.48 million. This figure comprised fixed pay of S$3.35 million, variable pay of S$2.84 million and allowances/ benefits-in-kind of S$0.30 million. There were a total of 34 beneficiaries of the remuneration described above.

In respect of the Manager's financial year ended 31 March 2021, the aggregate amount of remuneration awarded by the Manager to its senior management (who are also members of staff whose actions have a material impact on the risk profile of MCT) was S$3.61 million, comprising seven individuals identified having considered, among others, their roles and decision making powers.

(C) ACCOUNTABILITY AND AUDIT

Risk Management and Internal Controls

Principle 9: Sound system of risk management and internal controls

Our Policy and Practices

The Manager adopts the principle that a sound system of internal controls and risk management is necessary for the Group's business.

The Manager, working with the Sponsor, has established internal controls and risk management systems that address key operational, financial, compliance and information technology risks relevant to the Group's business and operating environment. These systems provide reasonable but not absolute assurance on the achievement of their intended internal controls and risk management objectives.

The key elements of the Group's internal controls and risk management systems are as follow:

Operating Structure

The Manager has a well-defined operating structure with clear lines of responsibility and delegated authority, as well as reporting mechanisms to Management and the Board. This structure includes certain functions, such as Human Resource, Information Systems & Technology, Internal Audit, Legal and Risk Management, which are outsourced to the Sponsor. The Manager also conducts an annual review of such outsourced functions to ensure required performance standards are met.

Policies, Procedures and Practices

Controls are detailed in formal procedures and manuals. For example, the Board has approved a set of delegations of authority which sets out approval limits for investments and divestments, development, operational and capital expenditures and treasury activities. Approval sub-limits are also provided at various management levels to facilitate operational efficiency as well as provide a system of checks and balances.

The Board's approval is required for material transactions undertaken by the Group, including the following:

- equity fund-raising;
- acquisition, development and disposal of properties above Board-prescribed limits;
- overall project budget variance and ad hoc development budget above Board-prescribed limits;
- debt fund-raising above Board-prescribed limits; and
- derivative contracts above Board-prescribed limits.

The Group's procedures and practices are regularly reviewed and revised where necessary to enhance controls and efficiency. The Group has implemented a Control Self-Assessment ("CSA") programme to reinforce risk awareness and compliance with internal controls within the Group, by fostering accountability, control and risk ownership.

The internal audit function, which is outsourced to the Sponsor, reviews the Group's compliance with the control procedures and policies established within the internal controls and risk management systems. The internal audit function is also involved in the validation of the results from the CSA programme.

Whistle-blowing Policy

To reinforce a culture of good business ethics and governance, the Manager has a Whistle-blowing Policy to encourage the reporting, in good faith, of any suspected improper conduct, including possible financial irregularities, while protecting the whistle-blowers from reprisals. Any reporting concerning the Group or the Manager is notified to the AC Chairman of the Sponsor as well as the AC Chairman of the Manager for investigation and to the AC of the Manager on the findings.

For queries or to make a report, please write to reporting@mapletree.com.sg.

Risk Management

Risk management is an integral part of the Manager's business strategy in order to deliver regular and steady distributions. In order to safeguard and create value for Unitholders, the Manager proactively manages risks and embeds the risk management process as part of the Manager's planning and decision-making process.

The risk management function which is outsourced to the Sponsor's Risk Management Department oversees the Enterprise Risk Management ("ERM") framework, which is adapted from the International Organisation for Standardisation under (ISO) 31000 Risk Management. It reports key risk exposures, portfolio risk profile and activities in respect of significant risk matters to the AC and the Board independently on a quarterly basis.

The risk management system established by the Manager, which encompasses the ERM framework and the risk management process, is dynamic and evolves with the business. The Manager has identified key risks, assessed their likelihood and impact on MCT's business and established corresponding mitigating controls. The information is maintained in a risk register that is reviewed and updated regularly. The Risk Management Department works closely with the Manager to review and enhance the risk management system in accordance with market practice and regulatory requirements, under the guidance and direction of the AC and the Board.

The Manager's policies and procedures relating to risk management can be found on pages 90 to 93 of this Annual Report.

Information Technology Controls

As part of the Group's risk management process, information technology controls and cybersecurity measures have been put in place and are periodically reviewed to ensure that information technology risks and cybersecurity threats are identified and mitigated. As part of the periodic review, regulatory requirements, such as the MAS Cyber Hygiene Notice and the MAS Technology Risk Management Guidelines (January 2021), are monitored and complied with where applicable.

On an annual basis, the Manager conducts the Business Continuity Plan ("BCP") and IT Disaster Recovery ("ITDR") Tests, as well as engages external specialists to perform a Vulnerability and Penetration Test ("VAPT") on the Group's networks, systems and devices. The BCP and ITDR ensure that information technology systems remain functional in a crisis situation or system failure, and the VAPT ensures that cybersecurity measures deployed continue to be effective.

The Sponsor's Internal Audit Department conducted the annual review of information technology controls as part of the FY20/21 annual CSA programme. The audit findings were submitted to the AC and the Board for review and appropriate remedial actions were implemented as at 31 March 2021.

Financial Reporting

The Board is updated on a quarterly basis on the Group's financial performance. The Manager reports on significant variances in financial performance, in comparison with budgets and financial performance of corresponding periods in the preceding year and provides an updated full year forecast. In addition, the Board is provided with quarterly updates on key operational activities of the Group.

CORPORATE **GOVERNANCE**

A management representation letter is provided by the Manager in connection with the preparation of the Group's financial statements to the AC and the Board quarterly. The management representation letter is supported by declarations made individually by the various Heads of Department. Compliance checklists on announcement of financial statements, which are required for submission to the SGX-ST, are reviewed and confirmed by the Chief Financial Officer ("CFO") of the Manager.

The Group's financial results are prepared in accordance with the Singapore Financial Reporting Standards (International) and are reported to Unitholders in accordance with the requirements of the SGX-ST. These results announcements provide analyses of significant variances in financial performance and commentary on the industry's competitive conditions in which the Group operates and any known factors or events that may affect the Group in the next reporting period and the next twelve months.

Detailed disclosure and analysis of the full year financial performance of the Group can be found in the Financial & Capital Management Review section from pages 42 to 46 and the Financial Statements from pages 128 to 193 of this Annual Report.

Financial Management

As a matter of financial and operational discipline, Management reviews on a monthly basis the performance of MCT's portfolio properties.

The key financial risks which the Group is exposed to include interest rate risk, foreign currency risk, liquidity risk and credit risk. Where appropriate, the Manager procures hedging transactions to be entered into so as to protect the Group against interest rate and foreign exchange rate fluctuations. In addition, the Manager proactively manages liquidity risk by ensuring that sufficient working capital lines and loan facilities are maintained for the Group. The Manager's capital management strategy can be found from pages 42 to 46 of this Annual Report. The Manager also has in place credit control procedures for managing tenant credit risk and monitoring of arrears collection.

Internal Audit

The internal audit function, which is outsourced to the Sponsor's Internal Audit Department, prepares a risk-based audit plan annually to review the adequacy and effectiveness of the Group's system of internal controls and this audit plan is approved by the AC before execution. The Sponsor's Internal Audit Department is also involved during the year in conducting ad hoc audits and reviews that may be requested by the AC or Management on specific areas of concern, including validating the responses under the CSA programme. In doing so, the Sponsor's Internal Audit Department is able to obtain assurance that business objectives for the internal controls processes under review are being achieved and key control mechanisms are in place.

Upon completion of each review, a formal report detailing the audit findings and the appropriate recommendations is issued to the AC. The Sponsor's Internal Audit Department monitors and reports on a quarterly basis the timely implementation of the action plans to Management and the AC.

External Audit

The external auditor also provides an independent perspective on certain aspects of the internal financial controls system arising from their work and report their findings to the AC on an annual basis. The external auditor is also updated on the findings of the CSA programme.

Interested Person Transactions

All interested person transactions are undertaken on normal commercial terms and the AC regularly reviews all interested person transactions to ensure compliance with the internal control system as well as with relevant provisions of the Listing Manual and the Property Funds Appendix. In addition, the Trustee has the right to review such transactions to ascertain that the Property Funds Appendix has been complied with.

The following procedures are also undertaken:

- transactions (either individually or as part of a series or if aggregated with other transactions involving the same interested person during the same financial year) equal to or exceeding S$100,000 in value but below 3.0% of the value of the Group's net tangible assets will be subject to review by the AC at regular intervals;
- transactions (either individually or as part of a series or if aggregated with other transactions involving the same interested person during the same financial year) equal to or exceeding 3.0% but below 5.0% of the value of the Group's net tangible assets will be subject to the review and prior approval of

the AC. Such approval shall only be given if the transactions are on normal commercial terms and are consistent with similar types of transactions made by the Trustee with third parties which are unrelated to the Manager; and

- transactions (either individually or as part of a series or if aggregated with other transactions involving the same interested person during the same financial year) equal to or exceeding 5.0% of the value of the Group's net tangible assets will be reviewed and approved prior to such transactions being entered into, on the basis described in the preceding paragraph, by the AC (which may, as it deems fit, request advice on the transaction from independent sources or advisers, including the obtaining of valuations from independent professional valuers). Further, under the Listing Manual and the Property Funds Appendix, such transactions would have to be approved by the Unitholders at a meeting of the Unitholders.

The interested person transactions undertaken by the Group in FY20/21 are set out from pages 194 to 195 of this Annual Report. For the purpose of the disclosures, the full contract sum is taken as the value of the transaction where the interested person transaction has a fixed term and contract value, while the annual amount incurred and/or accrued is taken as the value of the transaction where an interested person transaction has an indefinite term or where the contract sum is not specified.

Dealing in MCT units

The Manager adopts the best practices on dealings in securities set out in the Listing Manual. All Directors are required to disclose their interests in MCT and are also provided with disclosures of interests by other Directors as well as reminders on trading restrictions.

On trading in MCT units, the Directors and employees of the Manager are reminded not to deal in MCT units on short term considerations and are prohibited from dealing in MCT units:

- in the period commencing one month before the public announcement of the Group's annual results;
- in the period commencing two weeks before the public announcement of the Group's quarterly business updates and semi-annual results; and
- at any time whilst in possession of price-sensitive information.

Each Director is required to notify the Manager of his or her acquisition of MCT units or of changes in the number of MCT units which he or she holds or in which he or she has an interest, within two business days of such acquisition or change of interest. In addition, employees of the Manager and the Sponsor are to give pre-trading notifications before any dealing in MCT units.

Role of the Board and AC

The Board recognises the importance of maintaining a sound internal controls and risk management system to safeguard the assets of the Group and Unitholders' interests, through a framework that enables risks to be assessed and managed.

The AC provides oversight of the financial reporting, accounting policies and the adequacy and effectiveness of the Group's internal controls and risk management systems as well as its compliance processes.

The Board and the AC also take into account the results from the CSA programme, which requires the various departments to review and report on compliance with key control processes. As part of the CSA programme, the Sponsor's Internal Audit Department performs a validation of Management's self-assessment responses on a sampling basis, after which the validated self-assessment results are reported to the AC and the Board.

It should be recognised that all internal controls and risk management systems contain inherent limitations and, accordingly, the internal controls and risk management systems can only provide reasonable but not absolute assurance.

The Board has received written assurance from the CEO and the CFO that the Group's financial records have been properly maintained and the Group's financial statements give a true and fair view of the Group's operations and finances. It has also received assurance from the CEO and other relevant key management personnel, who have responsibility regarding various aspects of the risk management and internal controls systems, that the systems of risk management and internal controls

CORPORATE **GOVERNANCE**

in place for the Group are adequate and effective to address the risks (including financial, operational, compliance and information technology risks) that the Manager considers relevant and material to the current business environment.

Comment and Opinion on Internal Controls

Based on the internal controls and risk management systems established and maintained by the Manager and the Sponsor, the work performed by the Sponsor's Internal Audit and Risk Management Departments as well as by the external auditor, reviews performed by the Management and the above-mentioned assurance from the CEO, the CFO and other key management personnel, the Board is of the opinion that the Group's internal controls and risk management systems, addressing key financial, operational, compliance, information technology and risk management objectives and which the Group considered relevant and material to its operations, were adequate and effective to meet the needs of the Group in its business as at 31 March 2021. However, the Board notes that the system of internal controls and risk management provides reasonable, but not absolute, assurance that the Group will not be adversely affected by any event that could be reasonably foreseen as it works to achieve its business objectives. In this regard, the Board notes that no system of internal controls and risk management can provide absolute assurance against the occurrence of material errors, poor judgment in decision making, human error, losses, fraud or other irregularities. The AC concurs with the Board's comments provided in the foregoing. For the financial year ended 31 March 2021, the Board and the AC have not identified any material weaknesses in the Group's internal controls and risk management systems.

Audit and Risk Committee

Principle 10: The Board has an AC which discharges its duties objectively.

Our Policy and Practices

The Board is supported by the AC which provides additional oversight of financial, risks and audit matters, so as to maximise the effectiveness of the Board and foster active participation and contribution.

The Manager adopts the principle that the AC shall have at least three members, all of whom must be non-executive and the majority of whom, including the AC Chairman, must be independent. The Board is of the view that the AC members collectively have recent and relevant expertise or experience in financial management and are appropriately qualified to discharge their responsibilities.

The AC consists of four members, all of whom are independent and are appropriately qualified to discharge their responsibilities. They are:

- Mr Premod P. Thomas, Chairman;
- Mr Koh Cheng Chua, Member;
- Mr Wu Long Peng, Member; and
- Mr Mak Keat Meng, Member.

None of the AC members was a partner or director of the incumbent external auditor, PricewaterhouseCoopers LLP ("PwC"), within the previous two years, and neither do any of them have any financial interest in PwC.

The AC has written terms of reference setting out its scope and authority, which include:

- examination of interested person transactions;
- review and approval of the scope of internal and external audit plans and activities;
- review of the adequacy, effectiveness, independence, scope and audit findings of internal and external auditors as well as Management's responses to them and the implementation of remedial actions to address such findings;
- evaluation of the nature and extent of non-audit services performed by external auditors. In this regard, for FY20/21, MCT paid S$108,629 to PwC for audit services of the Group. There were no payments made for non-audit services;
- review of the quality and reliability of information prepared for inclusion in financial reports;
- authority to investigate any matters within its terms of reference, full access to and co-operation by Management and full discretion to invite any Director or executive officer to attend its meetings, and reasonable resources to enable it to discharge its functions properly;
- making recommendation to the Board on the appointment and re-appointment of external auditors; and
- approval of the remuneration and terms of engagement of external auditors.

In addition, the AC also:

- reviews significant financial reporting issues and judgements so as to ensure the integrity of the financial statements of MCT and any formal announcements relating to MCT's financial performance;
- reviews at least annually the adequacy and effectiveness of MCT's internal controls and risk management systems;
- reviews the assurance from the CEO and the CFO on the financial records and financial statements;

- meets with the external and internal auditors, without the presence of the Management, at least once a year to review and discuss the financial reporting process, system of internal controls (including financial, operational, compliance and information technology controls), significant comments and recommendations;
- reviews and, if required, investigates the matters reported via the whistle-blowing mechanism, by which employees may, in confidence, raise concerns about suspected improprieties including financial irregularities. The objective of the whistle-blowing mechanism is to ensure that arrangements are in place for independent investigations of any reported matters and reviews of such investigations, to ensure appropriate follow-up actions are taken; and
- discusses during the AC meetings, any changes to accounting standards and issues which have a direct impact on the financial statements.

In the review of the financial statements, the AC has discussed with the Management the accounting principles that were applied and their judgment of items that might affect the integrity of the financial statements.

As part of its oversight role over financial reporting, the AC reviewed the financial statements before recommending them to the Board for approval. The process involved discussions with the Management and the external auditor on significant accounting matters. The AC reviewed among other matters, the valuation of investment properties, being the key audit matter identified by the external auditor.

The AC reviewed the outputs from the process of valuing the investment properties and had robust discussions with the Management and the professional valuers, focusing on the reasonableness of the methodologies and critical assumptions used in deriving the valuation of the investment properties, including the impact of COVID-19.

The AC also considered the work performed by the external auditor, including their assessment of the appropriateness of the valuation methodologies and the key assumptions applied in the valuation of investment properties.

The AC is satisfied with the valuation process, methodologies used and valuation of the investment portfolio as adopted and disclosed in the financial statements. However, the AC noted the independent valuation reports have highlighted that with the heightened uncertainty of the COVID-19 pandemic, a higher degree of caution should be exercised when relying upon the valuation. The valuations are based on the information available as at the date of valuation. Values and incomes may change more rapidly and significantly than during normal market conditions.

Due to the uncertainties arising from the COVID-19 pandemic, MCT had conducted an interim valuation of the investment properties in September 2020, in addition to the usual annual valuation in March 2021.

A total of five AC meetings were held in FY20/21.

The Manager, on behalf of the Group, confirms that the Group has complied with Rules 712 and 715 of the Listing Manual in relation to the Group's auditing firm.

Internal Audit

Our Policy and Practices

The Manager adopts the principle that a robust system of internal audits is required to safeguard Unitholders' interests, the Group's assets, and to manage risks. Apart from the AC, other Board committees may be set up from time to time to address specific issues or risks.

The internal audit function of the Group is outsourced to the Sponsor's Internal Audit Department and the Head of Internal Audit reports directly to the Chairman of the AC of both the Manager and the Sponsor.

The Chairman of the AC is consulted and provides objective feedback to the AC of the Sponsor on the hiring, removal, remuneration and evaluation of the performance of the Head of Internal Audit. The Sponsor's Internal Audit Department (including the Head of Internal Audit) has unfettered access to all of the Group's documents, records, properties and personnel, including access to the AC and has appropriate standing within the Group.

The role of the Sponsor's Internal Audit Department is to conduct internal audit work in consultation with, but independently of, Management. Its annual audit plan and audit findings are submitted to the AC for approval and review respectively. The AC also meets

CORPORATE **GOVERNANCE**

with the Head of Internal Audit at least once a year without the presence of Management.

The Sponsor's Internal Audit Department is a member of the Singapore branch of the Institute of Internal Auditors Inc. (the "IIA"), which has its headquarters in the United States. The Sponsor's Internal Audit Department subscribes to, and is in conformance with, the International Standards for the Professional Practice of Internal Auditing developed by the IIA (the "IIA Standards") and has incorporated these standards into its audit practices.

The IIA Standards cover requirements on:

- independence and objectivity;
- proficiency and due professional care;
- managing the internal audit activity;
- engagement planning;
- performing engagement;
- communicating results; and
- monitoring progress.

The Sponsor's Internal Audit Department employees involved in information technology audits are Certified Information System Auditors and members of the Information System Audit and Control Association (the "ISACA") in the United States. The ISACA Information System Auditing Standards provide guidance on the standards and procedures to apply in information technology audits.

To ensure that the internal audits are performed by competent professionals, the Sponsor's Internal Audit Department recruits and employs qualified employees. In order that their technical knowledge remains current and relevant, the Sponsor's Internal Audit Department identifies and provides training and development opportunities to the employees.

In compliance with the IIA Standards, an external quality assessment review ("QAR") of the Sponsor's Internal Audit Department is conducted at least once every five years by a qualified, independent reviewer. The last external QAR of the Sponsor's Internal Audit Department was completed in 2018 and it was assessed that the Group's internal audit function is in conformance with the IIA standards. The next external QAR will be conducted in 2023.

For FY20/21, the AC is of the opinion that the internal audit function is independent, effective and adequately resourced.

(D) UNITHOLDER RIGHTS AND RESPONSIBILITIES

Unitholder Rights

Principle 11: Fair and equitable treatment of all Unitholders

Engagement with Unitholders

Principle 12: Regular, effective and fair communication with Unitholders

Our Policy and Practices

The Manager adopts the principle that all Unitholders should be treated fairly and equitably in order to enable them to exercise their ownership rights arising from their unitholdings and have the opportunity to communicate their views on matters affecting MCT. The Manager provides Unitholders with regular, balanced and understandable assessment of MCT's performance, position and prospects.

To this end, the Manager issues via SGXNET announcements and press releases on the Group's latest corporate developments on an immediate basis where required by the Listing Manual. Where immediate disclosure is not practicable, the relevant announcement will be made as soon as possible to ensure that all stakeholders and the public have equal access to the information.

The public can access the electronic copy of the Annual Report via SGXNET as well as MCT's website, and printed copies of the Annual Report are also available upon request. Under normal circumstances, Unitholders will receive the notices of general meetings and proxy forms with instructions on the appointment of proxies and may also download these documents from MCT's website. Notices of general meetings are also published in the newspaper and on SGXNET and MCT's website. However, in view of the ongoing COVID-19 situation, the Manager will be conducting MCT's 10th annual general meeting via electronic means and therefore, alternative arrangements will be made to take into account the online nature of the annual general meeting, further information of which is set out in the notice of the 10th annual general meeting dated 23 June 2021.

An annual general meeting is held once a year to provide a platform for Unitholders to interact with the Board and Management, in particular the Chairman of the Board, the Chairman of the AC, the CEO and the CFO. The external auditor is also present to address Unitholders' queries about the audit and the financial statements of the Group. A record of the Directors' attendance at the annual general meeting can be found in the record of their attendance of meetings set out from pages 71 to 72 of this Annual Report.

Provision 11.4 of the Code requires an issuer's constitutive documents to allow for absentia voting at general meetings of Unitholders. The Trust Deed currently does not provide for absentia voting which may be considered by the Manager following careful study to ensure that the integrity of information and authentication of the identity of Unitholders through the web are not compromised and legislative changes are effected to recognise remote voting. The Manager is of the view that despite the deviation from Provision 11.4 of the Code, its current practice remains consistent with Principle 11 of the Code as a whole because Unitholders nevertheless have opportunities to communicate their views on matters affecting the Group even when they are not in attendance at general meetings. For example, in an ordinary meeting setting (i.e. physical meetings), Unitholders may appoint proxies to attend, speak and vote, on their behalf, at general meetings.

Where a general meeting is convened, all Unitholders are entitled to receive a circular enclosing a proxy form with instructions on the appointment of proxies. Prior to voting at an annual general meeting or any other general meeting, the voting procedures will be made known to the Unitholders to facilitate them in exercising their votes.

To safeguard Unitholders' interests and rights, a separate resolution is proposed for each substantially separate issue at an annual general meeting. Each resolution proposed at an annual general meeting and any other general meeting will be voted on by way of electronic polling. An independent scrutineer is also appointed to validate the vote tabulation and procedures. The Manager will announce the results of the votes cast for and against each resolution and the respective percentages and prepare minutes of such meetings.

As the Manager will be conducting MCT's 10th annual general meeting via electronic means, Unitholders are unable to attend the meeting in person, and Unitholders may appoint the Chairman of the meeting as proxy to vote on their behalf at the general meeting and submit questions relating to the business of the meeting either in advance or during the audio-visual webcast platform via the online chat box function. Please refer to the notice of the 10th annual general meeting dated 23 June 2021 for further information.

The Manager has an Investor Relations Department which works with the Legal and Corporate Secretariat Department of the Sponsor to ensure the Group's compliance with the legal and regulatory requirements applicable to listed REITs, as well as to incorporate best practices in its investor relations programme. To keep the Board abreast of market perception and concerns, the Investor Relations Department provides regular updates on analyst and investor feedback.

The Manager's investor relations policy prioritises proactive engagement, and timely and effective communication with its stakeholders.

The Manager regularly communicates major developments in the Group's businesses and operations to Unitholders, analysts and the media through the issuance of announcements and press releases. In addition, all announcements and press releases are first made on SGXNET and subsequently on MCT's website.

The Manager also communicates with MCT's investors on a regular basis through group/individual meetings with investors, investor conferences and non-deal roadshows. The Manager's CEO and CFO are present at briefings and communication sessions to answer questions from investors and analyst briefings are also conducted where practicable. Stakeholders can subscribe for email alerts to receive the latest updates on the Group and also contact the Investor Relations Department via a dedicated email address. Further details on the Manager's investor relations activities and efforts are found from pages 125 to 127 of this Annual Report.

Minutes of general meetings recording the substantive and relevant comments made and questions raised by Unitholders are available to Unitholders for their inspection upon request. Minutes of general meetings (which record substantial and relevant comments and queries from Unitholders and the response from the Board and Management) are also available on MCT's website at www.mapletreecommercialtrust.com.

MCT's distribution policy is to distribute at least 90% of its distributable income. For FY20/21, MCT made two distributions to Unitholders.

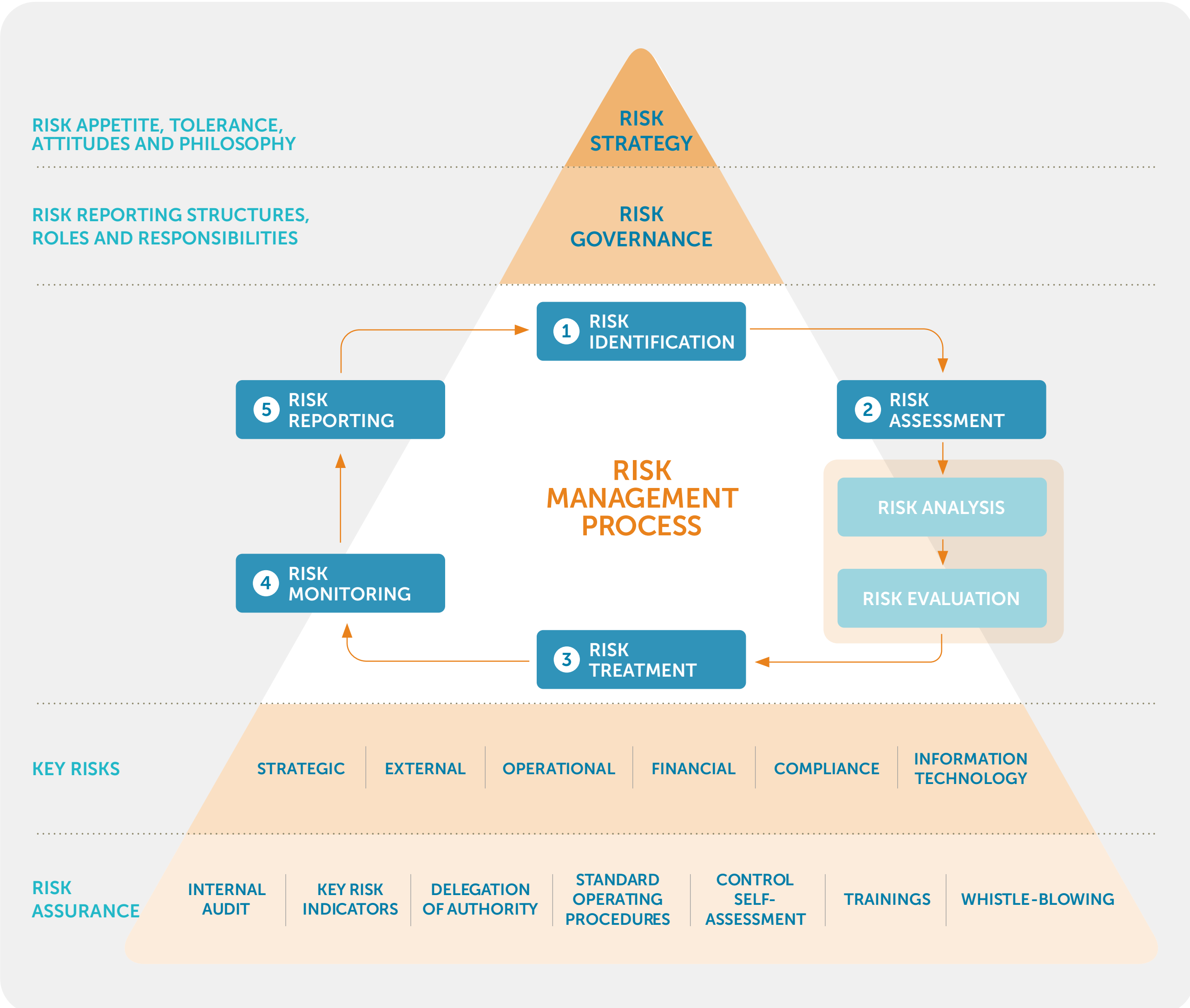
Principle 13: Engagement with Stakeholders

Our Policy and Practices

The Manager adopts the principle that to build confidence among stakeholders, there is a need to deliver sustainable value. The Sustainability Report from pages 94 to 124 in the Annual Report provides the Group's approach in identifying its material stakeholders, as well as addressing stakeholders' concerns and methods of engagement. The Sustainability Report also sets out the key areas of focus in relation to the management of stakeholder relationships for the financial year ended 31 March 2021.

RISK **MANAGEMENT**

Risk management is an integral part of the Manager's business strategy in order to deliver regular and steady distributions. To safeguard and create value for Unitholders, the Manager proactively manages risks and embeds the risk management process as part of the planning and decision-making process.



STRONG OVERSIGHT AND GOVERNANCE

The Board is responsible for determining the overall risk strategy and risk governance, as well as ensuring that the Manager implements sound risk management and internal control practices. The Board also approves the risk appetite and tolerance statements, which set out the nature and extent of risks that can be taken to achieve the Manager's business objectives. The Board, which is supported by the AC, comprises directors, whose collective diverse experience and knowledge serve to provide guidance and strategic insights to the Manager. The AC has direct access to the Sponsor's Risk Management ("RM") department, which it engages on a quarterly basis, as part of its review of MCT's portfolio risks.

At the Manager level, the risk management culture involves both top-down oversight and bottom-up engagement from all employees. This ensures a risk approach that is aligned with the business objectives and strategies for MCT, which is also integrated with operational processes for effectiveness and accountability.

The Manager's ERM framework is adapted from International Organisation for Standardisation (ISO) 31000 Risk Management. It is dynamic and evolves with the business, thus providing the Manager with a holistic and consistent process for the identification, assessment, monitoring and reporting of risks. The Sponsor's RM department works closely with the Manager to continually review and enhance the risk management system in accordance with market practices and regulatory requirements, under the guidance and direction of the AC and the Board. A CSA framework further reinforces risk awareness by fostering accountability, control and risk ownership, as well as provides additional assurance to the Manager and the Board that operational risks are being effectively and adequately managed and controlled.

ROBUST MEASUREMENT AND ANALYSIS

The Manager's risk measurement framework is based on Value-at-Risk ("VaR"), a methodology which measures the volatilities of market and property risk drivers such as rental rates, occupancy rates, capital values and interest rates. It takes into consideration changes in market environment and asset cashflows. To complement the VaR methodology, other risks such as refinancing and tenant-related risks are also assessed, monitored and measured as part of the framework where feasible.

The VaR methodology measures risks consistently across the portfolio. It enables the Manager to quantify the benefits that arise from diversification across the portfolio, and to assess risk by asset class and risk type. The Manager recognises the limitations of any statistically-based analysis that relies on historical data. Therefore, MCT's portfolio is subject to stress tests and scenario analyses to ensure that the business remains resilient in the event of unexpected market shocks.

RISK IDENTIFICATION AND ASSESSMENT

The Manager identifies key risks, assesses their likelihood and impact on the business, as well as establishes corresponding mitigating controls. The information is maintained in a risk register that is reviewed and updated regularly. The key risks identified include but are not limited to:

Strategic Risks

Market risk

MCT's portfolio is subject to real estate market risks such as rental rate and occupancy volatilities and specific factors including competition, supply and demand, as well as regulations in Singapore. Such risks are quantified, aggregated and monitored for existing assets and prospective acquisitions. Significant risk profile changes or emerging trends are reported for assessment and/or action.

Investment risk

The risks arising from investment activities are managed through a rigorous and disciplined investment approach, particularly in the areas of asset evaluation and pricing. All acquisitions are aligned with MCT's investment strategy to enhance returns to Unitholders and improve future income and capital growth. Sensitivity analysis is also performed for each acquisition on all key project variables to test the robustness of the assumptions used. For significant acquisitions, independent risk assessments are conducted by the Sponsor's RM department and included in the investment proposal submitted to the Board for approval. All investment proposals are subject to rigorous scrutiny by the Board.

Upon receiving approval from the Board, the investment proposals are then submitted to the Trustee, who is the final approving authority for all investment decisions.

The Trustee also monitors the compliance of the Manager's executed investment transactions with the Listing Manual of the Singapore Exchange Securities Trading Limited, the MAS Property Funds Appendix and the provisions in the Trust Deed.

External Risks

Economic risk

The emergence of COVID-19 has heightened global economic uncertainties. To manage such economic risks, the Manager conducts rigorous real estate market research and monitors economic developments proactively and closely.

To mitigate the adverse impact from COVID-19 on the financial performance of MCT's properties, MCT has prioritised occupancy.

RISK **MANAGEMENT**

Efforts were taken to restructure retail leases with more flexible terms to maintain portfolio occupancy, and where necessary, the Manager has also extended rental reliefs to support tenants. The Manager will continue to keep a close watch on economic and market developments as part of its active asset management strategy.

Operational Risks

Operational risk

Comprehensive operating, reporting and monitoring guidelines enable the Manager to manage day-to-day activities and mitigate operational risks. To ensure relevance, the Manager regularly reviews its standard operating procedures ("SOPs") and benchmarks them against industry practices where appropriate. Compliance with SOPs is assessed under the CSA framework and reinforced through training of employees and regular reviews by the Sponsor's Internal Audit department.

Human resource risk

Loss of key management personnel and identified talents can cause disruptions to the Manager's business operations and hinder the achievement of its business objectives. The Manager has put in place succession planning, talent management, competitive compensation and benefits plans to reward and retain performing personnel.

Property damage & business disruption risks

In the event of unforeseen catastrophic events such as COVID-19, the Manager has in place a Business Continuity Plan as well as crisis communication plan to enable business and operations resumption with minimal disruptions and loss. MCT's properties are insured in accordance with industry norms in Singapore.

Health & safety risks

The Manager places utmost importance on the health and safety of its stakeholders. Health and safety considerations are incorporated in MCT's SOPs. Checks on fire protection systems, as well as required certificates and permits, are performed regularly to ensure compliance with regulatory requirements. During the COVID-19 pandemic, precautionary measures were taken at all MCT properties. These include stepping up the frequency of cleaning and disinfecting of common areas, increasing the availability of hand sanitisers at common areas, as well as instituting safe distancing measures at workplaces and malls. For more information, please refer to pages 102 to 106 of this annual report.

Credit risk

Credit risk is mitigated from the outset by conducting tenant credit assessments as part of the investment due diligence process prior to an acquisition. For new and sizeable leases, credit assessments of prospective tenants are undertaken prior to signing of lease agreements. On an ongoing basis, tenants' credit worthiness is closely monitored by the Manager's asset management team and arrears are managed by the Manager's Credit Control Committee, who meet regularly to review debtor balances. To further mitigate credit risks, security deposits in the form of cash or banker's guarantees are collected from prospective tenants prior to the commencement of leases where applicable.

Financial Risks

Financial market risks and the capital adequacy of MCT are closely monitored and actively managed by the Manager and reported to the Board on a quarterly basis. At the portfolio level, the risk impact of interest rate volatility on value is quantified, monitored and reported quarterly using the VaR methodology. Refinancing risk is also quantified, taking into account the concentration of loan maturity profile and credit spread volatility.

Interest rate risk

MCT hedges its portfolio exposure to interest rate volatility arising from borrowings through interest rate derivatives and fixed rate debts.

Liquidity risk

The Manager actively monitors MCT's cashflow position and funding requirements to ensure sufficient liquid reserves to fund operations, meet short-term obligations and achieve a well-staggered debt maturity profile (see Financial & Capital Management Review section on pages 42 to 46 of this annual report).

The Manager also maintains sufficient financial flexibility and adequate debt headroom for MCT to partially finance future acquisitions. In addition, the Manager monitors and mitigates bank concentration risks by having a well-diversified funding base. The limit on MCT's aggregate leverage ratio is observed and monitored to ensure compliance with the MAS Property Funds Appendix.

Compliance Risks

Regulatory risk

The Manager is committed to complying with the applicable laws and regulations in Singapore. Non-compliance may result in litigation, penalties, fines or revocation of business licenses. The Manager identifies applicable laws and regulatory obligations and ensures compliance with these laws and regulations in its day-to-day business processes.

Fraud risk

A comprehensive corporate governance framework has been established to maintain responsible and transparent business practices. The framework contains specific guidelines on anti-corruption practices – such as the prohibition of bribery, acceptance or offer of gifts and entertainment.

The Manager also has a whistle-blowing policy that allows employees and stakeholders to raise any serious concerns, danger, risk, malpractice or wrongdoing in the workplace while protecting them from reprisals.

Compliance with policies and procedures is required at all times. This includes policies on ethics and code of conduct, safe work practices and professional conduct. If an employee is found guilty of fraud, dishonesty or criminal conduct in relation to his/her employment, the Manager reserves the rights to take appropriate disciplinary action, including termination of employment.

Information Technology Risk

Concerns over the threat posed by cybersecurity attacks have risen as such attacks become increasingly prevalent and more sophisticated. The Manager has in place comprehensive policies and procedures governing information availability, control and governance, as well as data security. An IT disaster recovery plan is in place and is tested annually to ensure that business recovery objectives are met. All employees are required to complete a mandatory online training on IT security awareness to ensure that they are aware of potential cybersecurity threats. On top of the constant monitoring of internet gateways to detect potential security events, network vulnerability assessments and penetration testings are also conducted regularly to check for potential security gaps.

RIGOROUS MONITORING AND CONTROL

The Manager has developed internal key risk indicators that serve as an early-warning system to highlight risks that have escalated beyond agreed tolerance levels. The Manager has also established required actions to be taken when risk thresholds are breached.

Every quarter, the Sponsor's RM department presents a comprehensive report to the Board and the AC, highlighting key risk exposures, portfolio risk profile, results of stress testing scenarios such as COVID-19, and status of key risk indicators. The Board and the AC are also kept abreast of any material changes to MCT's risk profile and activities.

SUSTAINABILITY **REPORT**

BOARD STATEMENT

The Board is pleased to publish MCT's fifth Sustainability Report ("SR"). This report encapsulates our policies, practices, targets of all sustainability matters and their respective performance for the period from 1 April 2020 to 31 March 2021.

At MCT, we believe in "doing well by doing good". As we continuously work towards delivering value for our stakeholders, we endeavour to do so with minimal impact to the environment and community. This is because businesses thrive only when the environment and the society are being taken care of.

The COVID-19 pandemic has spotlighted the importance of sustainability as an integral part in business resiliency. With the closure of borders, implementation of circuit breaker and enforcement of health and safety measures, COVID-19 has brought about challenges to our operating environment. It is with this in mind that we reaffirm our commitment to sustainability, and we do so by addressing key sustainability risks and incorporating suitable opportunities into the formulation of our strategies, decision-making process and day-to-day business operations.

The Board maintains overall responsibility on the Group's sustainability strategy and achievement of the Group's long-term performance. The Board also reviews MCT's material ESG matters based on their significance to our business and stakeholders, including the impact of COVID-19. The Board is supported by the Sponsor's Sustainability Steering Committee ("SSC") and management in overseeing the sustainability direction and management for MCT.

MCT's approach towards sustainability is aligned with that of the Sponsor, and is anchored by our shared aspiration to protect the environment for our future generations. Full disclosures of our management approach covering policies, practices and targets of all material sustainability matters have been detailed in this report. FY20/21 was a tumultuous year. We are heartened to have the continued support of our staff, partners and stakeholders which has enabled us to make progress amid the outbreak. We are proud to have successfully implemented key sustainability initiatives during the year, including:

- All of our five properties maintained their respective BCA Green Mark certification, with three of them being certified Platinum, the highest accolade in recognition of a building's environmental impact and performance, and the remaining two being certified Green Mark Gold^{PLUS};
- Generated close to 1,600,000 kilowatt ("kWh") of solar energy from the solar panels atop VivoCity and MLHF;
- Secured S$370.0 million of green loans; and
- Raised awareness on health and safety measures through comprehensive public communication campaigns to help minimise the spread of COVID-19.

Above all, it remains our top priority to ensure the health and safety of our employees, customers and the community during the pandemic. For instance, our working premises fully comply with the government's regulations for safe distancing and contact tracing. In line with recommendations by the health authorities, the Group has implemented split-team work arrangements where possible and provided staff with the technology and tools to facilitate working-from-home. Wide-ranging measures were rolled out across our properties. Examples include temperature screenings, increasing cleaning frequencies, deploying of disinfecting robots at high traffic areas and pre-determining access routes for the safe evacuation of suspected COVID-19 cases. We also encouraged tenants to be certified SG Clean by the National Environment Agency and kept them constantly updated on the latest advisories from the authorities. On top of these temporary measures, the Group has implemented a Pandemic Preparedness Plan which will help us respond promptly and appropriately for future disease outbreaks.

The goal towards a sustainable future is a shared one. As we continue our pursuit for a better tomorrow, we would like to invite our stakeholders to join us in doing well by doing good.

BOARD OF DIRECTORS

SUSTAINABILITY **REPORT**

ABOUT THE REPORT

REPORTING SCOPE

This report covers the sustainability performance of all the five properties within MCT's portfolio for the period from 1 April 2020 to 31 March 2021 ("FY20/21"), unless otherwise stated. Data from prior years has been included for comparison, where available. This SR should be read together with the financial, operational and governance information detailed in this Annual Report.

PROPERTIES
VIVOCITY
MBC
mTOWER
MAPLETREE ANSON
MLHF

REPORTING STANDARDS

This report has been prepared in accordance with the Global Reporting Initiative ("GRI") Standards: Core option. We have also applied additional guidance set forth by the GRI-G4 Construction and Real Estate Sector Disclosures which are relevant to our industry. The GRI Standards was selected as it is the most widely adopted global standard for reporting on ESG topics. The SR also meets the requirements of the SGX-ST Listing Rules (711A and 711B), as well as the Sustainability Reporting Guide set out in Practice Note 7.6. We have included supplementary details on our methodology on page 119.

FEEDBACK

We welcome feedback from all stakeholders on our sustainability approach, performance and disclosures. Please share your views, suggestions or feedback via email to Ms Teng Li Yeng, Director, Investor Relations at enquiries_mct@mapletree.com.sg.

OUR APPROACH TO SUSTAINABILITY

MCT's sustainability approach is closely aligned with the Sponsor's. We are focused on creating long-term value for our stakeholders and we do so by incorporating sustainability into our daily operations and activities.

As the business environment and stakeholder needs evolve, it is critical for us to understand and address changing sustainability risks and opportunities. This guides the formulation and implementation of appropriate plans to improve our business activities and day-to-day operations while minimising the impacts to the communities we operate in.

We remain committed to building good relationships with our stakeholders through:

- Maintaining high ethical standards
- Safeguarding the health and safety of our employees and stakeholders[1]
- Supporting projects that have a positive impact on local communities
- Minimising the environmental footprint of our business

SUSTAINABILITY GOVERNANCE

A strong governance structure enables us to implement our sustainability approach across the business and strengthens relations with stakeholders. Sustainability also underpins strategic decision-making across all levels and supports our long-term goals.

The Board oversees the formulation of MCT's sustainability strategy through the identification of sustainability matters that are material to MCT's business and stakeholders to achieve positive sustainability performance.

The SSC supports the Board, leading the development of, and oversees progress on, policies and initiatives in line with MCT's sustainability strategy. The SSC is co-chaired by the Sponsor's Deputy Group Chief Executive Officer and the Group Chief Corporate Officer and comprises the CEOs of the four Mapletree Group-sponsored REITs as well as other members of the Sponsor's senior management team across various functions. Ms Sharon Lim, Executive Director and CEO, represents MCT on the SSC.

Supporting the SSC, the Sustainability Working Committee ("SWC") consists of representatives across various business functions at MCT. They help to implement, execute and monitor the sustainability policies and practices within MCT. Sustainability efforts are also communicated to employees and other stakeholders, and sustainability performance is reported to the SWC.

[1] Stakeholders refer to third-party service providers ("TPSPs"), tenants and visitors.

SUSTAINABILITY **REPORT**

STAKEHOLDER ENGAGEMENT AND MATERIALITY

Our long-term growth and success depend greatly on our ability to understand stakeholders' key concerns and feedback. This enables us to identify sustainability issues that matter to them and to respond responsibly in a timely manner. Although the frequency of engagement with various stakeholder groups can vary, we strive to engage all stakeholders proactively throughout the year. The table below summarises the key concerns for each stakeholder group, relevant engagement methods and our responses.

- Throughout the year
- Once or at least once a year
- Once every two to three years
- Monthly

Key Stakeholder Groups	Engagement Methods	Engagement Frequency	Key Concerns	Relevant Material Sustainability Matters
Shoppers	• Customer feedback through customer service	Throughout the year	• Safety and well-being of our shoppers • Range and quality of retail offerings and services for shoppers' convenience • Safe, pleasant and vibrant shopping environment • Connectivity and access to public transport • Health and safety concerns due to COVID-19	• Health and Safety • Local Communities
	• Online and mobile communications platforms, as well as social media	Throughout the year		
	• Advertisements, marketing and promotional events to engage and inform shoppers	Throughout the year		
Tenants	• Ongoing proactive engagements with existing and new tenants through calls, regular meetings, gatherings as well as informal engagement programmes	Throughout the year	• Safety and well-being of tenants and their employees, as well as visitors to the properties • High quality and comfortable retail/office environment • Efficiency and safety of buildings • Competitive rental rates • Range of supporting amenities • Connectivity and access to public transport • Shopper traffic • Collaboration in marketing and promotional events • Disruptions to businesses due to COVID-19	• Health and Safety • Local Communities
	• Joint promotions and partnerships with tenants	Throughout the year		
	• Tenant Handbook, newsletters and tenant circulars	Throughout the year		
	• Tenant engagement surveys	Once or at least once a year		
Investment Community (Investors, Unitholders, Analysts and Media)	• Annual and/or Extraordinary General Meetings *(AGM was held virtually during FY20/21)*	Once or at least once a year	• Steady and sustainable distributions • Operational and financial performance • Business strategy and long-term outlook • Good corporate governance • Timely and transparent reporting • Economic performance and recovery of MCT in a post-COVID-19 economy	• Economic Performance • Compliance with Laws and Regulations
	• Website and SGXNet announcements, presentations and press releases	Throughout the year		
	• Annual reports and circulars	Once or at least once a year		
	• Virtual briefings and webcasts on results and business updates	Throughout the year		
	• Meetings and conference calls *(held virtually during FY20/21)*	Throughout the year		
	• Investor conferences and non-deal roadshows *(held virtually during FY20/21)*	Throughout the year		
	• Electronic communication and feedback channels as well as enquiries hotline	Throughout the year		

Key Stakeholder Groups	Engagement Methods	Engagement Frequency	Key Concerns	Relevant Material Sustainability Matters
Employees	• Communication sessions by senior management • Career development and performance appraisals • Regular two-way dialogues with employees through formal and informal communication • Electronic communication through emails, intranet and newsletters • Recreational and wellness activities • Training and development programmes and education sponsorships • Employee Handbook and induction programme for new employees • Employee engagement surveys		• Equitable reward and recognition • Employee retention, talent development and management • Fair and competitive employment policies and practices • Safe and healthy working environment • Opportunities for learning and development • Employee development and well-being • Health and safety concerns due to COVID-19	• Economic Performance • Employment and Talent Retention • Health and Safety
Trustee	• Monthly reporting and updating • Ongoing dialogues and regular feedback		• Safeguard the rights and interests of Unitholders • Ensure compliance with the Trust Deed and regulations • Open communication channels	• Compliance with Laws and Regulations
Business Partners (Government, Regulators, Industry Associations and TPSPs)	• Participation in industry associations such as the REIT Association of Singapore ("REITAS") • Ongoing dialogues, feedback and networking events • Meetings, briefings, consultations and inspections • Letters and electronic communication • Regular operations meeting with TPSPs and property managers		• Compliance with rules and regulations • Fair and reasonable business practices • Win-win partnerships	• Local Communities • Anti-corruption • Compliance with Laws and Regulations
Local Communities	• Collaborations with non-profit organisations to raise visibility and impact of philanthropic, social and environmental causes • Communication campaigns to educate and remind tenants, shoppers and employees on COVID-19 health and safety measures • Channels for public feedback including information counters, social media channels, customer service hotlines and electronic feedback forms		• Safe and healthy spaces within MCT's properties, especially amid COVID-19 • Sustainable environmental practices • Positive impact on the local community	• Energy • Water • Local Communities

In FY16/17, a formal groupwide materiality assessment was conducted. This identified, prioritised and validated a list of sustainability matters that were the most relevant to MCT and of significant interest to key stakeholders. Since then, we have continued to assess sustainability matters deemed material and relevant to MCT's business and our stakeholders annually. This review considers emerging global and industry trends such as the impact of COVID-19 as well as MCT's operating context. In FY20/21, our material sustainability matters remain unchanged.

In line with our commitment towards global sustainability, we continue to align our sustainability targets and activities with the nine adopted United Nations ("UN") Sustainable Development Goals ("SDGs"). We are cognisant of the impacts our business has on the communities we operate in and strive to also encourage stakeholders to join us in creating a meaningful impact together.

SUSTAINABILITY **REPORT**

SUSTAINABILITY MATTERS, TARGETS AND PERFORMANCE

The following table summarises our material sustainability matters, current and future targets, performance as well as how we contribute to the SDGs.

Our Material Sustainability Matters		FY20/21 Targets	Status
ECONOMIC PERFORMANCE	We strive to achieve stable and sustainable returns to our stakeholders.	• Strive to provide unitholders of MCT with relatively attractive rate of return on investment through regular and steady distributions, and to achieve long-term stability in DPU and NAV per unit	Met
ANTI-CORRUPTION	We strive to conduct our work with utmost integrity and accountability.	• Maintain zero incidences of non-compliance with anti-corruption laws and regulations	Met
COMPLIANCE WITH LAWS AND REGULATIONS	We strive to achieve full regulatory compliance in everything we do.	• Achieve no material incidences of non-compliance with relevant laws and regulations	Met
HEALTH AND SAFETY	We strive to maintain a safe environment for all our stakeholders, the community and care for the well-being of our employees.	• Achieve zero incidences resulting in employee permanent disability or fatality	Met
		• Achieve 100% relevant trainings for eligible staff members	Met
EMPLOYMENT AND TALENT RETENTION	We strive to provide a positive work environment for our employees through fair employment practices and equal opportunities.	• Continue to commit to fair employment practices by ensuring that our hiring process remains stringent and to offer equal opportunity to all potential candidates	Met
		• Maintain diverse and relevant learning & professional development programmes	Met
LOCAL COMMUNITIES	We strive to support initiatives and projects that have a positive impact on communities.	• Encourage employee participation in Mapletree CSR events	Met
ENERGY	We strive to improve our energy performance and efficiency.	• Maintain or improve landlord's like-for-like[2] energy intensity by up to 1% of FY19/20's baseline	Met
		• At least maintain the respective BCA Green Mark certifications for all MCT properties	Met
		• Chiller upgrading at VivoCity with a target to achieve 1,157,000 kWh of energy savings (for the period from January to March 2021)	Met
		• Installation of solar panels at VivoCity and MLHF with a target to achieve additional energy savings of 306,000 kWh (as compared to FY19/20)	Met
WATER	We strive to manage our water usage in a sustainable manner.	• Maintain landlord's like-for-like[2] water consumption to within ±1% of FY19/20's baseline	Met

Met ✓
Not met ✗

FY21/22 Targets[1]	Contribution to the SDGs
• Strive to provide unitholders of MCT with relatively attractive rate of return on investment through regular and steady distributions, and to achieve long-term stability in DPU and NAV per unit [Perpetual]	8 DECENT WORK AND ECONOMIC GROWTH
• Maintain zero incidences of non-compliance with anti-corruption laws and regulations [Perpetual]	16 PEACE, JUSTICE AND STRONG INSTITUTIONS
• Achieve no material incidences of non-compliance with relevant laws and regulations [Perpetual]	16 PEACE, JUSTICE AND STRONG INSTITUTIONS; 17 PARTNERSHIPS FOR THE GOALS
• Achieve zero incidences resulting in employee permanent disability or fatality [Perpetual] • Achieve 100% relevant trainings for eligible staff members [Perpetual]	3 GOOD HEALTH AND WELL-BEING
• Continue to commit to fair employment practices by ensuring that all individuals receive the same opportunities for hiring, advancement and benefits [Perpetual] • Maintain diverse & relevant learning & professional development programmes [Perpetual]	8 DECENT WORK AND ECONOMIC GROWTH; 10 REDUCED INEQUALITIES
• Encourage employee participation in Mapletree CSR events	3 GOOD HEALTH AND WELL-BEING; 17 PARTNERSHIPS FOR THE GOALS
• Maintain or improve landlord's like-for-like[2] energy intensity by up to 1% of FY19/20's baseline[3] • At least maintain the respective BCA Green Mark certifications for all MCT properties [Perpetual] • No longer a target for FY21/22 • No longer a target for FY21/22	7 AFFORDABLE AND CLEAN ENERGY; 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE; 11 SUSTAINABLE CITIES AND COMMUNITIES; 13 CLIMATE ACTION
• Maintain landlord's like-for-like[2] water consumption to within ±1% of FY19/20's baseline[3]	3 GOOD HEALTH AND WELL-BEING; 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE; 11 SUSTAINABLE CITIES AND COMMUNITIES

1 The FY21/22 targets were established at the point of writing, and may be revised depending on the progression of the COVID-19 situation.
2 Properties covered in the like-for-like reporting excluded newly acquired or divested properties within the year. Please refer to the methodology on page 119 for more details.
3 FY19/20 has been selected as the baseline for FY21/22 targets as the performance in FY20/21 was not fully representative nor comparable to a normal operating year given the COVID-19 disruptions.

SUSTAINABILITY **REPORT**

ECONOMIC PERFORMANCE

MCT's key objectives are to provide Unitholders with relatively attractive rate of return on their investment through regular and steady distributions, and to achieve long-term stability in DPU and NAV per unit.

Our three-pronged strategy is focused on delivering value to our stakeholders through active asset management and sustainable growth through suitable asset acquisitions, while keeping a disciplined approach on capital and risk management.

HIGHLIGHTS DURING THE YEAR

9.49 Singapore cents
DPU in FY20/21

S$370.0 million
green loans secured in FY20/21

CONTRIBUTION TO SDG

8 DECENT WORK AND ECONOMIC GROWTH

FINANCIAL PERFORMANCE

Against the backdrop of COVID-19, we closed FY20/21 with a gross revenue and NPI of S$479.0 million and S$377.0 million respectively. DPU totalled 9.49 Singapore cents for the year. For detailed information on MCT's financial performance, please refer to Financial Highlights (pages 4 to 5), Financial & Capital Management Review (pages 42 to 46) and Financial Statements (pages 128 to 193) of this Annual Report.

DUE DILIGENCE FOR INVESTMENTS

The Group seeks to continually strengthen the integration of ESG across its investment life cycle. MCT aligns its due diligence approach with that of the Group where environmental and socioeconomic assessments are presently part of the due diligence process for investments. This will enable us to assess and put in place appropriate mitigative measures that are aligned with Government regulations and guidelines, as well as ESG principles.

ANTI-CORRUPTION

COMPLIANCE WITH LAWS AND REGULATIONS

We are committed to upholding the highest standards of corporate governance and transparency across our operations. This includes ensuring full compliance to local laws and regulations and adopting a zero-tolerance approach against all forms of bribery and corruption.

OUR POLICIES

Groupwide

- Annual Employee Declaration
- Anti-Corruption policy
- Anti-Money Laundering policy
- Code of Conduct
- Confidentiality of Information
- Contract Review Policy
- Dealing in units of the Sponsor's REITs
- Enterprise Risk Management Framework
- Gifts Policy
- Personal Data Policy
- Securities Trading Policy
- Whistle-blowing Policy

OUR TARGETS AND PERFORMANCE

FY20/21 Targets	Performance	FY21/22 Targets
Maintain zero incidences of non-compliance with anti-corruption laws and regulations	✓	Maintain zero incidences of non-compliance with anti-corruption laws and regulations
Achieve no material incidences of non-compliance with relevant laws and regulations	✓	Achieve no material incidences of non-compliance with relevant laws and regulations

HIGHLIGHTS DURING THE YEAR

0
material incidences of non-compliance with anti-corruption laws and regulations

0
material incidences of non-compliance with relevant laws and regulations

6th
year as a REITAS member where we engage actively with policy makers and participate in talks, courses and education events to promote understanding in Singapore REITs

CONTRIBUTION TO SDGs

16 PEACE, JUSTICE AND STRONG INSTITUTIONS

17 PARTNERSHIPS FOR THE GOALS

ANTI-CORRUPTION

The Mapletree Group adopts a zero-tolerance approach against all forms of bribery and corruption and have instituted measures to guard against any forms of malpractice. The presence of a strong corporate governance framework is core to every business. It provides accountability and transparency to all stakeholders and enhances investor confidence. All MCT employees are expected to conduct themselves professionally and required to adhere to the Group's policies and procedures relating to anti-corruption practices, prohibition of lavish gift-giving or acceptance, which are detailed in the Employee Handbook. Failure to comply could result in disciplinary action being taken, including termination of employment, should the employee be found guilty of fraud, criminal conduct or dishonesty in relation to his/her employment.

Our Whistle-blowing Policy further provides an avenue for employees and external parties to raise concerns on any illegal, unethical or otherwise inappropriate behaviour observed in the course of our business. Reports can be made via a dedicated e-mail address (reporting@mapletree.com.sg). Strict confidentiality standards are established to ensure that whistleblowers are protected from reprisals or victimisations.

Where there are cases of threatened or pending litigation, they are carefully monitored and promptly reported to the CEO of the Manager and the Group Chief Corporate Officer and Group General Counsel for their timely resolution.

COMPLIANCE WITH LAWS AND REGULATIONS

We strive to be fully compliant with all relevant statutory and regulatory requirements in our business activities and operations. Any case of non-compliance could potentially expose us to reputational risks and liabilities such as financial repercussions, litigations or even revocation of our license to operate.

MCT is supported by the Group's Enterprise Risk Management Framework which sets out guidelines and processes to identify, monitor and mitigate risk of non-compliance. We have identified applicable laws and regulatory obligations for MCT which include, but are not limited to, listing rules stipulated by SGX-ST, Code on Collective Investment Schemes (in particular Appendix 6 – Investment: Property Funds) by the MAS and the Securities and Futures Act of Singapore. Any non-compliance pertaining to environmental, safety and security issues are carefully monitored and reported to the Group. During the year, we conducted governance risk assessments relating to cybersecurity and data protection and privacy, which allowed us to identify and address key emerging cybersecurity and data protection risks effectively. To mitigate the increasing threats of cyber-attacks, we ensure stringent adherence to information security policies and procedures set out by the Group. All personal data collected is handled in accordance to the requirements of the Personal Data Protection Act. Stakeholders can reach out to the Data Protection Officer at _MCTM_dpo@mapletree.com.sg on privacy-related matters or concerns. For more information on the above, please refer to Corporate Governance (pages 70 to 89) and Risk Management (pages 90 to 93).

In December 2020, MAS introduced guidelines on environmental risk management for banks, asset managers and insurers, targeted at enhancing resilience and management of environmental risk. This initiative is one of several under MAS' Green Finance Action Plan, which will support the sector's transition in an environmentally sustainable economy. The guidelines set out guidance in areas of governance, risk management and disclosure of environmental risks. MCT acknowledges the 18-month transition period provided and will be taking steps to incorporate the guidelines within its existing practices.

In upholding responsible marketing and advertising practices, we strive to be fully compliant with the Singapore Code of Advertising Practice. All marketing collaterals are reviewed prior to circulation to ensure that they remain within regulated boundaries. Additionally, we ensure that the application and renewal of licenses for the use of music in building premises and the setting up of temporary structures within malls are carried out in a timely manner.

Trainings are provided to our directors and employees to ensure that compliance awareness continues throughout the year. Relevant employees are kept abreast of recent developments and changes of applicable laws and regulations through training and communication. This year, 12 employees attended courses conducted by REITAS covering areas including Rules & Ethics and REIT Management.

In FY20/21, there were no material incidences of non-compliance relating to laws and regulations, including environmental, socioeconomic compliance as well as marketing communications – a performance we aim to upkeep. During this period, we were also compliant with all COVID-19 related regulations and will continue to keep ourselves up-to-date as the situation develops.

SUSTAINABILITY **REPORT**

HEALTH AND SAFETY

Safeguarding the health and safety of our employees and all stakeholders at our properties remain our highest priority because every life matters. At MCT, lapses that could lead to injuries or loss of lives are simply unacceptable. Very importantly as well, maintaining a healthy and safe working environment leads to greater morale, efficiency and increases stakeholder confidence in the quality that Mapletree is known for.

OUR POLICIES

Groupwide

- Safety & Health Policy

OUR TARGETS AND PERFORMANCE

FY20/21 Targets	Performance	FY21/22 Targets
Achieve zero incidences resulting in employee permanent disability or fatality	✓	Achieve zero incidences resulting in employee permanent disability or fatality
Achieve 100% relevant trainings for eligible staff members	✓	Achieve 100% relevant trainings for eligible staff members

HIGHLIGHTS DURING THE YEAR

84
employees participated in Building & Safety training programmes in FY20/21

0
incidences resulting in employee permanent disability or fatality

CONTRIBUTION TO SDG

3 GOOD HEALTH AND WELL-BEING

FOSTERING A SAFETY-FIRST CULTURE AT MCT

We are committed to providing a safe and healthy environment for employees and stakeholders, which include TPSPs, tenants and visitors. At MCT, health and safety is overseen by the respective property management team located at each of our properties, supported by the Mapletree Group Property Management team. Our Management has established a health and safety management system comprising a comprehensive set of policies and procedures, risk assessments, regular safety trainings and communication, and regular safety inspections. Whether our stakeholders spend extended periods within our premises or are simply passing through, this framework ensures accountability in the provision of a healthy, safe and vibrant experience for all.

All employees are required to adhere to our Health and Safety Policy detailed in the Employee Handbook. They are to comply with the safe work practices relevant to their scope of work and to be aware of the impact their actions may have on colleagues and other stakeholders. We have also established procedures to guide employees and tenants on incident escalation and reporting in the event of an accident within our premises. This document is applicable to all properties managed by MCT. It provides guidance on reporting and escalation procedures, response to emergency situations whereby workers remove themselves from the hazardous situation, monitoring and investigation of incidents. It also stipulates the implementation of corrective actions and necessary reviews to be taken before the case closures.

For TPSPs and tenants, they are furnished with the Tenant Handbook and the Fit-Out Manual. The Tenant Handbook details safety rules and some “Dos and Don’ts” for tenants to conduct their businesses safely and responsibly, while the Fit-Out Manual includes safety rules and guidelines that TPSPs and tenants must adhere to, especially when conducting fitting-out works. Prior to any engagement or lease contract, TPSPs/tenants are required to sign a Fitting-Out Briefing Acknowledgement Form acknowledging that they have read and understood the clauses, and requirements pertaining to their operations. Before any fitting-out works can be conducted, the TPSPs/tenants are to submit plans, which are endorsed by a Professional Engineer ("PE") where required, to the Property Manager for approval. The approval also requires a risk assessment and mitigation plan to ensure that risks have been identified and the relevant mitigation controls are in place. Upon completion of the works, the PE is required again to endorse the as-built plan before final submission to the Property Manager. A joint-site inspection focusing on areas such as fire protection system, security and electrical systems as well as storage of any hazardous substances on site will be conducted by both the Property Manager and the TPSPs/tenant involved. A mandatory safety inspection will also be done by a safety representative from the property management team prior to the resumption of operations. In addition to the above, the health and safety performance of TPSPs are monitored through regular meetings to ensure that best practices are being implemented as well as compliance with the applicable health and safety regulations.

HAZARD IDENTIFICATION, RISK ASSESSMENT AND INCIDENT INVESTIGATION

We adopt a risk-based approach to prevent and mitigate potential health and safety impacts that are linked to our operations by way of business relationships with stakeholders such as tenants and TPSPs.

In our commitment towards providing safe and healthy spaces for all, the Property Manager takes a proactive approach in identifying potential safety and health hazards within our premises. Throughout the year, regular safety inspections are conducted by the Property Manager to ensure that there are no potential safety or health hazards. Should there be any findings, the property management will promptly rectify the issue which may include maintenance, removal of the hazard or replacement of certain materials. Fire safety audits are also conducted annually to ensure that operations are in line with the Fire Safety Act and its regulations.

COMPETENCE AND TRAINING

Throughout the year, regular health and safety trainings are offered to all relevant employees of the property management team. In FY20/21, employees attended several courses that were organised in-house and by external specialists relating to administering first aid, managing bomb threats, fire safety, pandemic preparedness and other safe working practices. These courses and trainings equip employees with the knowledge, expertise and skills to discharge their duties safely and efficiently, and also aim to inform them of leading safety practices and keep them up-to-date with regulatory changes.

EMERGENCY PREPAREDNESS AND RESPONSE

At MCT, we have certified fire safety managers within our property management team. They are responsible for timely submissions to the Singapore Civil Defence Force ("SCDF") annually to renew and maintain the fire safety certifications for all our properties. We have established a planned response to emergency situations and regularly communicate information to all relevant stakeholders. Due to COVID-19 restrictions, all physical fire drills have been cancelled and converted to table-top exercises. In FY20/21, all properties have successfully conducted two table-top exercises in accordance to SCDF's requirements. Results from the exercises were promptly submitted to SCDF for their review.

Aside from arranging safety trainings for all employees, we also bear a social responsibility to engage with our local community. Prior to COVID-19, we have held a series of events involving employees, tenants and visitors such as mall-wide emergency evacuation exercises at VivoCity, crime prevention outreach programmes as well as raising awareness on shop theft and the use of SGSecure. All events have been cancelled in FY20/21. We look to reintroduce these events as soon as the safe distancing restrictions are lifted.

SUSTAINABILITY **REPORT**

TAKING CARE OF OUR EMPLOYEES

To show care and support to our staff amid the stressful COVID-19 period, all staff received care packages containing items such as disposable surgical masks and hand sanitisers. We also made sure to look after their overall well-being especially given the higher stress levels arising from working-from-home and changing work arrangements. For example, we continue to encourage employees to participate in health and well-being programmes, reminding them to stay active and rest when needed. We also regularly review employment benefits and update the insurance and medical benefits for employees. Some of our anchor initiatives are detailed in the table below.

Highlights on Health and Wellness Initiatives in FY20/21	Objectives	Description
Mapletree Staff Care Packages	To promote the well-being of our staff	Care packages containing disposable surgical masks and hand sanitisers were distributed to staff to help them keep safe and healthy.
Build Mental Resilience Event	To improve employee mental well-being during the pandemic	Build Mental Resilience Event is a virtual event held in October 2020 to help employees build mental and emotional resilience during this period of crisis and uncertainty. The training session includes tips on how employees can manage stress and seek support to adapt to the new environment. The webinar was also conducted as a closed-door event to allow participants raise questions in a safe environment.
Wellness Initiatives	To promote a positive and engaging work environment with a focus on raising employee well-being through informative health guides, talks and activities	The Recreation Club regularly organises activities that promote staff interaction and family cohesiveness. Nuts & Fruits packs and Snack packs were distributed to all employees in November 2020 and January 2021 respectively. The Wellness@Mapletree programme organised by HR introduced a series of virtual workouts (e.g. zumba, high-intensity interval training, stretch-and-rejuvenate) and wellness workshops covering topics such as mental resilience, ergonomics and healthy eating for employees during the year.

HEALTH AND SAFETY PERFORMANCE

In FY20/21, there were zero reported incidents that resulted in employee permanent disability or fatality across the 411,060 man-hours worked by our employees. There were also zero incidences of significant non-compliance with relevant health and safety regulatory requirements. In addition, all eligible staff members have completed 100% of relevant trainings assigned to them. We aim to upkeep this track record and continue to inculcate a safety-first mindset in the organisation.

SAFEGUARDING THE HEALTH AND SAFETY OF OUR STAKEHOLDERS AMID COVID-19

It remains of paramount importance for us to safeguard the health and safety of all our stakeholders. We continue to manage the evolving COVID-19 situation proactively, put in place relevant health and safety measures, and educate, remind and regulate safe management and safe distancing practices. To uphold high standards of health and safety, the Group has also developed a Pandemic Preparedness Plan which provides a structured process for property managers to adeptly mitigate risks of future pandemics or diseases. Some of the measures within the Pandemic Preparations Plan include:

- Identifying areas within our properties which could be used for isolation areas and access points for temperature screening;
- Estimating medical supplies required for all employees in each property under various scenarios;
- Temperature screening and recording for all tenants and visitors to the properties; and
- Preparing and disseminating tenant circulars, medical and travel advisories to all employees and tenants.

We continue to work closely with the authorities and public health agencies in managing the impact of COVID-19 to our properties, as well as our employees, tenants and visitors. Health and safety measures are progressively strengthened and adjusted in line with the national risk assessment levels and regulations such as Singapore's COVID-19 (Temporary Measures) Act. Some of the measures implemented are highlighted below:

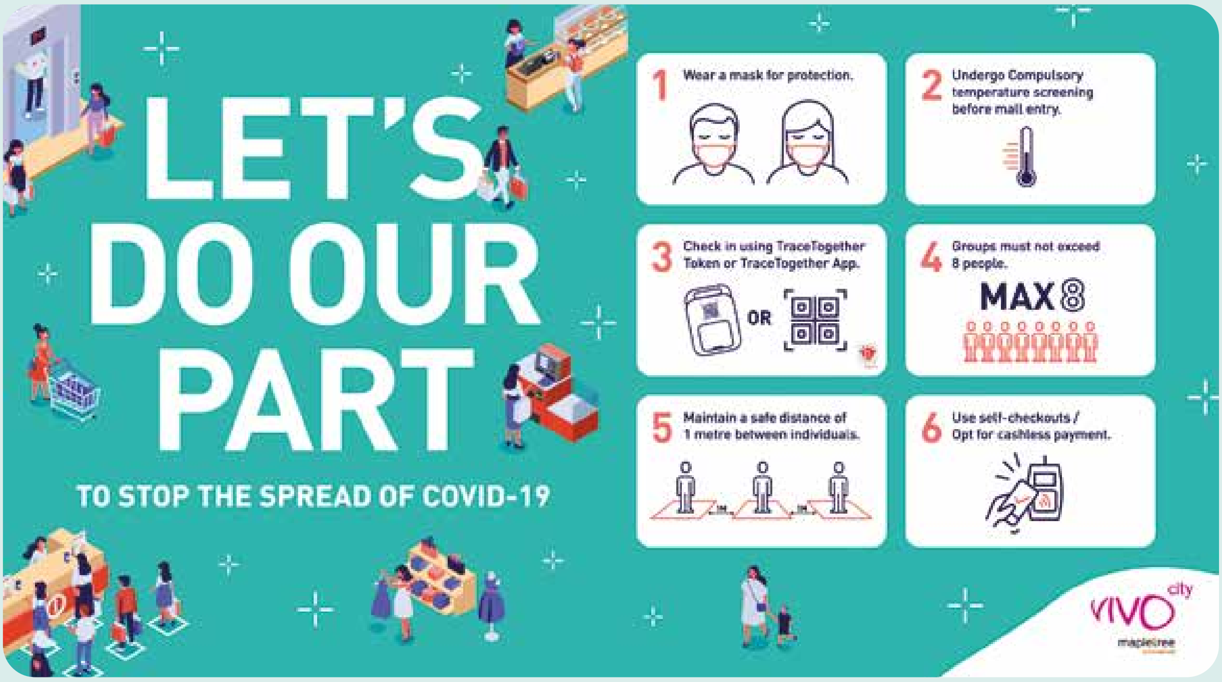
LOOKING AFTER OUR PEOPLE

In order to keep our employees safe while making sure that MCT's business is not compromised, the Group swiftly rolled out an all-inclusive business continuity plan, split-team work arrangements, and accelerated the Group's digitisation process to help them work-from-home efficiently and effectively when Singapore raised the DORSCON level from Yellow to Orange. For our front-line workers, appropriate precautions and safe management measures were implemented to give them a peace of mind as they carried out essential duties. In addition, we deployed thermal scanning systems and disinfecting robots to reduce human contact.

By 31 March 2021, we have rolled out the new SafeEntry Gateway system at selected properties. This allows contactless check-in with smartphones or the government-issued TraceTogether contact tracing tokens. Other measures such as contact tracing requirements, temperature screening and social distancing practices continue to be in place as of today. The relevant safe distancing practices and contact tracing guidelines are communicated to all employees through regular communication, reminding them to stay safe at work.

Cleaning robots deployed at our properties

SUSTAINABILITY **REPORT**



ASSISTING TENANTS WITH SAFE DISTANCING AND CROWD CONTROL MEASURES

With further resumption of activities in the country, we have started to see a progressive recovery of shopper traffic and tenant sales at VivoCity. To help tenants resume their operations safely without overcrowding, we work closely with tenants and advise them on the "Do's and Don'ts" in their marketing collaterals. Events that may result in crowds were prohibited and tenants have to obtain approval from the Property Managers for the organisation of special events at their shopfronts. Thereafter, additional arrangements will be made to support tenants in crowd management and to control the flow of shopper traffic during the events as well as peak periods and festive seasons.

REMINDING STAKEHOLDERS ON BEST PRACTICES

Notices, posters, digital panels and regular safety announcements over the public announcement system are used to inform and remind shoppers on the best practices to combat the spread of COVID-19.

Such visual reminders are placed throughout the mall and common areas of properties, such as storefronts, customer service desks, ATMs, lift lobbies, reception desks and on common seating areas.

As Singapore re-imposes restrictions and tightens more measures under Phase 2 (Heightened Alert) from 16 May to 13 June 2021 to stem the community spread of COVID-19, we will continue to take a proactive approach in ensuring the overall safety of our premises, and to take additional precautionary measures where needed. We will closely monitor the situation and updates in the applicable laws and regulations to ensure prompt implementation of appropriate measures.

EMPLOYMENT AND TALENT RETENTION

Consistent growth and long-term success hinge upon a skilled and motivated workforce. Human capital is therefore our most valuable asset and we are committed to fostering an inclusive environment which values diversity, and recognises and rewards talent.

To this end, we have in place a robust set of human resource policies and incentives to attract, develop and retain the best talents within MCT.

OUR POLICIES

Groupwide

- Compensation & Benefits
- Learning & Development Policy
- Performance Management Policy
- Resourcing & Employment Policy
- Safety & Health Policy
- Talent Management Policy
- Overseas Business Travel & International Assignment Policy

OUR TARGETS AND PERFORMANCE

FY20/21 Targets	Performance	FY21/22 Targets
Continue to commit to fair employment practices by ensuring that our hiring process remains stringent and to offer equal opportunity to all potential candidates	✓	Continue to commit to fair employment practices by ensuring that all individuals receive the same opportunities for hiring, advancement and benefits
Maintain diverse & relevant learning & professional development programmes	✓	Maintain diverse & relevant learning & professional development programmes

HIGHLIGHTS DURING THE YEAR

186
full-time, permanent employees in FY20/21

207[1]
employees who attended training courses

CONTRIBUTION TO SDGs

8 DECENT WORK AND ECONOMIC GROWTH

10 REDUCED INEQUALITIES

We are guided by the Sponsor's strategy, policies and initiatives on human capital management. This holistic approach allows the Group to work towards a common goal of recruiting suitable employees, developing their skillset, providing equal benefits and opportunities as well as ensuring compliance with labour laws in Singapore. Upon induction, the Employee Handbook, which details information on hiring, equal opportunity, learning and development and remuneration, will be made available to every employee. Amid these trying times, we continue to persevere and do what we can to ensure job security for our employees. To further support them during the pandemic, we have provided a S$500 COVID-19 subsidy to all our staff in November 2020.

[1] Includes employees who have left MCT as at end of FY20/21.

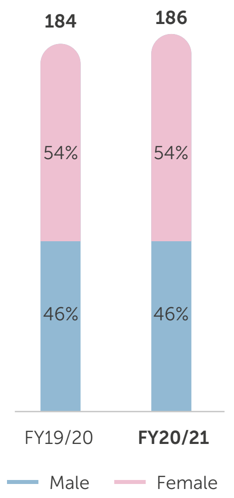
SUSTAINABILITY **REPORT**

PROFILE OF OUR WORKFORCE

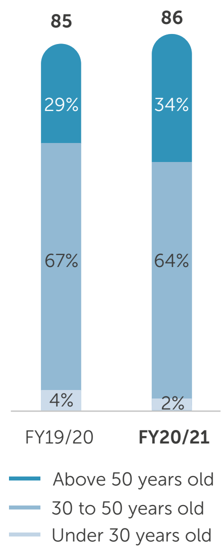
Our people matter to us, and we recognise that our employees' diverse backgrounds, talents and skillsets give us a competitive edge within the industry. In FY20/21, there were 186 employees at the Manager and Property Manager who were all based in Singapore. Across both genders, 12% of MCT's employees were under 30 years of age (FY19/20: 13%), 69% were between 30 to 50 years of age (FY19/20: 70%), and 19% were above 50 years of age (FY19/20: 17%). The distribution charts below show the breakdown of age groups by gender.

Female and male employees composed 54% and 46% of the entire staff population respectively (FY19/20: 54% and 46% respectively). Across both years, the average turnover rate for the year remained at 1%, similar to the average new hire rate.

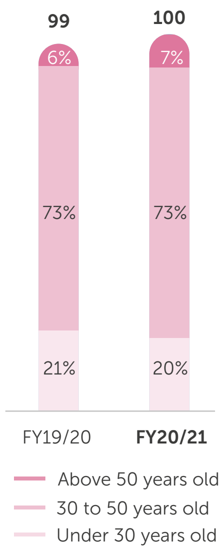
EMPLOYEE DISTRIBUTION BY GENDER



EMPLOYEE DISTRIBUTION BY AGE GROUP (MALE)



EMPLOYEE DISTRIBUTION BY AGE GROUP (FEMALE)



COMPETITIVE AND FAIR REMUNERATION SYSTEM

At MCT, we adopt a fair and competitive remuneration and reward system that is performance driven. Equal opportunities are offered to all employees to grow and develop during their time with us. Key performance indicators and employees' personal achievements are tracked via the groupwide e-Performance Appraisal system.

Annually, all our employees are assessed against a core competencies framework. Thereafter, performance feedback is provided based on four key areas – domain knowledge, business networks and innovation, collaboration and communications, as well as operational excellence. In FY20/21, 100% of our employees have completed at least one performance review.

CAREER DEVELOPMENT OPPORTUNITIES

At MCT, we encourage lifelong learning among our employees. Leveraging on the Group's learning and development programmes, we place emphasis on upskilling our employees by developing their competencies and promoting positive motivation. The Group offers a wide range of functional and technical trainings throughout the year, covering nine broad areas including building and safety, communication, finance, information and technology, leadership, leasing and marketing, personal effectiveness, orientation and real estate.

Notwithstanding the work-from-home arrangements and safe management measures resulting from COVID-19, our talent development programmes continued unabated as we explored new ways of virtual collaboration and enhanced access to e-learning resources for employees to gain new skills and knowledge on-the-go. In fact, the shift to off-site and virtual learning platforms have enabled us to expand learning and development opportunities for our people. The Group introduced access to GlobeSmart Cultural Learning, an online learning platform for employees to access information and obtain advice on effective cross-cultural collaboration, as well as LinkedIn Learning, a digital library of over 16,000 courses covering wide-ranging topics.

In FY20/21, 100% of our employees received training from a total of 288 courses offered, with 100% of employees receiving ESG-related training.

The following table highlights some of the in-house and external training programmes:

Training Categories	Examples of Training Programmes
Building and Safety	• Building management system training • First aid • Safe management officer training
Communication	• Business communication • Negotiation
Finance	• Ethics update for professional accountants in business • Refresher on interested party transactions and GST • Understanding delegation of authority and procurement
Information and Technology	• IT security awareness • Training on digitisation tools (e.g. SAP, virtual invoice management system)
Leadership	• Temasek Leadership Programme • Effective supervisory management skills
Leasing & Marketing	• Digital marketing • Marketing campaign management
Real Estate	• Mapletree Investment 101 and 102 • Mapletree Real Estate Forum: Opportunities and Challenges for the Real Estate Sector in the COVID-19 era
Personal Effectiveness	• Diversity and inclusion
Orientation and others	• Functional training (e.g. Legal, Project Management, Risk Management, Human Resources, etc.) • Mapletree Immersion Programme

EMPLOYEE ENGAGEMENT

We recognise that regular communication is key to building rapport and instilling confidence among our employees. To this end, we provide multiple channels to ensure that every employee's voice is heard and for them to raise concerns confidentially. Findings from these platforms are collated by the Group Human Resource ("HR") for further action. MCT's management and representatives will work alongside Group HR to introduce relevant measures to meet the needs of employees where possible. In addition, we gather feedback and comments from employees through exit interviews. These allow us to identify areas of improvement and continually enhance the overall working environment and experience for our people.

In August 2020, the Sponsor conducted the groupwide Employee Engagement Survey ("EES") to measure employee satisfaction and gather feedback on how improvements can be made at the workplace. The survey provided insights into employee-related concerns including change management (in the context of COVID-19), operating efficiency as well as employee engagement and empowerment.

Since the EES, Group HR has convened small focus groups to ideate and garner support for action plans to improve the way we work. Group HR is presently reviewing the conversations heard and will be embarking on more engagement initiatives to address these issues in time.

EMPLOYEE WELL-BEING

A healthy and motivated workforce is the core of every business. Likewise for MCT, the well-being of our employees is key to our long-term growth and success. We strive to create a culture of inclusiveness and improved job satisfaction among employees.

Within the Mapletree family, we continue to recognise the academic excellence and achievements of our employees' children through the Mapletree Education Award ("EduAward"). In FY20/21, the Sponsor presented a total of 135 awards worth S$33,700 to the children of Mapletree employees, including employees of the Manager and the Property Manager.

SUSTAINABILITY **REPORT**

LOCAL COMMUNITIES

At MCT, we are committed to making meaningful contributions by supporting programmes which address the key issues of our local communities. Cognisant that our long-term success hinges on the well-being of our communities, we endeavour to play a useful role in the empowerment of our stakeholders. Aligned with the Group's approach, we pledge to build positive relationships with the local community and work together towards an ecosystem that is more inclusive, responsible and sustainable.

OUR POLICIES

Groupwide

- Mapletree Shaping & Sharing (Corporate Social Responsibility Framework)

OUR TARGETS AND PERFORMANCE

FY20/21 Targets	Performance	FY21/22 Targets
Encourage employee participation in Mapletree CSR events	✓	Encourage employee participation in Mapletree CSR events

HIGHLIGHTS DURING THE YEAR

- **Mobilised staff volunteers to enforce safe distancing and safe management practices at VivoCity during Chinese New Year**
- **Launched a successful campaign on COVID-19 awareness and safety measures**

CONTRIBUTION TO SDGs

3 GOOD HEALTH AND WELL-BEING

17 PARTNERSHIPS FOR THE GOALS

CORPORATE SOCIAL RESPONSIBILITY

The Mapletree Shaping & Sharing Programme – Groupwide CSR Framework – is guided by two broad objectives of empowering individuals through supporting educational and healthcare initiatives, as well as enriching communities through the arts and environmental sustainability. MCT aligns itself with the Group and aims to achieve greater impact through four pillars – education, the arts, healthcare and the environment.

Our CSR commitment is closely aligned to the Group's business performance. For every S$500 million of profit after tax and minority interests, or part thereof, S$1 million is set aside by the Sponsor annually to fund CSR projects. A dedicated five-member CSR Board Committee provides strategic oversight of the Group's CSR efforts. The CSR Board Committee comprises Mapletree's Chairman and senior management as well as two Board representatives from the REITs or private platforms/ private funds (rotated on a three-year basis).

Our Mall Marketing Communications Team goes through proposals on community involvement initiatives received from non-profit organisations, educational institutions and various agencies. They are evaluated against the guidelines of the Mapletree CSR Framework with priority given to activities with specific social outcomes, long-term engagement as well as opportunities for self-volunteerism.

Large-scale events were deferred or cancelled during the financial year given the COVID-19 safe distancing restrictions and health measures. As a result, typical atrium and public events for charitable causes such as the Hair For Hope fund-raising event and other community performances could not be held. However, we were still able to provide some venue sponsorship through giving advertising spaces to philanthropic causes such as Mapletree's Tribute Advertisement to Essential Healthcare Workers and the School of the Arts ("SOTA") art exhibition.

Arts	Environment	Healthcare
SOTA Primary 6 Art Competition: Provided advertising space at ARC to feature works of art from SOTA's annual nationwide drawing and painting competition (2019-2020) **Mapletree Arts in the City:** MBC has been a venue sponsor since FY14/15. During the circuit breaker, a new digital series, "Mapletree Arts in the City on Air", was launched in April and May 2020 to pay tribute to frontline workers	**Support for Nature Society (Singapore) Programmes:** Advertising space at ARC for the 36th Singapore Bird Race which sought to raise awareness for threatened birds of Singapore with a special spotlight on three iconic species namely, the Greater Green Leafbird, White-rumped Shama and Blue-rumped Parrot **Green building initiatives:** Achieved BCA Green Mark and Leadership in Energy and Environmental Design ("LEED") certifications which attest to our best-in-class building strategies and practices	**Mapletree Tribute Ad to Essential Healthcare Workers:** Provided advertising space at ARC from 18 September to 13 November 2020 to display Mapletree's tribute ad in appreciation of all essential and healthcare workers during the COVID-19 pandemic

COVID-19 SUPPORT FOR THE COMMUNITY

During the COVID-19 crisis, the Mapletree Group has demonstrated solidarity and exemplified the spirit of giving, especially to groups in need. Some examples include:

- **Helping our tenants and service providers working at Mapletree retail properties** by raising more than S$85,000 in the form of cash grants to alleviate some of their financial challenges. The Group galvanised staff to donate their Solidarity Payment[1] to the Mapletree Community Sharing Fund to help over 180 individuals who were required to take no-pay leave due to business closures during the circuit breaker.
- **Supporting fresh graduates in finding employment amid the pandemic**. Our Sponsor launched and fully funded a 12-month work-study full-time programme, Mapletree Traineeship. Under the programme, trainees were attached to various business units within the Group and were given opportunities to gain practical work experience while acquiring real-estate related knowledge from the Singapore Management University.
- **Protecting the wider community** by donating over two million disposable medical masks to frontline workers and community caregivers in various countries to assist in their fight against the virus.

[1] The Solidarity Payment is a one-off S$600 cash grant from the government to support Singaporean households during the COVID-19 pandemic.

SUSTAINABILITY **REPORT**

CUSTOMER AND TENANT ENGAGEMENT

We strive to meet the expectations of our shoppers and tenants, and seek to continually improve our services in response to them. Tenants have direct access to the property management team when it comes to sharing feedback and concerns. Regular engagements and interactions are crucial in fostering strong relationships with tenants.

Formal engagements such as tenant surveys are conducted once every two years at each property to gather feedback regarding service delivery, facility management, building security and maintenance of common facilities. In FY20/21, 65% of our tenants were surveyed, achieving a 95% response rate. All feedback and comments were consolidated and reviewed by the respective property management team. Thereafter, all feedback has been noted and their respective issues rectified during the year. Actions taken include stepping up security patrol, increasing cleaning frequency of common areas and streamlining delivery processes to facilitate easier deliveries. The next survey will be held in FY21/22 when we aim to include even more tenants.

To support tenants who were adversely affected by COVID-19, MCT has rendered more than S$70.0 million of rental assistance since February 2020 to help eligible retail tenants offset on average more than four months of their fixed rents. We will continue to assess the situation and provide targeted assistance where necessary. We will also work with tenants to roll out suitable promotional and marketing events to promote recovery in shopper traffic while keeping in mind safe management measures and deploying manpower to help tenants manage queues and crowds.

For new employees of our tenants, a Service Excellence Workshop is usually conducted monthly to train them on VivoCity's Service Culture. The workshop covers aspects on techniques to build customer loyalty, managing customer feedback as well as the "Dos and Don'ts" of service delivery. However, in light of the COVID-19 restrictions, this programme only resumed in January 2021.

Across our properties, shoppers' feedback is also collected to address their concerns and interests. The public is able to provide feedback through dedicated platforms such as electronic feedback forms, customer service hotlines, social media channels as well as through information counters located in our shopping mall. The gathered feedback provides valuable insights for us to identify areas of improvement in order to uphold high service quality and standards.

ENERGY

The Mapletree Group aligns itself to Singapore's commitment on climate change action. At MCT, we are guided by the Sponsor and we strive to integrate environmentally friendly initiatives throughout our operations. This improves our environmental performance and translates to a lower carbon footprint. This can also help us achieve significant cost savings, thereby creating more value for our stakeholders.

OUR TARGETS AND PERFORMANCE

FY20/21 Targets	Performance	FY21/22 Targets
Maintain or improve like-for-like[1] landlord's energy intensity by up to 1% of FY19/20's baseline	✓	Maintain or improve like-for-like[1] landlord's energy intensity by up to 1% of FY19/20's baseline[2]
At least maintain the respective BCA Green Mark certifications for all MCT properties	✓	At least maintain the respective BCA Green Mark certifications for all MCT properties
Chiller upgrading at VivoCity with a target to achieve 1,157,000 kWh of energy savings (for the period from January to March 2021)	✓	No longer a target for FY21/22
Installation of solar panels at VivoCity and MLHF with a target to achieve additional energy savings of 306,000 kWh (as compared to FY19/20)	✓	No longer a target for FY21/22

HIGHLIGHTS DURING THE YEAR

ALL
properties have achieved BCA Green Mark certifications

Close to 1,600,000 kWh
of renewable solar energy generated from the photovoltaic panels at VivoCity and MLHF in FY20/21

3
out of five properties certified BCA Green Mark Platinum, the highest accolade in recognition of a building's environmental impact and performance

CONTRIBUTION TO SDGs

7 AFFORDABLE AND CLEAN ENERGY
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
11 SUSTAINABLE CITIES AND COMMUNITIES
13 CLIMATE ACTION

ENERGY USE

MCT's main source of energy consumption comprises purchased electricity for our business operations – property management and operations, lighting, air-conditioning and elevators. Diesel is only topped up for back-up purposes and makes up less than 1% of energy used throughout the year, and therefore excluded from reporting. As the electricity generated for use at our properties were from external utility providers, these emissions are classified as our Scope 2 (indirect) GHG emissions.

During Budget 2021, the government introduced the Singapore Green Plan 2030, a whole-of-nation movement to further accelerate Singapore's commitment under UN's 2030 Sustainable Development Agenda and Paris Agreement. In line with the targets set out under the Green Plan, we continually strive to incorporate new initiatives and review existing processes with a focus on improving energy efficiency and conservation. For example, we have progressively installed photovoltaic panels at VivoCity and MLHF to harness and convert solar energy into electricity. In FY20/21, they generated close

[1] Properties covered in the like-for-like reporting excluded newly acquired or divested properties within the year. Please refer to the methodology on page 119 for more details.

[2] FY19/20 has been selected as the baseline for FY21/22 targets as the performance in FY20/21 was not fully representative nor comparable to a normal operating year given the COVID-19 disruptions.

SUSTAINABILITY **REPORT**

to 1,600,000 kWh of renewable energy. To further promote self-sufficiency in the long run, we will look to increase the use of renewable energy within our energy mix so as to reduce the amount of electricity imported from the grid.

The property management team tracks and monitors energy and water usage at each property, oversees the day-to-day operations and ensures that consumption levels remain within a reasonable range. They leverage on the Energy Monitoring System ("EMS") which gathers data from power meters installed at high consumption equipment such as chillers. The accurate tracking of consumption allows the team to compare and analyse trends month-on-month for fluctuations. Annual submissions of our energy data and other building-related information are made to BCA through the Building Energy Submission System. Cross audits are conducted annually where findings are consolidated and good practices shared across properties to inculcate energy conservation habits.

With the mandatory closure of non-essential services during the circuit breaker whereby a large proportion of our tenants and their staff were working from home, there was a significant reduction in footfall and demand for energy. In response, the property management teams have promptly adjusted settings for equipment such as air handling units, fan coil units and lifts based on building occupancy and usage. We will continue to monitor business activities closely and make appropriate adjustments based on existing capacity.

For FY20/21, we achieved 23.0% in energy savings across our portfolio[1]. While these energy savings can be attributed to the various initiatives we have implemented throughout the years, we also note that FY20/21's performance was not fully representative nor comparable against a normal operating year given the exceptional COVID-19 circumstances.

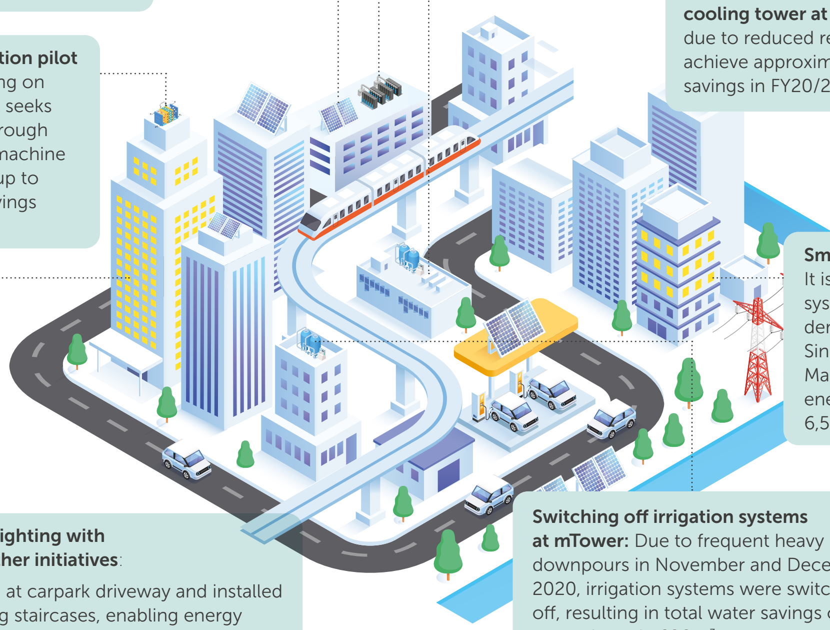
GREEN INITIATIVES IMPLEMENTED ACROSS MCT'S PROPERTIES

Installation of solar panels at VivoCity and MLHF: Generated approximately 134,624 kWh of renewable energy per month since their installation in FY19/20.

Upgrading of chillers at VivoCity: Chiller system efficiency has improved from 0.7kW/RT to 0.63kW/RT since the completion of upgrading in July 2020.

Energy optimisation solution pilot project at mTower: Tapping on data analytics, this project seeks to optimise energy use through artificial intelligence and machine learning. This will enable up to 30,000 kWh of energy savings per month.

Replacement of condenser water valve for cooling tower at mTower: Improved water flow due to reduced resistance within pipes. This has achieve approximately 6,000 kWh of energy savings in FY20/21 as compared to a year ago.



Smart Lighting System at MBC: It is designed to manage lighting systems intelligently based on demand by using smart sensors. Since its implementation in March 2021, we have achieved energy savings of approximately 6,500 kWh per month.

Replacement of T5 lighting with LED lightings and other initiatives:

mTower: Completed at carpark driveway and installed motion sensors along staircases, enabling energy savings of approximately 3,500 kWh per month.

MBC: Upgraded lighting in toilets and staircases, achieving energy savings of approximately 10,000 kWh per month.

Switching off irrigation systems at mTower: Due to frequent heavy downpours in November and December 2020, irrigation systems were switched off, resulting in total water savings of approximately $600m^3$.

[1] On a like-for-like basis (excluding MBC II). This is because MBC II was acquired on 1 November 2019 and full year data for FY19/20 was not available. Please refer to the methodology on page 119 for more details.

ENGAGEMENT WITH STAKEHOLDERS

We encourage our tenants and their employees to join in our efforts in protecting the environment and to raise their awareness in such topics. This year, we participated in the Earth Day on 22 April 2020 and the Earth Hour on 27 March 2021. For Earth Day, we switched off lift lobby lights, water features, facade lights and non-essential lighting and raised air-conditioning temperatures for common areas, while facade lights and building signages were switched off during Earth Hour.

ENCOURAGING TENANTS TO JOIN IN OUR GREEN JOURNEY

A tenant Green Guide was implemented across all five properties as part of the Fit-Out Manual to encourage tenants to adopt sustainable practices ranging from energy and water efficiency measures to switching to greener suppliers in their operations. Tenants are also encouraged to achieve Green Mark/LEED certification or equivalent for their internal office spaces and to consider working with vendors and contractors that are aligned with sustainability objectives. Examples from the Green Guide are detailed below:

Energy

- Carry out preventative maintenance or cyclical maintenance as per manufacturer's specifications to maintain optimal operational efficiency for mechanical and electrical systems.
- Select energy efficient lighting and office equipment (e.g. LED lighting and Energy Star-rated monitors and computers).
- Use multi-purpose "all-in-one" machines instead of standalone equipment to reduce standby energy.
- Where possible, switch off all lights, air-conditioning and appliances when not in use or enable "energy saver" or "power saver" modes.
- Install separate private-meters for lighting and equipment and sub-meters to monitor their energy consumption.

Water

- Report any water leakages to the management office or call centre immediately.
- Report any abnormalities such as wet cabinets, floors and wall coverings.
- Opt for water efficient fittings covered under the Water Efficiency Labelling Scheme ("WELS") endorsed by PUB for basins, taps and all other water fittings.
- Carry out regular mopping of floors instead of flushing or washing with water hose.
- Prevent dripping taps.

Waste

- Encourage tenants to reduce, reuse and/or recycle materials within their offices.
- Posters on waste minimisation and recycling displayed across properties.
- Disposal of recyclable waste (paper, plastic and metal) to recycling bins located at strategic locations in the common areas of office buildings and retail malls.
- Opt for sustainable office supplies such as FSC-certified paper, refillable toners and inks and other recycled products.
- Use Green Labelled products certified under the Singapore Green Labelling Scheme endorsed by the Singapore Environment Council.

Procurement and Material Use

- Work with vendors/contractors that use natural, solvent-free and hydrocarbon-free cleaning products.
- Use environmentally friendly materials as much as possible in fit-out works and alterations.
- Procure tropical hardwoods from sustainable sources when using timber flooring and request for certifications where possible.

Indoor Air Quality

- Consider indoor greeneries, especially those that remove toxins and purify the air. They also help to increase productivity at the workplace.
- Where possible, place printers and copiers in separate rooms away from employees and ensure that the rooms are well-ventilated.
- Refrain from using glues, sealants and paints that emit volatile chemicals within premises.

SUSTAINABILITY **REPORT**

PERFORMANCE DATA

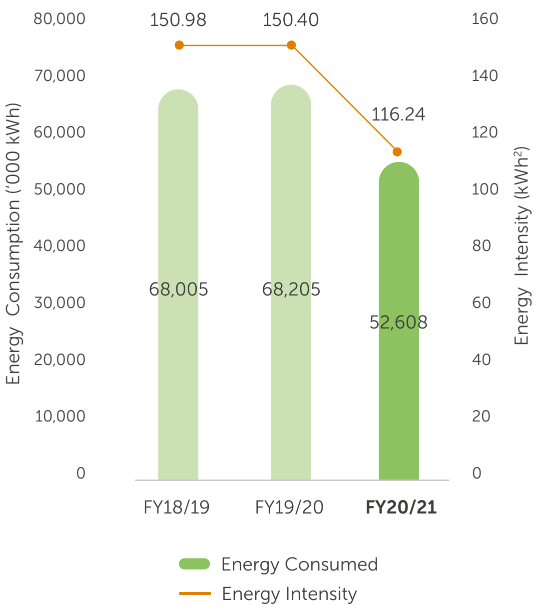
Purchased electricity remains as the primary source of energy for our business operations.

In FY20/21, the total energy consumption and Scope 2 GHG emissions of all our properties (including MBC II) were 62,117,250 kWh and 25,375 tonnes of carbon dioxide equivalent ("tCO_2e") respectively. Energy intensity (including MBC II) and Scope 2 GHG emissions (including MBC II) were 107.6 kWh/m^2 and 0.06 tCO_2e/m^2 respectively. There were no acquisitions or divestments during the financial year.

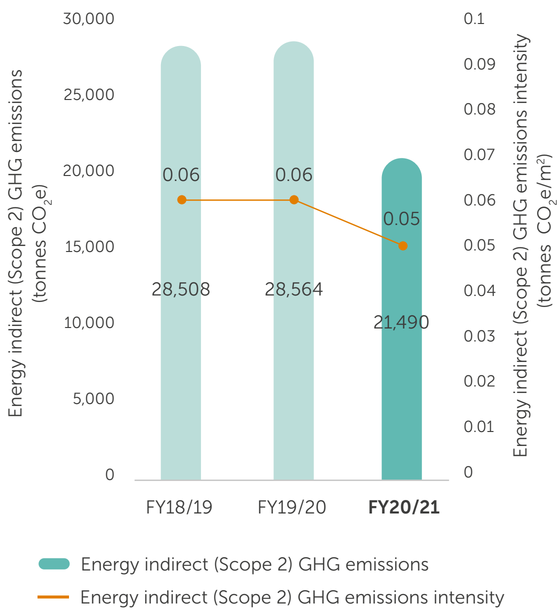
On a like-for-like basis (excluding MBC II), the energy consumption and intensity in FY20/21 were 52,607,710 kWh and 116.24 kWh/m^2 respectively. This translated to 21,490 tCO_2e of Scope 2 GHG emissions with a corresponding emissions intensity of 0.05 tCO_2e/m^2.

Please refer to the following charts for more details.

Like-for-like energy consumption and intensity (excluding MBC II)



Like-for-like Scope 2 GHG emissions and intensity (excluding MBC II)



WATER

Due to the increasing demand for water and limited water resources in Singapore, water scarcity is a prevalent challenge. We acknowledge that water is essential for our business operations and therefore are committed to the responsible use and management of water. Through close monitoring and the implementation of water-efficient technologies, we are able to generate savings, thereby creating more value for our stakeholders.

OUR TARGETS AND PERFORMANCE

FY20/21 Targets	Performance	FY21/22 Targets
Maintain landlord's like-for-like[1] water consumption to within ±1% of FY19/20's baseline	✓	Maintain landlord's like-for-like[1] water consumption to within ±1% of FY19/20's baseline[2]

HIGHLIGHTS DURING THE YEAR

292,698m^3
water consumption reduction in FY20/21[1]

35%
water savings achieved in FY20/21[1]

Rainwater recycling
features installed at MBC

CONTRIBUTION TO SDGs

INTERACTIONS WITH WATER

Water used across our properties is provided by the Public Utilities Board ("PUB"), whose water supply comprises the 'Four National Taps' – water from local catchment, imported water, highly-purified reclaimed water known as NEWater and desalinated water.

Water is essential to our business operations and is used primarily in common areas, such as restrooms and pantries, and cooling towers, irrigation systems and some of our water features. These are areas where we will continue to make improvements where practicable to minimise our water-related impact. All effluents are discharged in line with Singapore's regulatory requirements.

From a value chain perspective, we also work closely with our tenants to steward water as a shared resource and regularly engage them through our water-saving initiatives. The Green Guide within our Fit-Out Manual recommends good practices for adoption by tenants and their employees. For more details refer to the Box Story on page 114.

In FY20/21, property managers attended a three-day Water Efficiency Manager Course conducted by the PUB. The course aims to equip them with knowledge on water efficiency measures and skills to conduct water audits. Such audits enable the property managers to identify opportunities for reducing water consumption.

[1] Properties covered in the like-for-like reporting excluded newly acquired or divested properties within the year. Please refer to the methodology on page 119 for more details.

[2] FY19/20 has been selected as the baseline for FY21/22 targets as the performance in FY20/21 was not fully representative nor comparable to a normal operating year given the COVID-19 disruptions.

SUSTAINABILITY **REPORT**

REDUCING WATER WITHDRAWAL AND IMPROVING WATER EFFICIENCY

Similar to the adjustments done to optimise energy efficiency based on occupancy during COVID-19, we have also done the same for water. Across our properties, we have closed selected toilets and water features to reduce water usage. In FY20/21, we achieved approximately 35% of water savings across the portfolio.

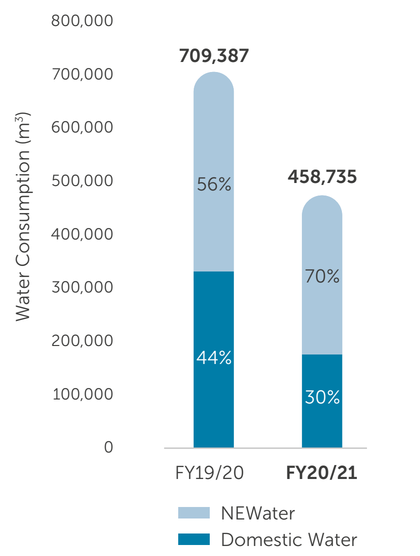
This is the result of the exceptional circumstances during the year, as well as implementation of various methods to optimise water usage and improve efficiency. Across all properties, the property management team monitors water usage closely and implements water-saving initiatives where practicable. Water-saving measures are established during the design, development and operation processes. From November to December 2020, when there were frequent heavy downpours, irrigation systems were switched off at mTower. At MBC, water capture systems are installed to collect rainwater for irrigation purposes.

PERFORMANCE DATA

In FY20/21, the total water used from all of our properties (including MBC II) was 549,844m^3.

On a like-for-like basis (excluding MBC II), the water consumption in FY20/21 was 458,735m^3, a 35% decrease from 709,387m^3 in FY19/20. We have also increased the proportion of NEWater used from 56% to 70% in FY20/21. As with the trend for energy, while the water savings can be partly attributed to the various initiatives we have implemented throughout the years, we also note that FY20/21 was not fully representative nor comparable against a normal operating year given the exceptional COVID-19 circumstances.

Like-for-like water consumption (excluding MBC II)



GREENING OUR ASSETS

At MCT, we invest in greening existing properties and green buildings. Over the years, MCT has integrated sustainability into the architectural design, building details, construction as well as maintenance activities to reduce our carbon footprint and contribute to the development of sustainable cities.

We continue to support the BCA Green Building Masterplan to shape a safe, high quality, sustainable and user-friendly built environment. Today, all of MCT's properties have achieved at least the BCA Green Mark Gold^{PLUS} certification, with three out of the five properties certified Green Mark Platinum, the highest accolade in recognition of a building's environmental impact and performance. MBC II has maintained its LEED certification, further demonstrating our best-in-class building strategies and practices.

To ensure that our properties continually meet the Green Building requirements, engineering forums are held monthly to discuss ongoing applications or renewals of these certifications. We remain committed to our goal in ensuring that all MCT's properties maintain their respective BCA Green Mark certifications.

Property	Awards and Accolades
VivoCity	BCA Green Mark Platinum
MBC I	BCA Green Mark Platinum
MBC II	BCA Green Mark Platinum
	BCA Universal Design Mark Platinum Award
	LEED®Gold
mTower	BCA Green Mark Gold^{PLUS}
Mapletree Anson	BCA Green Mark Platinum
MLHF	BCA Green Mark Gold^{PLUS}

SUPPLEMENTARY INFORMATION

METHODOLOGY

This section explains the boundaries, methodologies and assumptions used in the computation of MCT's sustainability data and information.

EMPLOYEES DATA

"Employees" refer to all employees of the Manager and the Property Manager. They include permanent and temporary contract staff for FY19/20 and FY20/21. The employee data does not include TPSPs engaged to perform certain property management services.

MCT does not have a significant portion of its activities carried out by workers who are not employees.

OCCUPATIONAL HEALTH AND SAFETY

Work-related injuries are defined as a negative impact on an employee's health arising from exposure to hazards at work. Injuries as a result of commuting incidents are only included if the transport has been organised by MCT. The rate of work-related injuries is computed based on 1,000,000 man-hours worked.

ENVIRONMENTAL DATA

Actual data relates to the five properties under MCT's portfolio – (i) VivoCity, (ii) MBC, (iii) mTower, (iv) Mapletree Anson and (v) MLHF, whereas like-for-like data excludes MBC II.

ENERGY CONSUMPTION AND INTENSITY

Only purchased electricity has been included in this report. Diesel is only used for gensets during scheduled shutdowns and maintenance. The usage is very minimal and has thus been excluded from the reporting scope.

Energy consumption includes all tenants' energy consumption for air-conditioning within the leased premises only, less the renewable energy generated at the properties. Like-for-like energy consumption and intensity include only properties with full year data for FY18/19, FY19/20 and FY20/21. It excludes MBC II where full year data is unavailable for FY18/19 and FY19/20.

Energy intensity is derived by taking electricity consumption divided by the GFA, including common and tenants' areas, less unoccupied NLA.

GHG EMISSIONS AND INTENSITY

GHG emissions are reported in line with the guidance from the GHG Protocol Corporate Accounting and Reporting Standard. The operational control approach is applied, and MCT accounts for GHG emissions from operations over which it has operational control. Like-for-like energy indirect (Scope 2) GHG and intensity include only properties with full year data for FY18/19, FY19/20 and FY20/21. It excludes MBC II where full year data for FY18/19 and FY19/20 is unavailable.

Scope 2 GHG intensity is derived by taking total energy indirect (Scope 2) GHG emissions divided by the GFA, including common and tenants' areas, less unoccupied NLA. A location-based method is adopted to reflect the average emissions intensity of Singapore's grid. The emission factors used are obtained from the Singapore Energy Statistics published by the Energy Market Authority. We adopt the latest available Grid Emission Factor ("GEF") calculated using the average operating margin ("OM") method for the reporting period.

WATER CONSUMPTION

Water consumption includes landlord's usage only. Like-for-like water consumption includes only properties with full year data for FY19/20 and FY20/21. It excludes MBC II where full year data for FY19/20 is unavailable.

SUSTAINABILITY **REPORT**

GRI CONTENT INDEX

GRI Standards Disclosures		Reference(s) and/or Explanation	Identified Omission(s)
GENERAL DISCLOSURES			
ORGANISATIONAL PROFILE			
102-1	Name of the organisation	Mapletree Commercial Trust Corporate Overview, Page 2	
102-2	Activities, brands, products, and services	Corporate Overview, Page 2	
102-3	Location of headquarters	Corporate Overview, Page 2; Corporate Directory, Inside Back Cover	
102-4	Location of operations	Corporate Overview, Page 2	
102-5	Ownership and legal form	Trust Structure, Page 18	
102-6	Markets served	Corporate Overview, Page 2	
102-7	Scale of the organisation	Corporate Overview, Page 2; Financial Highlights, Page 4-5; Employment and Talent Retention, Page 108	
102-8	Information on employees and other workers	Employment and Talent Retention, Page 107-108	
102-9	Supply chain	Supply chain activities are minimal and not significant to MCT's operations.	
102-10	Significant changes to the organisation and its supply chain	There were no significant changes to MCT's supply chain.	
102-11	Precautionary principle or approach	Risk Management, Page 90-93	
102-12	External initiatives	Sustainability Matters, Targets and Performance, Page 98-99	
102-13	Membership of associations	REIT Association of Singapore	
STRATEGY			
102-14	Statement from senior decision-maker	Board Statement, Page 94	
ETHIC AND INTEGRITY			
102-16	Values, principles, standards, and norms of behaviour	Our Approach to Sustainability, Page 95; Anti-corruption | Compliance with Laws and Regulations, Page 100-101	
GOVERNANCE			
102-18	Governance structure	Our Approach to Sustainability, Page 95	
STAKEHOLDER ENGAGEMENT			
102-40	List of stakeholder groups	Stakeholder Engagement and Materiality, Page 96-97	
102-41	Collective bargaining agreements	Not applicable. No collective bargaining agreements are in place.	
102-42	Identifying and selecting stakeholders	Stakeholder Engagement and Materiality, Page 96-97	
102-43	Approach to stakeholder engagement	Stakeholder Engagement and Materiality, Page 96-97	
102-44	Key topics and concerns raised	Stakeholder Engagement and Materiality, Page 96-97	
REPORTING PRACTICE			
102-45	Entities included in the consolidated financial	Notes to the Financial Statements, Page 167	
102-46	Defining report content and topic Boundaries	About the Report, Page 95; Sustainability Matters, Targets and Performance, Page 98-99	
102-47	List of material topics	Sustainability Matters, Targets and Performance, Page 98-99	

GRI Standards Disclosures		Reference(s) and/or Explanation	Identified Omission(s)
102-48	Restatement of information	There has been no restatement of figures or information disclosed in our previous report.	
102-49	Changes in reporting	Not applicable. No changes in reporting.	
102-50	Reporting period	1 April 2020 – 31 March 2021	
102-51	Date of most recent report	The Annual Report/ Sustainability Report for FY19/20 was published on 26 June 2020.	
102-52	Reporting cycle	Annual	
102-53	Contact point for questions regarding the report	About the Report, Page 95	
102-54	Claims of reporting in accordance with the GRI Standards	About the Report, Page 95	
102-55	GRI content index	GRI Content Index, Page 120-124	
102-56	External assurance	MCT has not sought external assurance on this report but may do so in the future.	
MATERIAL TOPIC: ECONOMIC PERFORMANCE			
GRI 103 (2016): MANAGEMENT APPROACH			
103-1	Explanation of the material topic and its boundary	Sustainability Matters, Targets and Performance, Page 98-99	
103-2	The management approach and its components	Sustainability Matters, Targets and Performance, Page 98-99; Economic Performance, Page 100	
103-3	Evaluation of the management approach	Economic Performance, Page 100	
GRI 201 (2016): ECONOMIC PERFORMANCE			
201-1	Direct economic value generated and distributed	Financial Statements Page 128-193	
MATERIAL TOPIC: ANTI-CORRUPTION			
GRI 103 (2016): MANAGEMENT APPROACH			
103-1	Explanation of the material topic and its boundary	Sustainability Matters, Targets and Performance, Page 98-99	
103-2	The management approach and its components	Sustainability Matters, Targets and Performance, Page 98-99; Anti-corruption | Compliance with Laws and Regulations, Page 100-101	
103-3	Evaluation of the management approach	Anti-corruption | Compliance with Laws and Regulations, Page 100-101	
GRI 205 (2016): ANTI-CORRUPTION			
205-3	Confirmed incidents of corruption and actions taken	Anti-corruption | Compliance with Laws and Regulations, Page 100-101	
MATERIAL TOPIC: COMPLIANCE WITH LAWS AND REGULATIONS			
GRI 103 (2016): MANAGEMENT APPROACH			
103-1	Explanation of the material topic and its boundary	Sustainability Matters, Targets and Performance, Page 98-99	
103-2	The management approach and its components	Sustainability Matters, Targets and Performance, Page 98-99; Anti-corruption | Compliance with Laws and Regulations, Page 100-101	
103-3	Evaluation of the management approach	Anti-corruption | Compliance with Laws and Regulations, Page 100-101	

SUSTAINABILITY **REPORT**

GRI CONTENT INDEX

GRI Standards Disclosures		Reference(s) and/or Explanation	Identified Omission(s)
GRI 417 (2016): MARKETING AND LABELLING			
417-3	Incidents of non-compliance concerning marketing communications	Anti-corruption | Compliance with Laws and Regulations, Page 100-101	
GRI 419 (2016): SOCIOECONOMIC COMPLIANCE			
419-1	Non-compliance with laws and regulations in the social and economic area	Anti-corruption | Compliance with Laws and Regulations, Page 100-101	
MATERIAL TOPIC: HEALTH & SAFETY			
GRI 103 (2016): MANAGEMENT APPROACH			
103-1	Explanation of the material topic and its boundary	Sustainability Matters, Targets and Performance, Page 98-99	
103-2	The management approach and its components	Sustainability Matters, Targets and Performance, Page 98-99; Health and Safety, Page 102-106	
103-3	Evaluation of the management approach	Health and Safety, Page 102-106	
GRI 403 (2018): OCCUPATIONAL HEALTH AND SAFETY			
403-1	Occupational health and safety management system	Health and Safety, Page 102-106	
403-2	Hazard identification, risk assessment, and incident investigation	Health and Safety, Page 102-106	
403-3	Occupational health services	Health and Safety, Page 102-106	
403-4	Worker participation, consultation, and communication on occupational health and safety	Health and Safety, Page 102-106	
403-5	Worker training on occupational health and safety	Health and Safety, Page 102-106	
403-6	Promotion of worker health	Health and Safety, Page 102-106	
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Health and Safety, Page 102-106	
403-9	Work-related injuries	Health and Safety, Page 104	(b) – Information unavailable for workers who are not employees but whose work and/or workplace is controlled by the organisation
GRI 416 (2016): CUSTOMER HEALTH AND SAFETY			
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	Health and Safety, Page 104	

GRI Standards Disclosures		Reference(s) and/or Explanation	Identified Omission(s)
MATERIAL TOPIC: EMPLOYMENT AND TALENT RETENTION			
GRI 103 (2016): MANAGEMENT APPROACH			
103-1	Explanation of the material topic and its boundary	Sustainability Matters, Targets and Performance, Page 98-99	
103-2	The management approach and its components	Sustainability Matters, Targets and Performance, Page 98-99; Employment and Talent Retention, Page 107-109	
103-3	Evaluation of the management approach	Employment and Talent Retention, Page 107-109	
GRI 401 (2016): EMPLOYMENT			
401-1	New employee hires and employee turnover	Employment and Talent Retention, Page 108	(a), (b) - Breakdown by age group, gender and region is not applicable
GRI 404 (2016): TRAINING AND EDUCATION			
404-2	Programmes for upgrading employee skills and transition assistance programmes	Employment and Talent Retention, Page 107-109	
404-3	Percentage of employees receiving regular performance and career development reviews	Employment and Talent Retention, Page 108	
MATERIAL TOPIC: LOCAL COMMUNITIES			
GRI 103 (2016): MANAGEMENT APPROACH			
103-1	Explanation of the material topic and its boundary	Sustainability Matters, Targets and Performance, Page 98-99	
103-2	The management approach and its components	Sustainability Matters, Targets and Performance, Page 98-99; Local Communities, Page 110-112	
103-3	Evaluation of the management approach	Local Communities, Page 110-112	
GRI 413 (2016): LOCAL COMMUNITIES			
413-1	Operations with local community engagement, impact assessments, and development programmes	Local Communities, Page 110-112	
MATERIAL TOPIC: ENERGY			
GRI 103 (2016): MANAGEMENT APPROACH			
103-1	Explanation of the material topic and its boundary	Sustainability Matters, Targets and Performance, Page 98-99	
103-2	The management approach and its components	Sustainability Matters, Targets and Performance, Page 98-99; Energy, Page 113-116	
103-3	Evaluation of the management approach	Energy, Page 113-116	
GRI 302 (2016): ENERGY			
302-1	Energy consumption within the organisation	Energy, Page 116	
302-3	Energy intensity	Energy, Page 116	

SUSTAINABILITY **REPORT**

GRI CONTENT INDEX

GRI Standards Disclosures		Reference(s) and/or Explanation	Identified Omission(s)
GRI 305 (2016): EMISSIONS			
305-2	Energy indirect (Scope 2) GHG emissions	Energy, Page 116	
305-4	GHG emissions intensity	Energy, Page 116	
GRI-G4 SECTOR DISCLOSURES: CONSTRUCTION AND REAL ESTATE			
CRE1	Building energy intensity	Energy, Page 116	
CRE3	GHG emissions intensity from buildings	Energy, Page 116	
CRE8	Type and number of sustainability certification, rating and labelling schemes	Greening our Assets, Page 118	
MATERIAL TOPIC: WATER			
GRI 103 (2016): MANAGEMENT APPROACH			
103-1	Explanation of the material topic and its boundary	Sustainability Matters, Targets and Performance, Page 98-99	
103-2	The management approach and its components	Sustainability Matters, Targets and Performance, Page 98-99; Water, Page 117-118	
103-3	Evaluation of the management approach	Water, Page 117-118	
GRI 303 (2018): WATER AND EFFLUENTS			
303-1	Interactions with water as a shared resource	Water, Page 117-118	
303-2	Management of water discharge-related impacts	Water, Page 117-118	
303-3	Water withdrawal	Water, Page 118	
GRI-G4 SECTOR DISCLOSURES: CONSTRUCTION AND REAL ESTATE			
CRE8	Type and number of sustainability certification, rating and labelling schemes	Greening our Assets, Page 118	

INVESTOR **RELATIONS**

COMMITMENT TO HIGH STANDARDS OF DISCLOSURE AND CORPORATE TRANSPARENCY

The Manager is committed to high standards of disclosure and corporate transparency. This is to instil stakeholder confidence and to ensure that they are equipped with the necessary information to make sound judgements about MCT. Because of this, we place a high priority on providing accurate and timely disclosure of financial results, announcements and relevant information related to MCT to the public, and we endeavour to use clear language and maintain consistent disclosures on all relevant issues. We proactively engage investors and analysts, and the media to communicate our business case and to understand and address their concerns where possible. Various avenues and modes of communications are in place to facilitate regular and frequent interactions with the investment community. These include:

- All financial news releases and announcements are published and available on the SGX-ST website.
- Announcements, press releases, investor presentations, and related general information are updated and available on MCT's website at www.mapletreecommercialtrust.com.
- Investors and the public can sign up to MCT's electronic mailing list to receive email notifications of news and updates related to MCT.
- Enquiries and feedback can be conveniently sent to the Manager through the "Contact Us" link on our website.

PROACTIVE ENGAGEMENT OF INVESTORS

We place emphasis on quality interaction with the investment community through multiple platforms such as AGMs, briefings, face-to-face investor meetings, teleconferences, investor conferences, roadshows and property visits. Analysts' briefings are conducted every six months to provide updates on MCT's half-year and full year financial results and operational performance.

These platforms offer opportunities for the Manager to interact first-hand with Unitholders, understand their views, gather feedback and address concerns. To keep the senior management and the Board abreast of market perception and concerns, the Investor Relations Department provides regular updates on analysts' views and estimates, analysis of Unitholders' register and key feedback from the market.

In FY20/21, we engaged over 360 fund managers, institutional investors and analysts. These were, however, conducted via virtual means in line with safe management measures arising from the COVID-19 pandemic. On-site meetings, property visits and events were also limited during the year.

Due to COVID-19 restriction orders in Singapore, MCT's ninth AGM on 22 July 2020 was held via electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020. Pre-registered Unitholders who have been verified were given user details and instructions on how to access the live audio-visual webcast and live audio-only stream of the AGM proceedings. Ahead of the AGM, Unitholders were invited to submit questions related to the tabled resolutions and to vote by appointing the Chairman of the Meeting as proxy. Responses to substantial and relevant questions received were published on SGXNET and MCT's website prior to the AGM. All resolutions were duly approved by Unitholders and results published on SGXNet and MCT's website on the same day. Minutes of the AGM were also published subsequently.

RESEARCH COVERAGE

As at 31 March 2021, MCT was actively covered by 14 research houses.

- BofA Securities
- CGS-CIMB
- Citigroup
- CLSA
- Credit Suisse
- Daiwa Capital Markets
- DBS
- Goldman Sachs
- HSBC
- JP Morgan
- Macquarie Bank
- Maybank Kim Eng
- OCBC
- UOB KayHian

INVESTOR **RELATIONS**

INVESTOR RELATIONS ACTIVITIES IN FY20/21

	Event
First Quarter (period from 1 April 2020 to 30 June 2020)	Analysts' Results Briefing and 'Live' Webcast for 4Q and FY19/20 Results
	4Q and FY19/20 Results Investors Teleconference hosted by CLSA
	Citi Asia-Pacific Property Virtual Conference
Second Quarter (period from 1 July 2020 to 30 September 2020)	Ninth AGM
	1Q FY20/21 Business Updates Investors Teleconference hosted by HSBC
	Citi-REITAS-SGX C-Suite Singapore REITS and Sponsors Virtual Forum
Third Quarter (period from 1 October 2020 to 31 December 2020)	Analysts' Results Briefing and 'Live' Webcast for 1H FY20/21 Results
	1H FY20/21 Results Investors Teleconference hosted by DBS
	SGX-UBS Singapore REIT/Infrastructure Virtual Corporate Day
	UBS Global Real Estate CEO/CFO Virtual Conference 2020
Fourth Quarter (period from 1 January 2021 to 31 March 2021)	3Q and YTD FY20/21 Business Updates Investors Teleconference hosted by BofA Securities

FINANCIAL RESULTS, BUSINESS UPDATES AND DISTRIBUTIONS CALENDAR

22 April 2020	4Q and FY19/20 Results Announcement
29 May 2020	Payment of 4Q FY19/20 Distribution
23 July 2020	1Q FY20/21 Business Updates
22 October 2020	1H FY20/21 Results Announcement
27 November 2020	Payment of 1H FY20/21 Distribution
27 January 2021	3Q and YTD FY20/21 Business Updates
27 April 2021	2H and FY20/21 Results Announcement
4 June 2021	Payment of 2H FY20/21 Distribution

FINANCIAL RESULTS, BUSINESS UPDATES AND DISTRIBUTION CALENDAR FOR FY21/22 (TENTATIVE)

July 2021	Tenth AGM
July 2021	1Q FY21/22 Business Updates
October 2021	1H FY21/22 Results Announcement
November 2021	Payment of 1H FY21/22 Distribution
January 2022	3Q and YTD FY21/22 Business Updates
April 2022	2H and FY21/22 Results Announcement
June 2022	Payment of 2H FY21/22 Distribution

To subscribe to the latest news on MCT, please visit www.mapletreecommercialtrust.com

If you have any enquiries or would like to find out more about MCT, please contact:

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Singapore 048623

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E : srs.teamd@boardroomlimited.com

UNITHOLDER DEPOSITORY

For depository-related matters, such as change of personal details and unitholding records, please contact directly:

The Central Depository (Pte) Limited
11 North Buona Vista Drive
#06-07
The Metropolis Tower 2
Singapore 138589

T : +65 6535 7511
F : +65 6535 0775
E : asksgx@sgx.com
W : www.sgx.com/cdp

FINANCIAL STATEMENTS

REPORT OF THE TRUSTEE

For the financial year ended 31 March 2021

DBS Trustee Limited (the "Trustee") is under a duty to take into custody and hold the assets of Mapletree Commercial Trust ("MCT") and its subsidiaries (the "Group") in trust for the holders of units in MCT ("Unitholders"). In accordance with the Securities and Futures Act (Cap. 289), its subsidiary legislation and the Code on Collective Investment Schemes, the Trustee shall monitor the activities of Mapletree Commercial Trust Management Ltd. (the "Manager") for compliance with the limitations imposed on the investment and borrowing powers as set out in the Trust Deed in each annual accounting period and report thereon to Unitholders in an annual report.

To the best knowledge of the Trustee, the Manager has, in all material respects, managed MCT and the Group during the financial year covered by these financial statements, set out on pages 136 to 193, in accordance with the limitations imposed on the investment and borrowing powers set out in the Trust Deed.

For and on behalf of the Trustee
DBS Trustee Limited

Jane Lim Puay Yuen
Director

Singapore, 28 April 2021

STATEMENT BY THE MANAGER

For the financial year ended 31 March 2021

In the opinion of the directors of Mapletree Commercial Trust Management Ltd., the accompanying financial statements of Mapletree Commercial Trust ("MCT") and its subsidiaries (the "Group") as set out on pages 136 to 193, comprising the Statements of Financial Position and Portfolio Statement of MCT and the Group as at 31 March 2021, the Statements of Profit or Loss, Statements of Comprehensive Income, Distribution Statements and Statements of Movements in Unitholders' Funds of MCT and the Group, the Consolidated Statement of Cash Flows of the Group and Notes to the Financial Statements for the financial year then ended are drawn up so as to present fairly, in all material respects, the financial position of MCT and of the Group as at 31 March 2021 and the financial performance, amount distributable and movements of Unitholders' funds of MCT and the Group and consolidated cash flows of the Group for the year then ended in accordance with Singapore Financial Reporting Standards (International) and relevant requirements of the Code on Collective Investment Schemes issued by the Monetary Authority of Singapore. At the date of this statement, there are reasonable grounds to believe that MCT and the Group will be able to meet its financial obligations as and when they materialise.

For and on behalf of the Manager
Mapletree Commercial Trust Management Ltd.

Lim Hwee Li Sharon
Director

Singapore, 28 April 2021

INDEPENDENT AUDITOR'S REPORT TO THE UNITHOLDERS OF MAPLETREE COMMERCIAL TRUST

(Constituted under a Trust Deed in the Republic of Singapore)

Report on Audit of the Financial Statements

OUR OPINION

In our opinion, the accompanying consolidated financial statements of Mapletree Commercial Trust ("MCT") and its subsidiaries (the "Group") and the Statement of Profit or Loss, Statement of Comprehensive Income, Statement of Financial Position, Distribution Statement, Statement of Movements in Unitholders' Funds and Portfolio Statement of MCT are properly drawn up in accordance with the Singapore Financial Reporting Standards (International) ("SFRS(I)s") and applicable requirements of the Code on Collective Investment Schemes relating to financial reporting (the "CIS Code"), so as to present fairly, in all material respects, the consolidated financial position of the Group and the financial position of MCT as at 31 March 2021 and the consolidated financial performance of the Group and the financial performance of MCT, the consolidated amount distributable of the Group and the amount distributable of MCT, the consolidated movements of unitholders' funds of the Group and movements in unitholders' funds of MCT, the consolidated portfolio holdings of the Group and portfolio holdings of MCT and the consolidated cash flows of the Group for the financial year ended on that date.

What we have audited

The financial statements of MCT and the Group comprise:

- the statements of profit or loss of the Group and MCT for the financial year ended 31 March 2021;
- the statements of comprehensive income of the Group and MCT for the financial year ended 31 March 2021;
- the statements of financial position of the Group and MCT as at 31 March 2021;
- the distribution statements of the Group and MCT for the financial year ended 31 March 2021;
- the consolidated statement of cash flows of the Group for the financial year ended 31 March 2021;
- the statements of movements in unitholders' funds for the Group and MCT for the financial year ended 31 March 2021;
- the portfolio statement for the Group and MCT for the financial year ended 31 March 2021; and
- the notes to the financial statements, including a summary of significant accounting policies.

BASIS FOR OPINION

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code.

INDEPENDENT AUDITOR'S REPORT TO THE UNITHOLDERS OF MAPLETREE COMMERCIAL TRUST

(Constituted under a Trust Deed in the Republic of Singapore)

OUR AUDIT APPROACH

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the accompanying financial statements. In particular, we considered where management made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements for the financial year ended 31 March 2021. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	How our audit addressed the Key Audit Matter
Valuation of investment properties Refer to Note 13 - Investment properties As at 31 March 2021, the carrying value of the Group's investment properties of $8.74 billion accounted for 97.6% of the Group's total assets. The valuation of the investment properties was a key audit matter due to the significant judgement in the key inputs used in the valuation techniques. These key inputs include, capitalisation rates and discount rates and are dependent on the nature of each investment property and the prevailing market conditions. The independent valuation reports have highlighted that with the heightened uncertainty of the Coronavirus Disease 2019 ("COVID-19") outbreak, a higher degree of caution should be exercised when relying upon the valuation. The valuations are based on the information available as at the date of valuation. Values and incomes may change more rapidly and significantly than during normal market conditions. The key inputs are disclosed in Note 13 to the accompanying financial statements.	Our audit procedures included the following: • assessed the competence, capabilities and objectivity of the external valuers engaged by the Group; • obtained an understanding of the techniques and inputs used by the external valuers in determining the valuations of individual investment properties; • tested the integrity of information, including underlying lease and financial information provided to the external valuers; • assessed the reasonableness of the capitalisation rates, discount rates and adjusted price per square feet by benchmarking these inputs against those of comparable properties and prior year inputs. Where the inputs and estimates were beyond the expected range, we performed procedures to understand the reasons and therefore the validity of these inputs and estimates; and • challenged the projected cash flows used against the current and historical lease rates. We have also assessed the adequacy of the disclosures relating to the assumptions, as we consider them as likely to be significant to users of the financial statements given the estimation uncertainty and sensitivity of the valuations. The valuers are members of recognised bodies for professional valuers. The valuation techniques used were in line with generally accepted market practices and the key assumptions used were within the range used by valuers of similar investment properties.

INDEPENDENT AUDITOR'S REPORT TO THE UNITHOLDERS OF MAPLETREE COMMERCIAL TRUST

(Constituted under a Trust Deed in the Republic of Singapore)

OTHER INFORMATION

The Manager is responsible for the other information. The other information comprises the information included in the Report of the Trustee, and Statement by the Manager (but does not include the financial statements and our auditor's report thereon) which we obtained prior to the date of this auditor's report, and other sections of MCT's Annual Report 2020/21 ("Other Sections"), which are expected to be made available to us after that date.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the Other Sections, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions in accordance with SSAs.

RESPONSIBILITIES OF THE MANAGER FOR THE FINANCIAL STATEMENTS

The Manager is responsible for the preparation and fair presentation of these financial statements in accordance with SFRS(I)s, applicable requirements of the CIS Code and for such internal control as the Manager determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Manager is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Manager either intends to terminate the Group or to cease the Group's operations, or has no realistic alternative but to do so.

The Manager's responsibilities include overseeing the Group's financial reporting process.

INDEPENDENT AUDITOR'S REPORT TO THE UNITHOLDERS OF MAPLETREE COMMERCIAL TRUST

(Constituted under a Trust Deed in the Republic of Singapore)

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Manager.

- Conclude on the appropriateness of the Manager's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

INDEPENDENT AUDITOR'S REPORT TO THE UNITHOLDERS OF MAPLETREE COMMERCIAL TRUST

(Constituted under a Trust Deed in the Republic of Singapore)

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS (continued)

We communicate with the Manager regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Manager with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Manager, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Rebekah Khan.

PricewaterhouseCoopers LLP
Public Accountants and Chartered Accountants

Singapore, 28 April 2021

STATEMENTS OF PROFIT OR LOSS

For the financial year ended 31 March 2021

		Group		MCT	
		2021	2020	**2021**	2020
	Note	**$'000**	$'000	**$'000**	$'000
Gross revenue	3	**478,997**	482,825	**450,090**	454,557
Property operating expenses	4	**(101,987)**	(104,885)	**(86,259)**	(97,586)
Net property income		**377,010**	377,940	**363,831**	356,971
Finance income		**754**	813	**3,898**	786
Finance expenses	5	**(76,848)**	(78,787)	**(67,698)**	(71,852)
Manager's management fees					
– Base fees		**(22,458)**	(20,031)	**(18,546)**	(18,378)
– Performance fees		**(15,080)**	(15,117)	**(12,257)**	(13,908)
Trustee's fees		**(1,049)**	(952)	**(1,049)**	(952)
Other trust expenses	6	**(1,153)**	(1,345)	**(1,093)**	(1,260)
Foreign exchange gain/(loss)		**8,639**	(7,900)	**8,639**	(7,900)
Net change in fair value of financial derivative		**(8,786)**	8,885	**(8,786)**	8,885
Profit before tax and fair value change in investment properties		**261,029**	263,506	**266,939**	252,392
Net change in fair value of investment properties	7	**(192,420)**	279,591	**(173,459)**	303,866
Profit for the financial year before tax		**68,609**	543,097	**93,480**	556,258
Income tax expense	8(a)	**(3)**	(2)	**–**	–
Profit for the financial year after tax before distribution		**68,606**	543,095	**93,480**	556,258
Earnings per unit (cents)					
– Basic	9	**2.07**	17.74		
– Diluted	9	**2.07**	17.74		

STATEMENTS OF COMPREHENSIVE INCOME

For the financial year ended 31 March 2021

		Group		MCT	
		2021	2020	**2021**	2020
	Note	**$'000**	$'000	**$'000**	$'000
Profit for the financial year after tax before distribution		**68,606**	543,095	**93,480**	556,258
Other comprehensive income — items that may be reclassified subsequently to profit or loss					
Cash flow hedges					
– Fair value losses	22	**(8,949)**	(24,244)	**(4,976)**	(19,623)
– Reclassification to profit or loss	22	**14,376**	(389)	**11,218**	(333)
Total comprehensive income for the financial year		**74,033**	518,462	**99,722**	536,302

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

STATEMENTS OF FINANCIAL POSITION

As at 31 March 2021

		Group		MCT	
		31 March		31 March	
		2021	2020	**2021**	2020
	Note	**$'000**	$'000	**$'000**	$'000
ASSETS					
Current assets					
Cash and cash equivalents	10	**192,543**	65,857	**176,652**	46,280
Trade and other receivables	11	**7,631**	5,027	**7,813**	4,896
Tax recoverable	8(c)	**5,849**	1,850	**–**	–
Other current assets	12	**528**	526	**346**	376
		206,551	73,260	**184,811**	51,552
Non-current assets					
Investment properties	13	**8,737,000**	8,920,000	**7,202,000**	7,360,000
Plant and equipment	14	**266**	329	**223**	265
Investments in subsidiaries	15	**–**	–	**910,964**	910,964
Derivative financial instruments	16	**6,767**	13,482	**14,317**	18,159
		8,744,033	8,933,811	**8,127,504**	8,289,388
Total assets		**8,950,584**	9,007,071	**8,312,315**	8,340,940
LIABILITIES					
Current liabilities					
Derivative financial instruments	16	**2,390**	376	**2,390**	376
Trade and other payables	17	**114,047**	104,448	**97,192**	87,650
Borrowings	18	**70,000**	159,971	**–**	–
Loans from a subsidiary	18	**–**	–	**70,000**	159,971
		186,437	264,795	**169,582**	247,997
Non-current liabilities					
Derivative financial instruments	16	**17,573**	22,943	**19,631**	22,943
Other payables	17	**53,007**	59,362	**45,809**	52,306
Borrowings	18	**2,959,625**	2,848,049	**1,391,074**	1,200,933
Loans from a subsidiary	18	**–**	–	**933,764**	1,012,015
Deferred tax liabilities	19	**24,974**	24,974	**–**	–
		3,055,179	2,955,328	**2,390,278**	2,288,197
Total liabilities		**3,241,616**	3,220,123	**2,559,860**	2,536,194
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS		**5,708,968**	5,786,948	**5,752,455**	5,804,746
Represented by:					
Unitholders' funds		**5,708,968**	5,786,948	**5,752,455**	5,804,746
UNITS IN ISSUE ('000)	21	**3,316,204**	3,307,510	**3,316,204**	3,307,510
NET ASSET VALUE PER UNIT ($)		**1.72**	1.75	**1.73**	1.76

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

DISTRIBUTION STATEMENTS

For the financial year ended 31 March 2021

	Group		MCT	
	2021 $'000	2020 $'000	**2021 $'000**	2020 $'000
Amount available for distribution to Unitholders at beginning of financial year	**66,109**	102,519	**53,489**	102,519
Profit for the financial year after tax before distribution	**68,606**	543,095	**93,480**	556,258
Adjustment for net effect of non-tax chargeable items and other adjustments (Note A)	**218,114**	(299,877)	**192,295**	(325,660)
Income available for distribution	**286,720**	243,218	**285,775**	230,598
Capital Distribution	**28,000**	–	**28,000**	–
Amount available for distribution for the year	**314,720**	243,218	**313,775**	230,598
Distribution to Unitholders:				
Distribution of 0.91 cent per unit for the period from 1 January 2020 to 31 March 2020	**(30,098)**	–	**(30,098)**	–
Distribution of 4.17 cents per unit for the period from 1 April 2020 to 30 September 2020	**(138,191)**	–	**(138,191)**	–
Distribution of 2.31 cents per unit for the period from 1 January 2019 to 31 March 2019	**–**	(66,752)	**–**	(66,752)
Distribution of 2.31 cents per unit for the period from 1 April 2019 to 30 June 2019	**–**	(66,864)	**–**	(66,864)
Distribution of 2.32 cents per unit for the period from 1 July 2019 to 30 September 2019	**–**	(67,179)	**–**	(67,179)
Distribution of 0.61 cent per unit for the period from 1 October 2019 to 24 October 2019	**–**	(17,663)	**–**	(17,663)
Distribution of 1.85 cents per unit for the period from 25 October 2019 to 31 December 2019	**–**	(61,170)	**–**	(61,170)
Total Unitholders' distribution (including capital distribution) (Note B)	**(168,289)**	(279,628)	**(168,289)**	(279,628)
Amount available for distribution to Unitholders at end of financial year	**212,540**	66,109	**198,975**	53,489

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

DISTRIBUTION STATEMENTS

For the financial year ended 31 March 2021

	Group		MCT	
	2021	2020	**2021**	2020
	$'000	$'000	**$'000**	$'000
Note A:				
Adjustment for net effect of non-tax chargeable items and other adjustments comprise:				
Major non-tax deductible/(chargeable) items:				
– Management fees paid/payable in units	**15,402**	16,143	**15,402**	16,143
– Trustee's fees	**1,049**	952	**1,049**	952
– Financing fees	**3,285**	2,787	**2,471**	2,455
– Net change in fair value of financial derivative	**8,786**	(8,885)	**8,786**	(8,885)
– Net change in fair value of investment properties	**192,420**	(279,591)	**173,459**	(303,866)
– Unrealised foreign exchange (gain)/loss	**(8,639)**	7,900	**(8,639)**	7,900
– Amortisation of rental incentives	**6,496**	1,097	**–**	–
Other non-tax deductible items and other adjustments	**(685)**	(40,280)	**(233)**	(40,359)
	218,114	(299,877)	**192,295**	(325,660)
Note B:				
– Taxable income distribution	**(150,063)**	(278,636)	**(150,063)**	(278,636)
– Capital distribution	**(18,226)**	(992)	**(18,226)**	(992)
	(168,289)	(279,628)	**(168,289)**	(279,628)

CONSOLIDATED STATEMENT OF CASH FLOWS

For the financial year ended 31 March 2021

	Note	2021 $'000	2020 $'000
Cash flows from operating activities			
Profit for the financial year after tax before distribution		**68,606**	543,095
Adjustments for:			
– Income tax expense	8(a)	**3**	2
– Depreciation	14	**148**	70
– Impairment of trade receivables	24(c)	**163**	77
– Plant and equipment written off	14	**–**	17
– Unrealised foreign exchange (gain)/loss		**(8,639)**	7,900
– Net change in fair value of investment properties	7	**192,420**	(279,591)
– Net change in fair value of financial derivative		**8,786**	(8,885)
– Finance income		**(754)**	(813)
– Finance expenses	5	**76,848**	78,787
– Manager's management fees paid/payable in units		**15,402**	16,143
		352,983	356,802
Change in working capital:			
– Trade and other receivables		**(4,759)**	1,833
– Other current assets		**(2)**	(142)
– Trade and other payables		**11,215**	11,723
Cash generated from operations		**359,437**	370,216
– Income tax paid	8(c)	**(4,002)**	(*)
Net cash provided by operating activities		**355,435**	370,216
Cash flows from investing activities			
Additions to investment properties		**(14,332)**	(17,088)
Acquisition of interest in investment property - Note A		**–**	(887,741)
Additions to plant and equipment	14	**(85)**	(216)
Finance income received		**680**	806
Net cash used in investing activities		**(13,737)**	(904,239)
Cash flows from financing activities			
Proceeds from borrowings		**944,100**	2,276,500
Repayments of borrowings		**(754,400)**	(2,472,301)
Proceeds from issue of notes		**–**	250,000
Redemption of notes		**(160,000)**	(50,000)
Payments of financing fees		**(2,045)**	(5,814)
Payments of distribution to Unitholders		**(168,289)**	(279,628)
Finance expenses paid		**(74,378)**	(76,434)
Proceeds from issue of new units		**–**	918,557
Payments of transaction costs related to issuance of new units		**–**	(10,119)
Net cash (used in)/generated from financing activities		**(215,012)**	550,761
Net increase in cash and cash equivalents		**126,686**	16,738
Cash and cash equivalents			
Beginning of financial year		**65,857**	49,119
End of financial year	10	**192,543**	65,857

* Amount is less than $1,000

Note A - This relates to the purchase consideration paid on the adjusted net asset value (net of cash and cash equivalents acquired) of Mapletree Business City Pte Ltd ("MBC PL") and the related transaction costs. The amount excludes the acquisition fee paid to the Manager by way of issuance of units.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the financial year ended 31 March 2021

Reconciliation of liabilities arising from financing activities

	Borrowings and interest payable	
	2021	2020
	$'000	$'000
Beginning of financial year	**3,020,608**	2,359,337
Proceeds from borrowings	**944,100**	2,276,500
Repayments of borrowings	**(754,400)**	(2,472,301)
Asset acquisition	**–**	653,229
Proceeds from issue of notes	**–**	250,000
Redemption of notes	**(160,000)**	(50,000)
Finance expenses paid	**(74,378)**	(76,434)
Payments of financing fees	**(2,045)**	(5,814)
Change in working capital:		
– Trade and other receivables	**–**	(598)
– Trade and other payables	**–**	2
Non-cash changes:		
– Finance expenses	**76,848**	78,787
– Unrealised foreign exchange (gain)/loss	**(8,639)**	7,900
End of financial year	**3,042,094**	3,020,608

STATEMENTS OF MOVEMENTS IN UNITHOLDERS' FUNDS

For the financial year ended 31 March 2021

		Group		MCT	
		2021	2020	**2021**	2020
	Note	**$'000**	$'000	**$'000**	$'000
OPERATIONS					
Balance at beginning of financial year		**1,867,403**	1,603,936	**1,880,524**	1,603,894
Profit for the financial year		**68,606**	543,095	**93,480**	556,258
Distributions to Unitholders		**(168,289)**	(279,628)	**(168,289)**	(279,628)
Balance at end of financial year		**1,767,720**	1,867,403	**1,805,715**	1,880,524
UNITHOLDERS' CONTRIBUTION					
Balance at beginning of financial year		**3,942,864**	3,010,729	**3,942,864**	3,010,729
Movement during the financial year					
– Manager's management fees paid in units		**16,276**	15,947	**16,276**	15,947
– Manager's acquisition fee paid in units		**–**	7,750	**–**	7,750
– Issue of new units pursuant to private placement		**–**	458,036	**–**	458,036
– Issue of new units pursuant to preferential offering		**–**	460,521	**–**	460,521
– Issue costs		**–**	(10,119)	**–**	(10,119)
Balance at end of financial year		**3,959,140**	3,942,864	**3,959,140**	3,942,864
HEDGING RESERVE					
Balance at beginning of financial year		**(23,319)**	1,314	**(18,642)**	1,314
Fair value losses	22	**(8,949)**	(24,244)	**(4,976)**	(19,623)
Reclassification to profit or loss	5	**14,376**	(389)	**11,218**	(333)
Balance at end of financial year	22	**(17,892)**	(23,319)	**(12,400)**	(18,642)
Total Unitholders' funds at end of financial year		**5,708,968**	5,786,948	**5,752,455**	5,804,746

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

PORTFOLIO STATEMENT

As at 31 March 2021

Property name	Acquisition date	Tenure of land	Term of lease[1]	Remaining term of lease	Location
Investment properties held under MCT					
VivoCity	N.A[2]	Leasehold	99 years	75 years	1 HarbourFront Walk VivoCity Singapore
Mapletree Business City I ("MBC I")	25 August 2016[3]	Leasehold[3]	99 years	75 years	10, 20, 30 Pasir Panjang Road Singapore
mTower (excludes 17th-21st, 33rd and 39th storeys)	27 April 2011[4]	Leasehold	99 years	75 years	460 Alexandra Road mTower Singapore
Mapletree Anson	4 February 2013[4]	Leasehold	99 years	85 years	60 Anson Road Mapletree Anson Singapore
Bank of America Merrill Lynch HarbourFront ("MLHF")	27 April 2011[4]	Leasehold	99 years	75 years	2 HarbourFront Place Bank of America Merrill Lynch HarbourFront Singapore
Sub-Total – MCT					
Investment property held under Mapletree Business City LLP ("MBC LLP")					
Mapletree Business City II ("MBC II")	1 November 2019[3]	Leasehold[3]	99 years	75 years	Part 20, 40, 50, 60, 70, 80 Pasir Panjang Road Singapore
Sub-Total – MBC LLP					
Gross revenue/Investment properties - Group					
Other assets and liabilities (net) – Group					
Net assets attributable to Unitholders – Group					

Notes:

1. Refers to the leasehold tenure of the land.
2. VivoCity was owned and developed by MCT prior to Listing Date.
3. MBC I was acquired from MBC PL on 25 August 2016 and MBC II was acquired from Heliconia Realty Pte Ltd ("HRPL") on 1 November 2019. Mapletree Business City ("MBC") comprises MBC I and MBC II. MBC is on a single leasehold land title, with MBC I on strata lease from 25 August 2016 to 29 September 2096.
4. mTower (former PSA Building), Mapletree Anson and MLHF were acquired from HRPL, Mapletree Anson Pte. Ltd. and HarbourFront Place Pte. Ltd. respectively, which are direct and indirect wholly-owned subsidiaries of Mapletree Investments Pte Ltd.

Investment properties comprise a portfolio of commercial buildings that are leased to related and non-related parties under operating leases.

The carrying amounts of the investment properties were based on independent valuations as at 31 March 2021 and 31 March 2020 conducted by Savills Valuation and Professional Services (S) Pte. Ltd. ("Savills") for VivoCity and CBRE Pte. Ltd. ("CBRE") for MBC, mTower, Mapletree Anson and MLHF. Savills and CBRE have appropriate professional qualifications and experience in the location and category of the properties being valued. As at 31 March 2021 and 31 March 2020, the valuations of the investment properties were based on the income capitalisation method, discounted cash flow method and direct comparison method where applicable.

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

Gross revenue for the financial year ended 31/03/2021 $'000	Gross revenue for the financial year ended 31/03/2020 $'000	**Occupancy rate as at 31/03/2021 %**	Occupancy rate as at 31/03/2020 %	**At valuation as at 31/03/2021 $'000**	At valuation as at 31/03/2020 $'000	**Percentage of total net assets attributable to Unitholders as at 31/03/2021 %**	Percentage of total net assets attributable to Unitholders as at 31/03/2020 %
169,323	210,401	**97.1**	99.6	**3,148,000**	3,262,000	**55.1**	56.4
128,803	132,914	**90.2**	96.4	**2,226,000**	2,198,000	**39.0**	37.9
40,219	50,141	**75.5**	88.1	**742,000**	791,000	**13.0**	13.7
34,506	31,807	**100.0**	97.8	**747,000**	762,000	**13.1**	13.1
19,845	20,025	**100.0**	100.0	**339,000**	347,000	**5.9**	6.0
392,696	445,288			**7,202,000**	7,360,000	**126.1**	127.1
86,301	37,537	**100.0**	99.4	**1,535,000**	1,560,000	**26.9**	27.0
86,301	37,537			**1,535,000**	1,560,000	**26.9**	27.0
478,997	482,825			**8,737,000**	8,920,000	**153.0**	154.1
				(3,028,032)	(3,133,052)	**(53.0)**	(54.1)
				5,708,968	5,786,948	**100.0**	100.0

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1. GENERAL

Mapletree Commercial Trust ("MCT") is a Singapore-domiciled Real Estate Investment Trust constituted pursuant to the trust deed dated 25 August 2005 (as amended) (the "Trust Deed") between Mapletree Investments Pte Ltd and VivoCity Pte. Ltd.. The Trust Deed is governed by the laws of the Republic of Singapore.

Mapletree Commercial Trust Management Ltd. (the "Manager") replaced Mapletree Investments Pte Ltd as manager of MCT and DBS Trustee Limited (the "Trustee") replaced VivoCity Pte. Ltd. as trustee of MCT respectively on 4 April 2011.

MCT was formally admitted to the Official List of the Singapore Exchange Securities Trading Limited ("SGX-ST") on 27 April 2011 ("Listing Date") and was approved for inclusion under the Central Provident Fund Investment Scheme.

The principal investment activity of MCT is to invest directly or indirectly, in a diversified portfolio of properties with the primary objective of achieving an attractive level of return from rental income and for long-term capital growth. The principal activities of its subsidiaries are set out in Note 15.

MCT has entered into several service agreements in relation to the management of MCT and its property operations. The fee structures of these services are as follow:

(a) Trustee's fees

The Trustee's fee shall not exceed 0.1% per annum of the value of all the assets of the Group ("Deposited Property") (subject to a minimum of $12,000 per month) or such higher percentage as may be fixed by an Extraordinary Resolution of a meeting of Unitholders. The Trustee's fees are payable monthly in arrears out of the Deposited Property of the Group. The Trustee is also entitled to reimbursement of expenses incurred in the performance of its duties under the Trust Deed.

Based on the current arrangement between the Manager and the Trustee, the Trustee's fees are charged on a scaled basis of up to 0.02% per annum of the value of the Deposited Property (subject to a minimum of $12,000 per month).

(b) Manager's Management fees

Pursuant to the Trust Deed, the Manager is entitled to receive the following remuneration:

(i) a base fee not exceeding 0.25% per annum of the value of the Group's Deposited Property or such higher percentage as may be approved by an Extraordinary Resolution of a meeting of Unitholders; and

(ii) a performance fee not exceeding 4.0% per annum of the Group's net property income ("NPI") or such higher percentage as may be approved by an Extraordinary Resolution of a meeting of Unitholders.

The management fees payable to the Manager shall be paid in the form of cash and/or units. The base fees and performance fees paid in cash and/or units are paid quarterly and annually, in arrears respectively. The Manager has elected to receive 50% of its management fees in units and the balance in cash from MCT and 100% of its management fees in cash from MBC LLP from the date of acquisition, 1 November 2019.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

1. GENERAL (continued)

(c) Acquisition and Divestment fees

The Manager is entitled to receive the following fees:

(i) an acquisition fee not exceeding 1.0% of the acquisition price of the real estate or real estate-related assets acquired directly or indirectly, through one or more special purpose vehicles ("SPVs") of MCT, pro-rated if applicable to the proportion of MCT's interest. For the purpose of this acquisition fee, real estate-related assets include all classes and types of securities relating to real estate; and

(ii) a divestment fee not exceeding 0.5% of the sale price of the real estate or real estate-related assets disposed, pro-rated if applicable to the proportion of MCT's interest. For the purpose of this divestment fee, real estate-related assets include all classes and types of securities relating to real estate.

The acquisition and divestment fees shall be paid in the form of cash and/or units and are payable as soon as practicable after completion of the respective acquisition or disposal.

(d) Fees under the Property Management Agreement

(i) Property management fees

The Trustee will pay Mapletree Commercial Property Management Pte. Ltd. (the "Property Manager"), for each fiscal year (as defined in the Property Management Agreement), the following fees:

- 2.0% per annum of Gross Revenue for the relevant property;
- 2.0% per annum of the NPI for the relevant property (calculated before accounting for the property management fee in that financial period); and
- 0.5% per annum of the NPI for the relevant property (calculated before accounting for the property management fee in that financial period for the relevant property) in lieu of leasing commissions otherwise payable to the Property Manager and/or third party agents.

The property management fees are payable to the Property Manager monthly in arrears and in the form of cash.

(ii) Project management fees

The Trustee will pay the Property Manager, for each development or redevelopment of a property located in Singapore, a project management fee subject to:

- a limit of up to 3.0% of the total construction costs; and
- an opinion issued by an independent quantity surveyor, to be appointed by the Trustee upon recommendation by the Manager, that the project management fee is within market norms and reasonable range.

The project management fee is payable to the Property Manager in the form of cash.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

The Monetary Authority of Singapore ("MAS") has granted the Group a waiver from compliance with the requirement under Paragraph 4.3 of Appendix 6 to the Code on Collective Investment Schemes (the "CIS Code") to prepare its financial statements in accordance with Singapore Financial Reporting Standards ("SFRS").

The financial statements have been prepared in accordance with Singapore Financial Reporting Standards (International) ("SFRS(I)"), the applicable requirements of the CIS Code issued by MAS and the provisions of the Trust Deed.

These financial statements, which are expressed in Singapore Dollars ("$" or "SGD") and rounded to the nearest thousand, unless otherwise stated, have been prepared under the historical cost convention, except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with SFRS(I) requires the Manager to exercise its judgement, and make estimates and assumptions in the process of applying the Group's accounting policies. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

The area involving a higher degree of judgement, where estimates and assumptions are significant to the financial statements is disclosed in Note 13 – Investment properties. Those assumptions and estimates were used by the independent valuers in arriving at their valuations.

Interpretations and amendments to published standards effective in 2020

On 1 April 2020, the Group has adopted the new or amended SFRS(I) and Interpretations of SFRS(I) ("INT SFRS(I)") as below that are mandatory for application for the financial year. Changes to the Group's accounting policies have been made as required, in accordance with the transitional provisions in the respective SFRS(I) and INT SFRS(I).

The adoption of these new or amended SFRS(I)s and INT SFRS(I)s did not result in substantial changes to the Group's accounting policies and had no material effect on the amounts reported for the current or prior financial years.

Interest Rate Benchmark Reform

In accordance with the transition provisions, the Group has adopted the amendments to SFRS(I) 9 and SFRS(I) 7 effective 1 April 2020 retrospectively to hedging relationships that existed at the start of the financial year or were designated thereafter, and to the amount accumulated in the cash flow hedge reserve at that date.

The amendments provide temporary relief from applying specific hedge accounting requirements to hedging relationships directly affected by inter-bank offered rate (IBOR) reform. The reliefs have the effect that IBOR reform should not generally cause hedge accounting to terminate. However, any hedge ineffectiveness continues to be recorded in the income statement. The reliefs will cease to apply when the uncertainties arising from interest rate benchmark reform are no longer present.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.1 Basis of preparation (continued)

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

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

2.2 Revenue recognition

(a) Rental income and service charges from operating leases

The Group classifies the leases of its investment properties as operating leases as the Group retains substantially all risks and rewards incidental to ownership.

Rental income and service charges from operating leases are recognised on a straight-line basis over the term of the lease, except where an alternative basis is more representative of the pattern of benefits to be derived from the leased assets. Lease incentives granted are recognised as an integral part of the total rental income, over the term of the lease.

Contingent rents, which include gross turnover rental, are recognised as income in profit or loss when earned and the amount can be measured reliably.

Any changes in the scope or the consideration for a lease that was not part of the original terms and conditions of the lease (for example, rent concessions given which were not contemplated as part of the original terms and conditions of the lease) are accounted for as lease modifications.

The Group accounts for a modification to an operating lease as a new lease from the effective date of the modification, recognising the remaining lease payments as income on a either a straight-line basis or another systematic basis over the remaining lease term.

(b) Car parking income

Car parking income from the operation of car parks is recognised over time upon utilisation of car parking facilities by tenants and visitors.

(c) Finance income

Finance income is recognised on a time proportion basis using the effective interest method.

(d) Dividend income

Dividend income is recognised when the right to receive the payment is established, if it is probable that the economic benefits associated with the dividend will flow to the Group, and the amount of the dividend can be reliably measured.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.3 Government grants

Government grants are recognised as a receivable at their fair value when there is reasonable assurance that the grant will be received and the Group will comply with all the attached conditions.

Government grants receivable are recognised as income over the periods necessary to match them with the related costs which they are intended to compensate, on a systematic basis.

2.4 Expenses

(a) *Trustee's fees*

Trustee's fees are recognised on an accrual basis using the applicable formula stipulated in Note 1(a).

(b) *Manager's management fees*

Manager's management fees are recognised on an accrual basis using the applicable formula stipulated in Note 1(b).

(c) *Property operating expenses*

Property operating expenses are recognised on an accrual basis. Included in property operating expenses are property management fees which are based on the applicable formula stipulated in Note 1(d).

2.5 Borrowing costs

Borrowing costs are recognised in profit or loss using the effective interest method, except for those costs that are directly attributable to the construction or development of properties.

The actual borrowing costs on borrowings used to finance the construction or development of properties incurred during the period up to the issuance of the temporary occupation permit less any investment income on temporary investment of these borrowings, are capitalised in the cost of the property under development. Borrowing costs on general borrowings are capitalised by applying a capitalisation rate to construction or development expenditures that are financed by general borrowings.

No such borrowing costs on construction or development of properties have been incurred during the current and prior financial year.

2.6 Income taxes

Current income tax for current and prior periods are recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Deferred income tax is recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred income tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.6 Income taxes (continued)

A deferred income tax liability is recognised on temporary differences arising on investments in subsidiaries, except where the Group is able to control the timing of the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred income tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences can be utilised.

Deferred income tax assets and liabilities are measured:

(i) at the tax rates that are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date; and

(ii) based on the tax consequence that will follow from the manner in which the Group expects, at the balance sheet date, to recover or settle the carrying amounts of its assets and liabilities.

Current and deferred income taxes are recognised as income or expenses in profit or loss, except to the extent that the tax arises from a transaction which is recognised directly in equity.

The Inland Revenue Authority of Singapore ("IRAS") has issued a tax ruling on the taxation of MCT for the income earned and expenditure incurred after its listing on the SGX-ST. Subject to meeting the terms and conditions of the tax rulings which include a distribution of at least 90% of the taxable income of MCT, the Trustee will not be taxed on the portion of taxable income of MCT that is distributed to Unitholders. Any portion of the taxable income that is not distributed to Unitholders will be taxed on the Trustee. In the event that there are subsequent adjustments to the taxable income when the actual taxable income of MCT is finally agreed with the IRAS, such adjustments are taken up as an adjustment to the taxable income for the next distribution following the agreement with the IRAS.

Although MCT is not taxed on its taxable income distributed, the Trustee and the Manager are required to deduct income tax at the applicable corporate tax rate from the distributions of such taxable income of MCT (i.e. which has not been taxed in the hands of the Trustee) to certain Unitholders. The Trustee and the Manager will not deduct tax from the distributions made out of MCT's taxable income to the extent that the beneficial Unitholder is:

- An individual (excluding partnerships);
- A tax resident Singapore-incorporated company;
- A Singapore branch of a company incorporated outside Singapore;
- A body of persons (excluding companies or partnerships) registered or constituted in Singapore (e.g. town council, statutory board, registered charity, registered co-operative society, registered trade union, management corporation, club and trade and industry association);
- An international organisation that is exempt from tax on such distributions by reason of an order made under the International Organisations (Immunities and Privileges) Act (Cap. 145); or
- A real estate investment trust exchange-traded fund which has been accorded the tax transparency treatment.

The above tax transparency ruling does not apply to gains from sale of real properties. Such gains, if they are considered as trading gains, are assessable to tax on the Trustee. Where the gains are capital gains, the Trustee will not be assessed to tax and may distribute the gains without tax being deducted at source.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.7 Group accounting

(a) Subsidiaries

(i) Consolidation

Subsidiaries are entities (including structured entity) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. It is deconsolidated from the date on which control ceases.

In preparing the consolidated financial statements of the Group, transactions, balances and unrealised gains on transactions between group entities are eliminated. Unrealised losses are also eliminated but are considered an impairment indicator of the asset transferred. Accounting policies of MCT's subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

(ii) Acquisitions

The acquisition method of accounting is used to account for business combinations entered into by the Group.

The consideration transferred for the business acquisition of a subsidiary or business comprises the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred also includes the fair value of any contingent consideration arrangement and the fair value of any pre-existing equity interest in the subsidiary.

Acquisition-related costs are expensed as incurred.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date.

On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree at the date of acquisition either at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill.

For acquisitions of subsidiaries which do not qualify as business combinations, the transactions are accounted for in accordance with the respective accounting policies for the assets acquired and the liabilities assumed.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.7 Group accounting (continued)

(a) *Subsidiaries* (continued)

(iii) *Disposals*

When a change in the Group's ownership interest in a subsidiary results in a loss of control over the subsidiary, the assets and liabilities of the subsidiary including any goodwill are derecognised. Amounts previously recognised in other comprehensive income in respect of that entity are also reclassified to profit or loss or transferred directly to Unitholders' funds if required by SFRS(I).

Any retained equity interest in the entity is remeasured at fair value. The difference between the carrying amount of the retained interest at the date when control is lost and its fair value is recognised in profit or loss.

Please refer to Note 2.12 "Investments in subsidiaries" for the accounting policy on investments in subsidiaries in the financial statements of MCT.

(b) *Transactions with non-controlling interests*

Changes in the Group's ownership interest in a subsidiary that do not result in a loss of control over the subsidiary are accounted for as transactions with equity owners of MCT. Any difference between the change in the carrying amounts of the non-controlling interest and the fair value of the consideration paid or received is recognised within equity attributable to the Unitholders of MCT.

2.8 Cash and cash equivalents

For the purpose of presentation in the consolidated statement of cash flows, cash and cash equivalents include cash on hand and deposits with financial institutions which are subject to an insignificant risk of change in value.

2.9 Non-derivative financial assets

(a) *Classification and measurement*

The Group classifies its non-derivative financial assets at amortised cost. The classification depends on the Group's business model for managing the financial assets as well as the contractual terms of the cash flows of the financial asset. The Group reclassifies debt instruments when and only when its business model for managing those assets change.

Financial assets at amortised cost

(i) *At initial recognition*

At initial recognition, the Group measures a financial asset at its fair value plus transaction costs that are directly attributable to the acquisition of the financial asset.

(ii) *At subsequent measurement*

Debt instruments include "cash and cash equivalents", "trade and other receivables" and deposits presented in "other current assets" in the Statements of Financial Position. Debt instruments that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt instrument that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in interest income using the effective interest rate method.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.9 Non-derivative financial assets (continued)

(b) Impairment

The Group assesses on a forward-looking basis the expected credit losses associated with its debt financial assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables, the Group applies the simplified approach permitted by SFRS(I) 9 *Financial Instruments*, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

(c) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade date – the date on which the Group commits to purchase or sell the asset.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership.

On disposal of a debt instrument, the difference between the carrying amount and the sale proceeds is recognised in profit or loss. Any amount previously recognised in other comprehensive income relating to that asset is reclassified to profit or loss.

2.10 Investment properties

Investment properties for the Group are held for long-term rental yields and/or for capital appreciation.

Investment properties are accounted for as non-current assets and are initially recognised at cost and subsequently carried at fair value. The Trust Deed requires the investment properties to be valued by independent registered valuers at least once a year in accordance with the CIS Code. Changes in fair value are recognised in profit or loss.

Investment properties are subject to renovations or improvements from time to time. The costs of major renovations and improvements are capitalised while the carrying amounts of replaced components are recognised in profit or loss. The costs of maintenance, repairs and minor improvements are recognised in profit or loss when incurred.

On disposal of an investment property, the difference between the net disposal proceeds and the carrying amount is taken to profit or loss.

If an investment property becomes substantially owner-occupied, it is reclassified as property, plant and equipment, and its fair value at the date of reclassification becomes its cost for accounting purposes.

For taxation purposes, MCT may claim capital allowances on assets that qualify as plant and machinery under the Income Tax Act.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.11 Plant and equipment

(a) Measurement

Plant and equipment are initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses.

The cost of an item of plant and equipment initially recognised includes its purchase price and any costs that are directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

(b) Depreciation

Depreciation on plant and equipment is calculated using the straight-line method to allocate their depreciable amounts over their estimated useful lives as follows:

	Useful lives
Plant and equipment	2 – 10 years

The residual values, estimated useful lives and depreciation method of plant and equipment are reviewed, and adjusted as appropriate, at each balance sheet date. The effects of any revision are recognised in profit or loss for the financial year when the changes arise.

(c) Subsequent expenditure

Subsequent expenditure relating to plant and equipment that has already been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits in excess of the originally assessed standard of performance of the existing asset will flow to the Group and the cost can be reliably measured. Other subsequent expenditure is recognised as an expense in profit or loss when incurred.

(d) Disposal

On disposal of an item of plant and equipment, the difference between the disposal proceeds and its carrying amount is recognised in profit or loss.

2.12 Investments in subsidiaries

Investments in subsidiaries are carried at cost less accumulated impairment losses in MCT's Statement of Financial Position. On disposal of the investments in subsidiaries, the difference between net disposal proceeds and the carrying amount of the investment is recognised in profit or loss.

2.13 Impairment of non-financial assets

Plant and equipment and investments in subsidiaries are reviewed for impairment whenever there is any objective evidence or indication that this asset may be impaired.

For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash inflows that are largely independent of those from other assets. If this is the case, the recoverable amount is determined for the cash generating unit ("CGU") to which the asset belongs.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.13 Impairment of non-financial assets (continued)

If the recoverable amount of the asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount.

The difference between the carrying amount and recoverable amount is recognised as an impairment loss in profit or loss.

An impairment loss for an asset is reversed if, and only if, there has been a change in the estimates used to determine the asset's recoverable amount or if there is a change in the events that had given rise to the impairment since the last impairment loss was recognised. The carrying amount of this asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of impairment loss for an asset is recognised in profit or loss.

2.14 Borrowings

Borrowings are presented as current liabilities unless the Group has an unconditional right to defer settlement for at least 12 months after the balance sheet date, in which case they are presented as non-current liabilities.

Borrowings are initially recognised at fair value (net of transaction costs) and subsequently carried at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

2.15 Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Group prior to the end of the financial year which are unpaid. They are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade and other payables are initially recognised at fair value (net of transaction costs) and subsequently carried at amortised cost, using the effective interest method.

2.16 Derivative financial instruments and hedging activities

The Group holds derivative financial instruments to hedge its foreign currency and interest rate risk exposures. The Group does not hold or issue derivative financial instruments for trading purposes.

A derivative financial instrument is initially recognised at its fair value on the date the contract is entered into and is subsequently carried at its fair value. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

Fair value changes on derivatives that are not designated or do not qualify for hedge accounting are recognised in profit or loss when the changes arise.

The Group documents at the inception of the transaction the relationship between the hedging instruments and hedged items as well as its risk management objective and strategies for undertaking various hedging transactions. The Group also documents its assessment, both at hedge inception and on an ongoing basis on whether the hedging relationship meets the hedge effectiveness requirements under SFRS(I) 9.

The fair values of various derivative financial instruments used for hedging purposes are disclosed in Note 24(f). The carrying amount of a derivative designated as a hedge is presented as a non-current asset or liability if the remaining expected life of the hedged item is more than 12 months and as a current asset or liability if the remaining expected life of the hedged item is less than 12 months.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.16 Derivative financial instruments and hedging activities (continued)

Cash flow hedge – Interest rate swaps

The Group has entered into interest rate swaps that are cash flow hedges to manage the Group's exposure to interest rate risk on its borrowings. These contracts entitle the Group to receive interest at floating rates on notional principal amounts and oblige the Group to pay interest at fixed rates on the same notional principal amounts, thus allowing the Group to raise borrowings at floating rates and swap them into fixed rates.

The fair value changes on the effective portion of interest rate swaps designated as cash flow hedges are recognised in other comprehensive income, accumulated in the hedging reserve and reclassified to profit or loss when the hedged interest expense on the borrowings is recognised in profit or loss. The fair value changes on the ineffective portion of interest rate swaps are recognised immediately in profit or loss.

2.17 Leases

When the Group is the lessee:

At the inception of the contract, the Group assesses if the contract contains a lease. A contract contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Reassessment is only required when the terms and conditions of the contract are changed.

Right-of-use assets

Right-of-use assets are measured at cost which comprises the initial measurement of lease liabilities adjusted for any lease payments made at or before the commencement date and lease incentive received. Any initial direct costs that would not have been incurred if the lease had not been obtained are added to the carrying amount of the right-of-use assets.

Right-of-use assets which meet the definition of an investment property are presented within "Investment properties" and accounted for in accordance with Note 2.10.

Short-term and low-value leases

The Group has elected to not recognise right-of-use assets and lease liabilities for short-term leases that have lease terms of 12 months or less and leases of low value leases. Lease payments relating to these leases are expensed to profit or loss on a straight-line basis over the lease term.

2.18 Fair value estimation of financial assets and liabilities

The fair values of current financial assets and liabilities carried at amortised cost approximate their carrying amounts.

The fair values of financial instruments that are not traded in an active market are determined by using valuation techniques based on market conditions existing at each balance sheet date.

The fair value of interest rate swaps are calculated as the present value of the estimated future cash flows. The fair value of the cross currency interest rate swap is determined using quoted currency rates as at the balance sheet date.

2.19 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.20 Currency translation

(a) *Functional and presentation currency*

Items included in the financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("functional currency"). The financial statements are presented in SGD, which is the functional currency of MCT.

(b) *Transactions and balances*

Transactions in a currency other than functional currency ("foreign currency") are translated into functional currency using the exchange rates at the dates of the transactions. Currency translation differences resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates at the balance sheet date are recognised in profit or loss.

2.21 Financial guarantees

The Trustee has issued financial guarantees in relation to certain borrowings of MCT's subsidiaries. These guarantees are financial guarantees as they require MCT to reimburse the banks if the subsidiaries fail to make principal or interest payments when due in accordance with the terms of their borrowings. Intra-Group transactions are eliminated on consolidation.

Financial guarantee contracts are initially measured at fair value and subsequently measured at the higher of:

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

(b) the amount of expected loss allowance computed in accordance with SFRS(I) 9.

2.22 Units and unit issuance expenses

Proceeds from the issuance of units in MCT are recognised as Unitholders' funds. Incremental costs directly attributable to the issuance of new units are deducted directly from the net assets attributable to the Unitholders.

2.23 Segment reporting

Operating segments are reported in a manner consistent with the internal reports provided to management who is responsible for allocating resources and assessing performance of the operating segments.

2.24 Distribution policy

MCT's distribution policy is to distribute at least 90.0% of its adjusted taxable income, comprising substantially its income from the letting of its properties and related property services income, interest income from the placement of periodic cash surpluses in bank deposits and after deducting allowable expenses and allowances, and of its tax-exempt income (if any). The actual level of distribution will be determined at the Manager's discretion, having regard to MCT's funding requirements, other capital management considerations and the overall stability of distributions. Distributions, when made, will be in SGD.

Following the amendments to Rule 705 of the SGX-ST Listing Manual effective from 7 February 2020, MCT has adopted the new half-yearly reporting framework with effect from 1 April 2020. Consequently, any distributions to Unitholders will be on a half-yearly basis.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

3. GROSS REVENUE

	Group		MCT	
	2021	2020	**2021**	2020
	$'000	$'000	**$'000**	$'000
Gross rental income (a)	**454,351**	455,766	**372,718**	421,924
Car parking income	**8,316**	11,409	**6,588**	9,078
Other operating income	**13,586**	18,394	**10,676**	17,000
Dividend income	**–**	–	**57,394**	9,269
	476,253	485,569	**447,376**	457,271
Government grant income (b)	**36,711**	–	**33,867**	–
Less: Government grant expense (b)	**(33,967)**	(2,744)	**(31,153)**	(2,714)
	478,997	482,825	**450,090**	454,557

Gross revenue is generated by the Group's and MCT's investment properties.

(a) Gross rental income

The turnover rental for the financial year ended 31 March 2021 were $7,957,000 and $7,946,000 (2020: $11,103,000 and $11,096,000) for the Group and MCT respectively.

Rental rebates (on top of government support) of $42,513,000 and $41,329,000 (2020: $6,006,000 and $5,916,000) were provided to eligible tenants by the Group and MCT respectively.

(b) Government grant income/expense

Government grant income and corresponding expense have been recognised in relation to cash grant and property tax rebates received from the Singapore Government as part of the COVID-19 relief measures and corresponding disbursement to eligible tenants.

The Group and MCT has fully passed through cash grants and property tax rebates, as mandated by the government, in the form of rental rebates and rental waiver to eligible tenants.

For the financial year ended 31 March 2021, the government grant income relates to cash grant of $10,702,000 and $10,071,000 received by the Group and MCT respectively, and property tax rebates of $26,009,000 and $23,796,000 received by the Group and MCT respectively.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

4. PROPERTY OPERATING EXPENSES

	Group		MCT	
	2021	2020	**2021**	2020
	$'000	$'000	**$'000**	$'000
Operation and maintenance	**20,722**	19,569	**17,157**	17,940
Utilities	**6,835**	8,002	**6,053**	7,598
Property tax (a)	**41,881**	40,619	**35,117**	37,532
Property management fees	**19,493**	19,595	**15,912**	18,050
Staff costs (b)	**9,531**	11,081	**8,831**	10,654
Marketing and professional expenses	**1,983**	4,644	**1,945**	4,586
Depreciation (Note 14)	**148**	70	**127**	62
Other operating expenses	**1,394**	1,305	**1,117**	1,164
	101,987	104,885	**86,259**	97,586

All of the Group's and MCT's investment properties generate rental income and the above expenses are direct operating expenses arising from its investment properties.

(a) Property tax

Included in property tax is a grant income of $1,603,000 and $1,487,000 in relation to the property tax rebates on non-tenanted and common areas of the investment properties of the Group (2020: $Nil) and MCT (2020: $Nil) respectively.

(b) Staff costs

The Group and MCT do not have any employee on its payroll because its daily operations and administrative functions are provided by the Manager and Property Manager. Staff costs relate to reimbursements paid/ payable to the Property Manager in respect of agreed employee expenditure incurred by the Property Manager for providing its services as provided for in the Property Management Agreement.

The Jobs Support Scheme ("JSS") was introduced in the Budget 2020 and enhanced subsequently in the supplementary budgets to provide wage support to employers to help them retain their local employees. Included in the staff costs above, for the financial year ended 31 March 2021, staff cost recovery of $2,345,000 and $2,132,000 in relation to the JSS were received from the Property Manager for the Group and MCT (2020: $Nil) respectively.

5. FINANCE EXPENSES

	Group		MCT	
	2021	2020	**2021**	2020
	$'000	$'000	**$'000**	$'000
Interest expense				
– subsidiary	**–**	–	**30,440**	29,907
– non-related parties	**59,147**	76,333	**23,529**	39,767
	59,147	76,333	**53,969**	69,674
Derivative hedging instruments				
– Cash flow hedges, reclassified from hedging reserve (Note 22)	**14,376**	(389)	**11,218**	(333)
Financing fees	**3,325**	2,843	**2,511**	2,511
	76,848	78,787	**67,698**	71,852

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

6. OTHER TRUST EXPENSES

	Group		MCT	
	2021	2020	**2021**	2020
	$'000	$'000	**$'000**	$'000
Audit fee	**109**	114	**105**	96
Consultancy and professional fees	**279**	319	**244**	293
Valuation fees	**198**	74	**152**	56
Other trust expenses	**567**	838	**592**	815
	1,153	1,345	**1,093**	1,260

Included in other trust expenses of MCT was an amount of $12,000 (2020: $12,000) paid/payable to Mapletree Commercial Trust Treasury Company Pte. Ltd. ("MCTTC") in undertaking the treasury functions in relation to the Group's Medium Term Notes Programme ("MTN Programme").

7. NET CHANGE IN FAIR VALUE OF INVESTMENT PROPERTIES

	Group		MCT	
	2021	2020	**2021**	2020
	$'000	$'000	**$'000**	$'000
Change in fair value of investment properties (Note 13)	**(196,850)**	295,239	**(171,393)**	303,866
Effects of recognising rental incentives on a straight-line basis over the lease terms	**4,430**	(15,648)	**(2,066)**	–
Net change in fair value of investment properties recognised in the profit or loss	**(192,420)**	279,591	**(173,459)**	303,866

8. INCOME TAXES

(a) Income tax expense

	Group		MCT	
	2021	2020	**2021**	2020
	$'000	$'000	**$'000**	$'000
Tax expense attributable to profit is made up of:				
Current income tax				
– Current financial year	**4**	2	**–**	–
– (Over)/Under provision in prior years	**(1)**	*	**–**	–
	3	2	**–**	–

* Amount is less than $1,000

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

8. INCOME TAXES (continued)

(b) Tax reconciliation

The tax on the results for the financial year differs from the theoretical amount that would arise using the Singapore standard rate of income tax as follows:

	Group		MCT	
	2021	2020	**2021**	2020
	$'000	$'000	**$'000**	$'000
Profit before tax	**68,609**	543,097	**93,480**	556,258
Tax calculated at a tax rate of 17% (2020: 17%)	**11,664**	92,326	**15,892**	94,564
Effects of:				
– Expenses not deductible for tax purposes	**37,726**	2,181	**34,346**	2,105
– Income not subject to tax due to tax transparency ruling (Note 2.6)	**(47,648)**	(48,390)	**(38,824)**	(46,431)
– Income not subject to tax	**(1,738)**	(46,115)	**(11,414)**	(50,238)
– (Over)/Under provision in prior years	**(1)**	*	**–**	–
	3	2	**–**	–

* Amount is less than $1,000

(c) Tax recoverable

	Group		MCT	
	31 March		31 March	
	2021	2020	**2021**	2020
	$'000	$'000	**$'000**	$'000
Beginning of financial year	**1,850**	*	**–**	–
Acquisition of a subsidiary	**–**	1,852		
Income tax paid	**4,002**	*	**–**	–
Income tax expense	**(4)**	(2)	**–**	–
Over/(Under) provision in prior years	**1**	(*)	**–**	–
End of financial year	**5,849**	1,850	**–**	–

* Amount is less than $1,000

9. EARNINGS PER UNIT

	Group	
	2021	2020
Profit attributable to Unitholders of MCT ($'000)	**68,606**	543,095
Weighted average number of units outstanding during the financial year ('000)	**3,313,654**	3,062,010
Basic and diluted earnings per unit (Singapore cents)	**2.07**	17.74

Diluted earnings per unit is the same as the basic earnings per unit as there are no dilutive instruments in issue during the financial year.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

10. CASH AND CASH EQUIVALENTS

	Group		MCT	
	31 March		31 March	
	2021	2020	**2021**	2020
	$'000	$'000	**$'000**	$'000
Cash at bank and on hand	**34,043**	47,357	**21,652**	33,280
Short-term bank deposits	**158,500**	18,500	**155,000**	13,000
	192,543	65,857	**176,652**	46,280

Short-term bank deposits at the balance sheet date have a weighted average maturity of 1.6 months (31 March 2020: 1.1 months) from the end of the financial year. The effective interest rate at balance sheet date of the Group and MCT are both 0.3% (31 March 2020: 1.1% and 1.3% respectively) per annum.

11. TRADE AND OTHER RECEIVABLES

	Group		MCT	
	31 March		31 March	
	2021	2020	**2021**	2020
	$'000	$'000	**$'000**	$'000
Trade receivables:				
– related parties	**58**	91	**56**	91
– non-related parties	**5,644**	2,484	**5,049**	2,426
Trade receivables – net	**5,702**	2,575	**5,105**	2,517
Non-trade receivables due from subsidiaries	**–**	–	**56**	41
Interest receivable:				
– subsidiary	**–**	–	**919**	–
– non-related parties	**87**	13	**87**	11
Other receivables	**30**	–	**34**	44
Accrued revenue	**1,812**	2,439	**1,612**	2,283
	7,631	5,027	**7,813**	4,896

The non-trade and other receivables balances are unsecured, interest free and repayable on demand.

12. OTHER CURRENT ASSETS

	Group		MCT	
	31 March		31 March	
	2021	2020	**2021**	2020
	$'000	$'000	**$'000**	$'000
Deposits	**134**	161	**73**	94
Prepayments	**394**	365	**273**	282
	528	526	**346**	376

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

13. INVESTMENT PROPERTIES

	Group		MCT	
	31 March		31 March	
	2021	2020	**2021**	2020
	$'000	$'000	**$'000**	$'000
Completed investment properties				
Beginning of financial year	**8,920,000**	7,039,000	**7,360,000**	7,039,000
Additions	**13,850**	17,221	**13,393**	17,171
Acquisition	**–**	1,568,577	**–**	–
Adjustments to prior year accrued development costs	**–**	(37)	**–**	(37)
Change in fair value of investment properties (Note 7)	**(196,850)**	295,239	**(171,393)**	303,866
End of financial year	**8,737,000**	8,920,000	**7,202,000**	7,360,000

In November 2019, MCT acquired MBC II and the common premises located in MBC I for an agreed property value of $1,550,000,000 and incurred directly attributable acquisition costs of $18,577,000. Included in the directly attributable acquisition costs was an acquisition fee of $7,750,000 paid to the Manager through the issuance of 3,377,642 units, stamp duty, professional and other fees paid amounting to $10,827,000, of which $85,000 was paid to the auditor of MCT for the services rendered as the reporting accountant.

Investment properties are stated at fair value based on valuations performed by independent professional valuers. In determining the fair value, the valuers have used valuation methods which involved certain estimates.

Details of the investment properties are shown in the portfolio statement.

Investment properties are leased to both related and non-related parties under operating leases (Note 20(b)).

Fair value hierarchy

The table below presents the investment properties at fair value and classified by level of fair value measurement hierarchy:

- Level 1 quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 inputs for the asset that are not based on observable market data (unobservable inputs).

The fair value of the properties within the Group's and MCT's portfolio are classified within Level 3. The reconciliation between the balances at the beginning of the financial year and end of the financial year is disclosed in the investment properties movement table presented as part of this note.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

13. INVESTMENT PROPERTIES (continued)

Valuation techniques used to derive Level 3 fair values

Level 3 fair values of the Group's and MCT's properties have been derived using the income capitalisation method, discounted cash flow method and direct comparison method where applicable.

The fair values are generally derived using the following methods:

- Income capitalisation – Properties are valued by capitalising the net property income at an appropriate rate of return to arrive at the market value. The net income of the properties is the estimated current rate and potential future income from existing vacancies after deducting all necessary outgoings and expenses. The adopted yield reflects the nature, location, tenure, tenancy profile of the property together with the prevailing property market condition.

- Discounted cash flow – Properties are valued by discounting the future net cash flow over a period to arrive at a present value.

- Direct comparison method – Properties are valued using transacted prices for comparable properties in the vicinity and other locations with adjustments made for differences in size, number of storeys, tenure, age, location, siting and building specifications.

The Manager is of the view that the valuation methods and estimates adopted and considered by the professional valuers are reflective of the current market conditions.

The independent valuation reports have highlighted that with the heightened uncertainty of the COVID-19 outbreak, a higher degree of caution should be exercised when relying upon their valuation. The valuations are based on the information available as at the date of valuation. Values and incomes may change more rapidly and significantly than during normal market conditions.

The following table presents the valuation techniques and key inputs that were used to determine the fair value of the investment properties categorised under Level 3 of the fair value hierarchy:

Description	Fair value $'000	Valuation techniques	Key unobservable inputs	Range of unobservable inputs
Properties for leasing	**8,737,000** (31 March 2020: 8,920,000)	Income capitalisation	Capitalisation rate	**3.50% – 4.85%** (31 March 2020: 3.50% – 4.95%)
		Discounted cash flow	Discount rate	**6.50% – 7.25%** (31 March 2020: 6.50% - 7.25%)
		Direct comparison	Adjusted price per square feet	**$2,564** (31 March 2020: $2,503)

Relationship of key unobservable inputs to fair value

- The higher the capitalisation rate, the lower the fair value.
- The higher the discount rate, the lower the fair value.
- The higher the adjusted price per square feet, the higher the fair value.

There were no significant inter-relationships between unobservable inputs.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

14. PLANT AND EQUIPMENT

	Group		MCT	
	31 March		31 March	
	2021	2020	**2021**	2020
	$'000	$'000	**$'000**	$'000
Cost				
Beginning of financial year	**537**	335	**465**	335
Additions	**85**	216	**85**	216
Acquisition	**–**	72	**–**	–
Written off	**–**	(86)	**–**	(86)
End of financial year	**622**	537	**550**	465
Accumulated depreciation				
Beginning of financial year	**208**	207	**200**	207
Depreciation charge	**148**	70	**127**	62
Written off	**–**	(69)	**–**	(69)
End of financial year	**356**	208	**327**	200
Net book value				
End of financial year	**266**	329	**223**	265

15. INVESTMENTS IN SUBSIDIARIES

	MCT	
	31 March	
	2021	2020
	$'000	$'000
Equity investments at cost		
Beginning of financial year	**910,964**	*
Additions	**–**	910,964
End of financial year	**910,964**	910,964

* Amount is less than $1,000

On 26 September 2019, MCT acquired 100% of the equity interest in 80 Alexandra, a special purpose vehicle which has been incorporated for the purpose of the acquisition of MBC PL. In October 2019, MCT increased its investment in 80 Alexandra to $910,000.

On 1 November 2019, MCT and 80 Alexandra completed the acquisition of 100% of the equity interest in MBC PL from HRPL, a related company. MCT's cost of investment of $910,054,000 includes purchase consideration paid on the adjusted net asset value of MBC PL and the related transaction costs.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

15. INVESTMENTS IN SUBSIDIARIES (continued)

Subsequent to the acquisition, MBC PL was converted into a limited liability partnership and is now known as MBC LLP. The principal activities of MBC LLP are those relating to that of property owner and development of properties for investments.

During the financial year ended 31 March 2020, fees of $85,000 were paid to the auditor of MCT relating to its role as reporting accountant for the acquisition of MBC PL were included in the additions to investments in subsidiaries.

The Group has the following subsidiaries as at 31 March 2021 and 31 March 2020:

Name of company	Principal activities	Country of business/ incorporation	Proportion of shares held by Group		Proportion of shares held by MCT	
			31 March		31 March	
			2021 %	2020 %	**2021 %**	2020 %
Mapletree Commercial Trust Treasury Company Pte. Ltd.[(a)]	Provision of treasury services	Singapore/ Singapore	**100**	100	**100**	100
80 Alexandra Pte. Ltd. [(a)]	Investment holding	Singapore/ Singapore	**100**	100	**100**	100
Mapletree Business City LLP [(b)]	Property development and investment	Singapore/ Singapore	**100**	100	**99.9**	99.9

(a) Audited by PricewaterhouseCoopers LLP, Singapore

(b) There is no statutory requirement for the financial statements of Mapletree Business City LLP to be audited.

There are no significant restrictions on the subsidiaries.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

16. DERIVATIVE FINANCIAL INSTRUMENTS

	Maturity	Contract notional amount $'000	Fair value assets $'000	Fair value liabilities $'000
Group				
31 March 2021				
Hedge accounting cash-flow hedges:				
Interest rate swaps	September 2021 – December 2025	**1,295,000**	**2,071**	**(19,963)**
Non-hedge accounting:				
Cross currency interest rate swap	March 2023	**100,000**	**4,696**	**–**
Total		**1,395,000**	**6,767**	**(19,963)**
Represented by:				
Current portion			**–**	**(2,390)**
Non-current portion			**6,767**	**(17,573)**
			6,767	**(19,963)**
31 March 2020				
Hedge accounting cash-flow hedges:				
Interest rate swaps	May 2020 – December 2025	1,359,000	–	(23,319)
Non-hedge accounting:				
Cross currency interest rate swap	March 2023	100,000	13,482	–
Total		1,459,000	13,482	(23,319)
Represented by:				
Current portion			–	(376)
Non-current portion			13,482	(22,943)
			13,482	(23,319)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

16. DERIVATIVE FINANCIAL INSTRUMENTS (continued)

	Maturity	Contract notional amount $'000	Fair value assets $'000	Fair value liabilities $'000
MCT				
31 March 2021				
Hedge accounting cash-flow hedges:				
Interest rate swaps	September 2021 – March 2024	**745,000**	**14**	**(12,414)**
Non-hedge accounting:				
Cross currency interest rate swap	March 2023	**100,000**	**4,696**	**–**
Interest rate swaps[1]	August 2023 – December 2025	**550,000**	**9,607**	**(9,607)**
Total		**1,395,000**	**14,317**	**(22,021)**
Represented by:				
Current portion			**–**	**(2,390)**
Non-current portion			**14,317**	**(19,631)**
			14,317	**(22,021)**
31 March 2020				
Hedge accounting cash-flow hedges:				
Interest rate swaps	May 2020 – December 2025	1,109,000	–	(18,642)
Non-hedge accounting:				
Cross currency interest rate swap	March 2023	100,000	13,482	–
Interest rate swaps[1]	December 2023 – December 2025	250,000	4,677	(4,677)
Total		1,459,000	18,159	(23,319)
Represented by:				
Current portion			–	(376)
Non-current portion			18,159	(22,943)
			18,159	(23,319)

[1] Relates to the back-to-back interest rate swaps entered into to hedge against a subsidiary's borrowings. As at 31 March 2021, the notional amounts of these interest rate swaps were $550,000,000 (31 March 2020: $250,000,000), while the fair value of the derivative financial assets and liabilities arising from the interest rate swaps with the banks are $2,057,000 (31 March 2020: $Nil) and $7,549,000 (31 March 2020: $4,677,000) respectively. For the financial year ended 31 March 2021, MCT recorded related finance income of $3,158,000 (2020: finance expenses of $56,000).

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

16. DERIVATIVE FINANCIAL INSTRUMENTS (continued)

Interest rate swaps

Interest rate swaps are transacted to hedge variable interest payments on borrowings.

(i) If interest rate swaps are designated as cash flow hedges, fair value changes on the interest rate swaps recognised in the hedging reserve are reclassified to profit or loss as part of finance expense over the period of the borrowings.

(ii) If interest rate swaps are not designated as cash flow hedges, fair value changes on the interest rate swaps are recognised in profit or loss when the changes arise.

As at 31 March 2021, the interest rate swaps include a forward start interest rate swap contract for notional amount of $50,000,000 (31 March 2020: $50,000,000) that will mature in 2023 (31 March 2020: 2025), which the Group has entered into for the purposes of fixing the interest rate of the floating rate borrowings. The effective date for this forward start interest rate swap contract is April 2021 (2020: April 2020).

Cross currency interest rate swap

Cross currency interest rate swaps are transacted to hedge foreign currency interest rate risk arising from foreign denominated borrowings. The cross currency interest rate swap is an economic hedge and no hedge accounting is adopted.

As at 31 March 2021, the Group held a Japanese Yen ("JPY")/SGD cross currency interest rate swap to provide SGD variable rate funding. The cross currency interest rate swap matures on the same date as the borrowings. Fair value changes on the cross currency interest rate swap are recognised in profit or loss when the changes arise.

Hedging instruments used in the Group's hedging strategy were as follows:

		Carrying Amount			Changes in fair value used for calculating hedge ineffectiveness				
	Contract notional amount	Assets	Liabilities	Financial statement line item	Hedging instruments	Hedged item	Hedge ineffectiveness recognised in profit or loss	Weighted average hedged rate	Maturity date
	$'000	$'000	$'000		$'000	$'000	$'000		
Group									
31 March 2021									
Cash flow hedges									
Interest rate risk									
– Interest rate swaps to hedge floating rate borrowings	**1,295,000**	**2,071**	**(19,963)**	**Derivative financial instruments**	**(8,949)**	**8,949**	**–**	**1.47%**	**September 2021 – December 2025**
31 March 2020									
Cash flow hedges									
Interest rate risk									
– Interest rate swaps to hedge floating rate borrowings	1,359,000	–	(23,319)	Derivative financial instruments	(24,244)	24,244	–	1.60%	May 2020 – December 2025

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

16. DERIVATIVE FINANCIAL INSTRUMENTS (continued)

		Carrying Amount			Changes in fair value used for calculating hedge ineffectiveness				
	Contract notional amount $'000	Assets $'000	Liabilities $'000	Financial statement line item	Hedging instruments $'000	Hedged item $'000	Hedge ineffectiveness recognised in profit or loss $'000	Weighted average hedged rate	Maturity date
MCT									
31 March 2021									
Cash flow hedges									
Interest rate risk									
– Interest rate swaps to hedge floating rate borrowings	**745,000**	**14**	**(12,414)**	**Derivative financial instruments**	**(4,976)**	**4,976**	**–**	**1.76%**	**September 2021 – March 2024**
31 March 2020									
Cash flow hedges									
Interest rate risk									
– Interest rate swaps to hedge floating rate borrowings	1,109,000	–	(18,642)	Derivative financial instruments	(19,623)	19,623	–	1.64%	May 2020 – December 2025

17. TRADE AND OTHER PAYABLES

	Group		MCT	
	31 March		31 March	
	2021 $'000	2020 $'000	**2021 $'000**	2020 $'000
Current				
Trade payables	**1,267**	1,078	**893**	555
Amounts due to related parties:				
– non-trade	**–**	56	**–**	56
Accrued capital expenditure	**3,640**	3,966	**3,218**	3,966
Accrued operating expenses	**41,609**	44,865	**35,906**	39,542
Interest payable				
– subsidiary	**–**	–	**6,075**	6,725
– non-related parties	**12,469**	12,588	**5,257**	4,117
Tenancy related deposits	**25,785**	17,136	**23,355**	14,391
Other deposits	**475**	224	**386**	204
Rental received in advance	**12,491**	12,228	**7,156**	7,188
Net Goods and Services Tax payable	**7,031**	6,335	**5,930**	5,220
Other payables	**9,280**	5,972	**9,016**	5,686
	114,047	104,448	**97,192**	87,650
Non-current				
Tenancy related deposits	**53,007**	59,362	**45,809**	52,306
	167,054	163,810	**143,001**	139,956

The non-trade payables due to related parties are unsecured, interest free and repayable on demand.

NOTES TO THE FINANCIAL STATEMENTS

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18. BORROWINGS AND LOANS FROM A SUBSIDIARY

	Group		MCT	
	31 March		31 March	
	2021	2020	**2021**	2020
	$'000	$'000	**$'000**	$'000
Borrowings				
Current				
Medium term notes	**70,000**	160,000	**–**	–
Transaction cost to be amortised	**(*)**	(29)	**–**	–
	70,000	159,971	**–**	–
Non-current				
Bank loans	**2,032,900**	1,843,200	**1,394,900**	1,204,200
Medium term notes	**935,714**	1,014,353	**–**	–
Transaction cost to be amortised	**(8,989)**	(9,504)	**(3,826)**	(3,267)
	2,959,625	2,848,049	**1,391,074**	1,200,933
Loans from a subsidiary				
Current				
Loans from a subsidiary	**–**	–	**70,000**	160,000
Transaction cost to be amortised	**–**	–	**(*)**	(29)
	–	–	**70,000**	159,971
Non-current				
Loans from a subsidiary	**–**	–	**935,714**	1,014,353
Transaction cost to be amortised	**–**	–	**(1,950)**	(2,338)
	–	–	**933,764**	1,012,015
	3,029,625	3,008,020	**2,394,838**	2,372,919

* Amount is less than $1,000

The above bank loans and borrowings are unsecured. In accordance with the various facility agreements, VivoCity, MBC I, MBC II and Mapletree Anson (31 March 2020: VivoCity, MBC I, MBC II and Mapletree Anson) are subject to a negative pledge.

As at 31 March 2021, the Trustee has provided guarantees amounting to $638,000,000 (31 March 2020: $639,000,000) to the bank in respect to bank loans outstanding in a subsidiary.

(a) Maturity of borrowings

Group

The non-current bank loans mature between 2022 and 2026 (31 March 2020: 2021 and 2026). The non-current medium term notes will mature between 2023 and 2029 (31 March 2020: 2021 and 2029).

MCT

The non-current bank loans mature between 2022 and 2026 (31 March 2020: 2021 and 2025). The non-current loans from a subsidiary will mature between 2023 and 2029 (31 March 2020: 2021 and 2029).

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

18. BORROWINGS AND LOANS FROM A SUBSIDIARY (continued)

(b) Medium term notes

In 2012, the Group established a $1,000,000,000 MTN Programme via its subsidiary, MCTTC. The Programme limit has been increased to $3,000,000,000 with effect from 29 June 2018. Under the MTN Programme, MCTTC may, subject to compliance with all relevant laws, regulations and directives, from time to time issue notes and senior or subordinated perpetual securities in series or tranches in SGD or any other currency.

Each series of notes may be issued in various amounts and tenors, and may bear fixed, floating, variable or hybrid rates of interest or may not bear interest.

The notes shall constitute at all times direct, unconditional, unsecured and unsubordinated obligations of MCTTC ranking pari passu, without any preference or priority among themselves, and pari passu with all other present and future unsecured obligations of MCTTC. All sums payable in respect of the notes issued by MCTTC will be unconditionally and irrevocably guaranteed by the Trustee.

Total notes outstanding as at 31 March 2021 under the MTN Programme was $1,005,714,000 (31 March 2020: $1,174,353,000), consisting of:

	Maturity date	Interest rate per annum	Interest payment in arrears	31 March 2021 '000	31 March 2020 '000
(i)	24 August 2020	3.60%	Semi-annually	–	$160,000
(ii)	12 April 2021[1]	3.20%	Semi-annually	**$70,000**	$70,000
(iii)	3 February 2023	3.25%	Semi-annually	**$100,000**	$100,000
(iv)	24 August 2026	3.11%	Semi-annually	**$175,000**	$175,000
(v)	15 November 2023	2.795%	Semi-annually	**$85,000**	$85,000
(vi)	27 August 2027	3.045%	Semi-annually	**$100,000**	$100,000
(vii)	23 September 2024	3.28%	Semi-annually	**$120,000**	$120,000
(viii)	22 November 2029	3.05%	Semi-annually	**$250,000**	$250,000
(ix)	16 March 2023[2]	3 month JPY LIBOR + 0.30%	Quarterly	**JPY8,700,000**	JPY8,700,000

[1] The $70,000,000 notes maturing on 12 April 2021 have been fully redeemed on the maturity date.

[2] A cross currency interest rate swap has been entered into to hedge the JPY 8,700,000,000 (2020: JPY8,700,000,000) Floating Rate Notes into notional principal amount of $100,000,000 (31 March 2020: $100,000,000) at a floating rate SGD basis payable semi-annually in arrears. The cross currency interest rate swap is an economic hedge and no hedge accounting is adopted.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

18. BORROWINGS AND LOANS FROM A SUBSIDIARY (continued)

(c) Loans from a subsidiary

MCTTC has on-lent the proceeds from the issuance of the notes to MCT, which has in turn used these proceeds to re-finance its floating rate borrowings.

The loans are unsecured and repayable in full, consisting of:

	Maturity date	Interest rate per annum	Interest payment in arrears	**31 March 2021 '000**	31 March 2020 '000
(i)	24 August 2020	3.60%	Semi-annually	**–**	$160,000
(ii)	12 April 2021[1]	3.20%	Semi-annually	**$70,000**	$70,000
(iii)	3 February 2023	3.25%	Semi-annually	**$100,000**	$100,000
(iv)	24 August 2026	3.11%	Semi-annually	**$175,000**	$175,000
(v)	15 November 2023	2.795%	Semi-annually	**$85,000**	$85,000
(vi)	27 August 2027	3.045%	Semi-annually	**$100,000**	$100,000
(vii)	23 September 2024	3.28%	Semi-annually	**$120,000**	$120,000
(viii)	22 November 2029	3.05%	Semi-annually	**$250,000**	$250,000
(ix)	16 March 2023[2]	3 month JPY LIBOR + 0.30%	Quarterly	**JPY8,700,000**	JPY8,700,000

1 The $70,000,000 notes maturing on 12 April 2021 have been fully redeemed on the maturity date.

2 A cross currency interest rate swap has been entered into to hedge the JPY 8,700,000,000 (2020: JPY8,700,000,000) Floating Rate Notes into notional principal amount of $100,000,000 (31 March 2020: $100,000,000) at a floating rate SGD basis payable semi-annually in arrears.

(d) Effective interest rates

The weighted average all-in cost of borrowings, including amortised cost charged on the outstanding loans as at 31 March 2020 and 2021 were as follows:

	Group		**MCT**	
	31 March		31 March	
	2021	2020	**2021**	2020
Bank loans	**2.15%**	2.64%	**2.21%**	2.70%
Medium term notes	**2.97%**	3.08%	**–**	–
Loans from a subsidiary	**–**	–	**2.97%**	3.08%

(e) As at 31 March 2021, the Group and MCT have variable rate borrowings amounting to $673,900,000 and $585,900,000 respectively maturing on or after 30 June 2023 which interest rates are based on SOR.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

18. BORROWINGS AND LOANS FROM A SUBSIDIARY (continued)

(f) Carrying amount and fair value

The carrying amounts of the current and non-current borrowings, which are at variable market rates, approximate their fair values at balance sheet date.

The carrying amounts of the fixed rate current borrowings approximate their fair values at balance sheet date. The carrying amount and fair value of the fixed rate non-current borrowings are as follow:

	Carrying amount		Fair value	
	31 March		31 March	
	2021	2020	**2021**	2020
	$'000	$'000	**$'000**	$'000
Group				
Medium term notes (non-current)	**830,000**	900,000	**871,640**	891,492
MCT				
Loans from a subsidiary (non-current)	**830,000**	900,000	**871,640**	891,492

The fair value above is determined from the cash flow analysis, discounted at market borrowing rates of an equivalent instrument at the balance sheet date at which the Manager expects to be available to the Group and MCT as follows:

	31 March	
	2021	2020
Group		
Medium term notes (non-current)	**1.16% – 2.47%**	2.32% – 3.42%
MCT		
Loans from a subsidiary (non-current)	**1.16% – 2.47%**	2.32% – 3.42%

The fair values are within Level 2 of the fair value hierarchy.

(g) Undrawn committed borrowing facilities

	Group and MCT	
	31 March	
	2021	2020
	$'000	$'000
Expiring beyond one year	**426,100**	255,100

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

19. DEFERRED TAX LIABILITIES

	Group	
	31 March	
	2021	2020
	$'000	$'000
Beginning of financial year	**24,974**	–
Acquisition of a subsidiary	**–**	24,974
End of financial year	**24,974**	24,974

The deferred tax liabilities arose entirely due to accelerated tax depreciation.

20. LEASES

(a) The Group and MCT as a lessee

Leasehold land

The right-of-use of leasehold land is secured during acquisition of investment properties and is recognised within Investment properties (Note 13).

There are no externally imposed covenants on these lease arrangements.

(b) The Group and MCT as a lessor

The Group has leased out their owned investment properties for monthly lease payments. Where considered necessary to reduce credit risk, the Group may obtain bank guarantees or deposits for the term of the lease. These leases are classified as operating leases because the risk and rewards incidental to ownership of the assets are not substantially transferred. As part of its asset and lease management strategy, the Manager proactively engages tenants for negotiations well ahead of lease expiries to mitigate leasing risk and achieve a well-staggered lease expiry profile. The Group also actively manages its property portfolio and reviews its tenant mix in order to achieve portfolio diversification and stability.

Rental income from investment properties is disclosed in Note 3.

Undiscounted lease payments from the operating leases to be received after the balance sheet date are as below:

	Group		MCT	
	31 March		31 March	
	2021	2020	**2021**	2020
	$'000	$'000	**$'000**	$'000
Less than one year	**450,884**	487,374	**375,895**	398,677
One to two years	**339,693**	364,978	**300,573**	294,748
Later than two to three years	**237,073**	242,378	**207,744**	209,521
Later than three to four years	**137,404**	152,945	**131,179**	129,966
Later than four to five years	**91,223**	92,225	**89,143**	89,813
Later than five years	**111,391**	168,843	**111,391**	168,843
Total undiscounted lease payments	**1,367,668**	1,508,743	**1,215,925**	1,291,568

Some of the operating leases are subject to revision of lease rentals at periodic intervals. For the purpose of the above disclosure, the prevailing lease rentals are used.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

21. UNITS IN ISSUE

		Group and MCT	
	Note	**2021**	2020
		'000	'000
Units at beginning of financial year		**3,307,510**	2,889,690
Units issued as settlement of Manager's management fees	(a)	**8,694**	7,959
Units issued as settlement of Manager's acquisition fee	(b)	**–**	3,378
Units issued pursuant to private placement	(c)	**–**	200,893
Units issued pursuant to preferential offering	(d)	**–**	205,590
Units at end of financial year		**3,316,204**	3,307,510

(a) During the financial year, 8,693,494 new units (31 March 2020: 7,959,350) were issued at the issue price range of $1.7686 to $2.1007 (31 March 2020: $1.8687 to $2.3339) per unit, in respect of the payment of management fees to the Manager in units. The issue prices were determined based on the volume weighted average traded price for all trades done on SGX-ST in the ordinary course of trading for the last 10 business days of the relevant period on which the fees were accrued. These issuances represent non-cash transactions.

(b) During the financial year ended 31 March 2020, 3,377,642 new units were issued at the price of $2.2945 per unit, amounting to $7,750,000, as payment of the Manager's acquisition fee arising from the acquisition of subsidiaries during the financial year. The issuance represents a non-cash transaction.

(c) During the financial year ended 31 March 2020, 200,893,000 new units were issued at the issue price of $2.28 per unit, amounting to $458,036,000 for cash, as part of the private placement undertaken by MCT.

(d) During the financial year ended 31 March 2020, 205,589,840 new units were issued at the issue price of $2.24 per unit, amounting to $460,521,000 for cash, as part of the preferential offering undertaken by MCT, where unitholders were entitled to subscribe for 71 new units for every 1,000 existing units held.

The proceeds raised from the private placement and preferential offering were used to fund the acquisition of subsidiaries and the related acquisition costs during the financial year ended 31 March 2020.

Each unit in MCT represents an undivided interest in MCT. The rights and interests of Unitholders are contained in the Trust Deed and include the right to:

- Receive income and other distributions attributable to the units held;
- Participate in the termination of MCT by receiving a share of all net cash proceeds derived from the realisation of the assets of MCT less any liabilities, in accordance with their proportionate interests in MCT. However, a Unitholder does not have the right to require that any assets (or part thereof) of MCT be transferred to him; and
- Attend all Unitholders' meetings. The Trustee or the Manager may (and the Manager shall at the request in writing of not less than 50 Unitholders or Unitholders representing not less than 10.0% of the total units issued) at any time convene a meeting of Unitholders in accordance with the provisions of the Trust Deed.

The restrictions of a Unitholder include the following:

- A Unitholder's right is limited to the right to require due administration of MCT in accordance with the provisions of the Trust Deed; and
- A Unitholder has no right to request to redeem his units while the units are listed on SGX-ST.

A Unitholder's liability is limited to the amount paid or payable for any units in MCT. The provisions of the Trust Deed provide that no Unitholder will be personally liable to indemnify the Trustee or any creditor of the Trustee in the event that the liabilities of MCT exceed its assets.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

22. HEDGING RESERVE

	Group		MCT	
	2021	2020	**2021**	2020
	$'000	$'000	**$'000**	$'000
Beginning of financial year	**(23,319)**	1,314	**(18,642)**	1,314
Fair value losses	**(8,949)**	(24,244)	**(4,976)**	(19,623)
Reclassification to profit or loss				
– Finance expenses (Note 5)	**14,376**	(389)	**11,218**	(333)
End of financial year	**(17,892)**	(23,319)	**(12,400)**	(18,642)

Hedging reserve is non-distributable.

23. COMMITMENTS

Capital commitments

Capital expenditures contracted for at the balance sheet date but not recognised in the financial statements amounted to $10,956,000 (31 March 2020: $16,153,000).

24. FINANCIAL RISK MANAGEMENT

The Group's activities expose it to a variety of financial risks, including the effects of changes in interest rates and foreign exchange rates.

Risk management is carried out under policies approved by the Manager. The Manager provides written principles for overall risk management as well as policies covering specific areas, such as interest rate risk, currency risk, credit risk and liquidity risk. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities.

(a) Market risk – cash flow and fair value interest rate risks

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market interest rates. As the Group has no significant interest bearing assets, the Group's income and operating cash flows are substantially independent of changes in market interest rates. The Group monitors the interest rates on borrowings closely to ensure that the borrowings are maintained at favourable rates.

The Group's exposure to cash flow interest rate risks arises mainly from variable rate bank borrowings and medium term notes. The Group has SOR and JPY LIBOR rate borrowings which will be affected by the IBOR reform (Note 18). The Group manages these cash flow interest rate risks using floating-to-fixed interest rate swaps. The interest rate swaps and cross currency interest rate swap have reference rates that are indexed to SOR or LIBOR, which are governed by contracts based on the International Swaps and Derivatives Association (ISDA)'s Master Agreement.

On 5 March 2021, the Financial Conduct Authority formally announced the dates for the cessation of all LIBOR benchmark settings currently published by the ICE Benchmark Administration. Accordingly, the JPY LIBOR will cease on 31 December 2021.

The Group is actively engaging with its lenders and derivative counterparties to include appropriate fall-back provisions in its floating rate liabilities and derivatives contracts with maturities after 2021.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

24. FINANCIAL RISK MANAGEMENT (continued)

(a) Market risk – cash flow and fair value interest rate risks (continued)

The exposure of the borrowings of the Group to interest rate changes and the contractual repricing dates at the balance sheet dates after excluding borrowings for which hedge accounting is applied are as follow:

	Group		MCT	
	31 March		31 March	
	2021	2020	**2021**	2020
	$'000	$'000	**$'000**	$'000
6 months or less:				
Revolving credit facilities	**43,900**	34,200	**25,900**	15,200
Term loans	**744,000**	500,000	**674,000**	130,000
Medium term notes	**100,000**	100,000	**–**	–
Loans from a subsidiary	**–**	–	**100,000**	100,000
	887,900	634,200	**799,900**	245,200

During the financial year, the Group has hedged its exposure to changes in interest rates on its variable rate borrowings by entering into the following contracts:

(i) Interest rate swaps, with notional contract amounts of $1,245,000,000 (31 March 2020: $1,359,000,000) whereby it receives variable rates equal to the Singapore swap offer rate on the notional amounts and pays fixed interest rates ranging from 0.36% to 2.18% (31 March 2020: 1.24% to 2.18%) per annum.

(ii) Cross currency interest rate swap, with a notional contract amount of $100,000,000 (31 March 2020: $100,000,000) whereby it receives a variable rate of JPY LIBOR + 0.3% (31 March 2020: JPY LIBOR + 0.3%) per annum on the notional amount and pays a variable rate of Singapore swap offer rate + 1.08% (31 March 2020: Singapore swap offer rate + 1.08%) per annum.

Hedge effectiveness

Hedge effectiveness is determined at the inception of the hedging relationship, and through periodic prospective effective assessments to ensure that an economic relationship exists between the hedged item and hedging instrument.

The Group enters into hedge relationships where the critical terms of the hedging instrument match exactly with the terms of the hedged item, and so a qualitative assessment of effectiveness is performed. If changes in circumstances affect the terms of the hedged item such that the critical terms no longer match exactly with the critical terms of the hedging instrument, the Group uses the hypothetical derivative method to assess effectiveness.

Hedging relationships that are impacted by interest rate benchmark reform may experience ineffectiveness because of a timing mismatch between the hedged item and the hedging instrument regarding interest rate benchmark reform transition. There is uncertainty about when and how replacement may occur with respect to the relevant hedge items and hedging instruments and such uncertainty may impact the hedging relationship. The contractual notional amount of interest rate swaps held for hedging which is based on SOR is $1,295,000,000. The Group applied the amendments to SFRS(I) 9 to those hedging relationships directly affected by IBOR reform.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

24. FINANCIAL RISK MANAGEMENT (continued)

(a) Market risk – cash flow and fair value interest rate risks (continued)

Sensitivity analysis

The Group's borrowings at variable rates on which effective hedges have not been entered into are denominated in SGD. If the SGD interest rates increase/(decrease) by 50 basis points ("b.p.") (2020: 50 b.p.) with all other variables including tax rate being held constant, the profit after tax and hedging reserve attributable to Unitholders will (decrease)/increase by the amounts as follows, as a result of higher/lower interest expenses and higher/lower fair value of interest rate swaps and cross currency interest rate swap respectively:

	Increase/(Decrease)			
	Profit after tax		Hedging Reserve	
	Increase by 50 b.p. $'000	Decrease by 50 b.p. $'000	Increase by 50 b.p. $'000	Decrease by 50 b.p. $'000
Group				
31 March 2021				
Interest bearing borrowings	**(4,440)**	**4,440**	**–**	**–**
Interest rate swaps	**–**	**–**	**14,084**	**(14,281)**
Cross currency interest rate swap	**(18)**	**18**	**–**	**–**
	(4,458)	**4,458**	**14,084**	**(14,281)**
31 March 2020				
Interest bearing borrowings	(3,171)	3,171	–	–
Interest rate swaps	–	–	14,253	(14,402)
Cross currency interest rate swap	7	(7)	–	–
	(3,164)	3,164	14,253	(14,402)
MCT				
31 March 2021				
Interest bearing borrowings	**(4,000)**	**4,000**	**–**	**–**
Interest rate swaps	**–**	**–**	**5,012**	**(5,043)**
Cross currency interest rate swap	**(18)**	**18**	**–**	**–**
	(4,018)	**4,018**	**5,012**	**(5,043)**
31 March 2020				
Interest bearing borrowings	(1,226)	1,226	–	–
Interest rate swaps	–	–	8,971	(9,043)
Cross currency interest rate swap	7	(7)	–	–
	(1,219)	1,219	8,971	(9,043)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

24. FINANCIAL RISK MANAGEMENT (continued)

(b) Market risk – currency risk

The Group is exposed to foreign currency risk on interest bearing borrowings that are denominated in a currency other than the functional currency of the entities within the Group. The Group hedges this risk by entering into a cross currency interest rate swap with notional contract amount of JPY8,700,000,000 into SGD amounting to $100,000,000. The cross currency interest rate swap matures on the same date that the JPY medium term notes are due for repayment.

(c) Credit risk

Credit risk refers to the risk that tenants or counterparties of the Group will default on its contractual obligations resulting in a financial loss to the Group. The major classes of financial assets of the Group and MCT are cash and cash equivalents and trade receivables. Cash and bank deposits are placed with financial institutions which are regulated. For trade receivables, the Group's credit risk policy is to deal only with customers of appropriate credit history, and obtaining sufficient security where appropriate to mitigate credit risk. For other financial assets, the Group adopts the policy of dealing with high credit quality counterparties.

As at 31 March 2021 and 31 March 2020, there was no significant concentration of credit risk. The maximum exposure to credit risk is represented by the carrying value of each financial asset on the Statements of Financial Position, except for the guarantees provided by the Trustee in relation to certain borrowings of MCT's subsidiaries (Note 18) amounting $1,638,000,000 (31 March 2020: $1,799,000,000).

The Group provides for lifetime expected credit losses for all trade receivables, using a provision matrix. The provision rates are determined based on the Group's historical observed default rates analysed in accordance to days past due. The expected credit losses also incorporate forward looking information such as forecast of macro-economic conditions. In computing the expected credit loss rate, the Group has considered the volatility of the forward-looking macroeconomic factors affecting the ability of the debtors to settle the receivables. The loss allowance for trade receivables as at 31 March 2021 and 31 March 2020 was assessed as not material.

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. The Group considers a financial asset as impaired (net of security deposits and bankers' guarantee) when the counterparty fails to make payments in accordance with the contractual terms of agreement. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due. When recoveries are made, these are recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

24. FINANCIAL RISK MANAGEMENT (continued)

(c) Credit risk (continued)

The ageing of trade receivables at the balance sheet date was:

	Gross Carrying Amount $'000	Loss Allowance $'000
Group		
31 March 2021		
Past due 3 months or less	**5,017**	**(80)**
Past due over 3 months	**765**	**–**
	5,782	**(80)**
31 March 2020		
Past due 3 months or less	2,414	(9)
Past due over 3 months	70	(68)
	2,484	(77)
MCT		
31 March 2021		
Past due 3 months or less	**4,989**	**(80)**
Past due over 3 months	**196**	**–**
	5,185	**(80)**
31 March 2020		
Past due 3 months or less	2,356	(9)
Past due over 3 months	70	(68)
	2,426	(77)

The movement in allowance for expected credit losses of trade receivables computed based on lifetime expected credit losses are as follow:

	Group and MCT	
	2021 $'000	2020 $'000
Expected credit loss allowance		
Beginning of financial year	**77**	–
Allowance made	**163**	77
Allowance utilised	**(160)**	–
End of financial year	**80**	77

Cash and cash equivalents

The Group and MCT held cash and cash equivalents of $192,543,000 and $176,652,000 respectively (31 March 2020: $65,857,000 and $46,280,000). The Group and MCT considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties. The cash balances are measured on 12-month expected credit losses and subject to immaterial credit loss.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

24. FINANCIAL RISK MANAGEMENT (continued)

(c) Credit risk (continued)

Financial guarantee contracts

The Trustee has issued financial guarantees in relation to certain borrowings of MCT's subsidiaries. These guarantees are subject to the impairment requirements of SFRS(I) 9. MCT has assessed that its subsidiaries have strong financial capacity to meet the contractual cash flow obligations in the near future and hence, does not expect significant credit losses arising from these guarantees.

(d) Liquidity risk

The Group and MCT adopt prudent liquidity risk management by maintaining sufficient cash to fund their working capital and financial obligations.

The following table analyses non-derivative financial liabilities of the Group and MCT into relevant maturity groupings based on the remaining period from the balance sheet date to the contractual maturity date (including extension periods where applicable). The amounts disclosed in the table are the contractual undiscounted cash flows of non-derivative financial liabilities, including interest payments. Balances due within 12 months approximate their carrying amounts as the impact of discounting is not significant.

	Less than 1 year $'000	Between 1 and 5 years $'000	More than 5 years $'000
Group			
As at 31 March 2021			
Trade and other payables	**82,056**	**47,933**	**5,074**
Borrowings	**123,622**	**2,053,306**	**1,117,427**
	205,678	**2,101,239**	**1,122,501**
As at 31 March 2020			
Trade and other payables	85,885	52,689	6,673
Borrowings	233,320	1,930,928	1,176,693
	319,205	1,983,617	1,183,366
MCT			
As at 31 March 2021			
Trade and other payables	**72,774**	**40,770**	**5,039**
Borrowings	**18,934**	**1,063,858**	**383,100**
Loans from a subsidiary	**97,021**	**493,307**	**562,768**
	188,729	**1,597,935**	**950,907**
As at 31 March 2020			
Trade and other payables	75,242	45,779	6,526
Borrowings	27,761	1,198,992	50,747
Loans from a subsidiary	190,444	572,422	575,359
	293,447	1,817,193	632,632

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

24. FINANCIAL RISK MANAGEMENT (continued)

(d) Liquidity risk (continued)

The table below analyses the Group's and MCT's derivative financial instruments for which contractual maturities are essential for an understanding of the timing of the cash flows into relevant maturity groupings based on the remaining period from the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

	Less than 1 year $'000	Between 1 and 5 years $'000	More than 5 years $'000
Group and MCT			
As at 31 March 2021			
Net-settled interest rate swaps			
– Net cash outflows	**13,960**	**16,499**	**–**
Gross-settled cross currency interest rate swap			
– Cash inflows	**(230)**	**(105,934)**	**–**
– Cash outflows	**1,390**	**101,329**	**–**
	15,120	**11,894**	**–**
As at 31 March 2020			
Net-settled interest rate swaps			
– Net cash outflows	5,345	11,263	224
Gross-settled cross currency interest rate swap			
– Cash inflows	(242)	(106,926)	–
– Cash outflows	1,642	103,213	–
	6,745	7,550	224

(e) Capital risk

The Manager's objective when managing capital is to optimise the Group's capital structure within the borrowing limits set out in the CIS Code to fund acquisitions and asset enhancement works at the Group's properties. To maintain or achieve an optimal capital structure, the Manager may issue new units or source additional borrowings from both financial institutions and capital markets.

The Group is subject to the aggregate leverage limit as defined in the Appendix 6 of the CIS Code ("Property Funds Appendix"). The Property Funds Appendix stipulates that the total borrowings and deferred payments (together the "Aggregate Leverage") of a property fund should not exceed 50.0% (2020: 45.0%) of its Deposited Property. As at the balance sheet date, the Group has a corporate family rating of Baa1 Negative (31 March 2020: Baa1 Stable) by Moody's Investors Service.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

24. FINANCIAL RISK MANAGEMENT (continued)

(e) Capital risk (continued)

The Group has complied with the Aggregate Leverage requirements for the financial years ended 31 March 2021 and 31 March 2020.

	Group	
	31 March	
	2021	2020
	$'000	$'000
Total gross borrowings[1]	**3,032,900**	3,003,200
Total deposited property	**8,950,584**	9,007,071
Aggregate leverage ratio	**33.9%**	33.3%

[1] Reflects total gross borrowings after taking into account the cross currency interest rate swap entered into to hedge the JPY8,700,000,000 (31 March 2020: JPY8,700,000,000) floating rate medium term notes.

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

The Group is in compliance with the borrowing limit requirement imposed by the CIS Code and all externally imposed capital requirements for the financial years ended 31 March 2021 and 31 March 2020.

(f) Fair value measurements

The following table presents assets and liabilities measured at fair value and classified by level of the following fair value measurement hierarchy:

- Level 1 quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 inputs for the asset or liability that are not based on observable market data (unobservable inputs).

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

24. FINANCIAL RISK MANAGEMENT (continued)

(f) Fair value measurements (continued)

	Group		Company	
	31 March		31 March	
	2021	2020	**2021**	2020
	$'000	$'000	**$'000**	$'000
Level 2				
Assets				
Derivative financial instruments				
– Interest rate swaps	**2,071**	–	**9,621**	4,677
– Cross currency interest rate swap	**4,696**	13,482	**4,696**	13,482
	6,767	13,482	**14,317**	18,159
Liabilities				
Derivative financial instruments				
– Interest rate swaps	**(19,963)**	(23,319)	**(22,021)**	(23,319)
	(19,963)	(23,319)	**(22,021)**	(23,319)

The fair value of the derivative financial instruments not traded in an active market is determined by using valuation techniques based on market conditions existing at each balance sheet date. The fair value of interest rate swaps are calculated as the present value of the estimated future cash flows. The fair value of the cross currency interest rate swap is determined using quoted currency rates as at the balance sheet date.

The carrying values of trade and other receivables, other current assets and trade and other payables (including non-current tenancy related deposits) approximate their fair values. The fair value of financial liabilities is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments. The fair value of borrowings approximates their carrying amounts as the interest rates of such loans are adjusted for changes in relevant market interest rate except for the fixed rate medium term notes as disclosed in Note 18(f) to the financial statements.

(g) Financial instruments by category

The carrying amount of the different categories of financial instruments is as disclosed on the face of the Statements of Financial Position and in Note 16 to the financial statements, except for the following:

	Group		MCT	
	31 March		31 March	
	2021	2020	**2021**	2020
	$'000	$'000	**$'000**	$'000
Financial assets at amortised cost	**200,308**	71,045	**184,538**	51,270
Financial liabilities at amortised cost	**3,177,157**	3,153,268	**2,524,753**	2,500,466

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

25. INTERMEDIATE AND ULTIMATE HOLDING COMPANIES

For financial reporting purposes in accordance with SFRS(I) 10 *Consolidated Financial Statements*, MCT is regarded as a subsidiary of Mapletree Investments Pte Ltd.

Consequentially, the intermediate and ultimate holding companies are Mapletree Investments Pte Ltd and Temasek Holdings (Private) Limited respectively. The intermediate and ultimate holding companies are incorporated in Singapore.

26. SIGNIFICANT RELATED PARTY TRANSACTIONS

For the purpose of these financial statements, parties are considered to be related to the Group when the Group has the ability, directly or indirectly to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common significant influence. Related parties may be individuals and entities. The Manager and the Property Manager are indirect wholly-owned subsidiaries of the intermediate holding company.

During the financial year, in addition to those disclosed elsewhere in the financial statements, the following significant related party transactions took place at terms agreed between the parties:

	Group	
	2021	2020
	$'000	$'000
Acquisition of a subsidiary and repayment of shareholder loans to related companies of the Manager	**–**	1,549,842
Property operating expenses recovered/recoverable from and paid/payable to related party of the Manager[1]	**–**	1,296
Project management fees paid/payable to the Manager	**20**	*
Rental and other related income received/receivable from related parties	**15,898**	24,413
Capital expenditure paid/payable to a related party	**–**	20
Finance income received/receivable from a related company of the Manager	**4**	161
Other products and service fees paid/payable to related parties	**2,613**	3,128
Interest expenses, financing fees and fees related to the issue of units paid/payable to a related party	**15,746**	27,481

* Amount is less than $1,000

1 This amount reflects the costs relating to the provision of shared services to MBC I for contracts procured by MCT and MBC LLP respectively pursuant to the Shared Services Agreement for the provision of property maintenance services for MBC I for the period 1 April 2019 to 31 October 2019. The costs and expenses apportionment is based on agreed terms as set out in the Shared Services Agreement.

Following the acquisition of MBC LLP by MCT on 1 November 2019, the costs relating to the provision of shared services pursuant to the Shared Services Agreement ceased to be a related party transaction.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

27. FINANCIAL RATIOS

	Group	
	2021	2020
	%	%
Ratio of expenses to weighted average net assets[1]		
– including performance component of asset management fees	**0.70**	0.72
– excluding performance component of asset management fees	**0.43**	0.43
Ratio of total operating expenses to net asset value[2]	**2.48**	2.46
Portfolio Turnover Ratio[3]	**–**	–

[1] The ratios are computed in accordance with the guidelines of Investment Management Association of Singapore dated 25 May 2005. The expenses used in the computation relate to expenses of the Group, excluding property expenses, borrowing costs, net foreign exchange differences and income tax expense.

[2] The ratio is computed based on the total operating expenses expressed as a percentage of net asset value as at the end of the financial year. The operating expenses include property operating expenses, manager's management fees, trustee's fee and other trust expenses amounting to $141,727,000 for the financial year ended 31 March 2021 (31 March 2020: $142,330,000).

[3] The ratio is computed based on the lesser of purchases or sales of underlying investment properties of the Group expressed as a percentage of daily average net asset value in accordance with the formulae stated in the CIS Code. There were no sales of investment properties for the financial years ended 31 March 2021 and 31 March 2020.

28. SEGMENT REPORTING

For the purpose of making resource allocation decisions and the assessment of segment performance, MCT's management reviews internal/management reports of its investment properties.

MCT's management monitors and assesses the performance of the individual property within the Group's portfolio. This forms the basis of identifying the operating segments of the Group.

Segment revenue comprises mainly of income generated from its tenants. Segment net property income represents the income earned by each segment after allocating property operating expenses. This is the measure reported to the management for the purpose of assessment of segment performance. In addition, the management monitors the non-financial assets as well as financial assets attributable to each segment when assessing segment performance.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly management fees, trust expenses, finance income and finance expenses.

Information regarding the Group's reportable segments is presented in the following tables.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

28. SEGMENT REPORTING (continued)

The segment information for the reportable segments for the financial year ended 31 March 2021 is as follows:

	VivoCity $'000	MBC $'000	mTower $'000	Mapletree Anson $'000	MLHF $'000	Total $'000
Gross revenue	169,323	215,104	40,219	34,506	19,845	478,997
Property operating expenses	(43,682)	(37,296)	(10,791)	(6,602)	(3,616)	(101,987)
Segment net property income	125,641	177,808	29,428	27,904	16,229	377,010
Finance income						754
Finance expenses						(76,848)
Manager's management fees						(37,538)
Trustee's fees						(1,049)
Other trust expenses						(1,153)
Foreign exchange gain						8,639
Net change in fair value of financial derivatives						(8,786)
Profit before tax and fair value change in investment properties						261,029
Net change in fair value of investment properties	(121,586)	6,418	(53,362)	(15,349)	(8,541)	(192,420)
Profit for the financial year before tax						68,609
Income tax expense						(3)
Profit for the financial year after tax before distribution						68,606

Major tenant

There was a tenant (2020: Nil) that contributed more than 10% of the gross revenue of the Group.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

28. SEGMENT REPORTING (continued)

	VivoCity $'000	MBC $'000	mTower $'000	Mapletree Anson $'000	MLHF $'000	Total $'000
Segment assets						
– Investment properties	3,148,000	3,761,000	742,000	747,000	339,000	8,737,000
– Plant and equipment	133	98	22	10	3	266
– Trade receivables	4,623	2,089	616	81	47	7,456
	3,152,756	3,763,187	742,638	747,091	339,050	8,744,722
Unallocated assets						
– Cash and cash equivalents						192,543
– Other receivables						175
– Tax recoverable						5,849
– Other current assets						528
– Derivative financial instruments						6,767
Total assets						8,950,584
Segment liabilities	48,728	28,142	10,728	7,046	588	95,232
Unallocated liabilities						
– Trade and other payables						71,822
– Borrowings						3,029,625
– Deferred tax liabilities						24,974
– Derivative financial instruments						19,963
Total liabilities						3,241,616
Other segmental information						
Additions to:						
– Investment properties	7,586	1,322	4,362	330	250	13,850
– Plant and equipment	61	9	12	–	3	85

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

28. SEGMENT REPORTING (continued)

The segment information for the reportable segments for the financial year ended 31 March 2020 is as follows:

	VivoCity $'000	MBC $'000	mTower $'000	Mapletree Anson $'000	MLHF $'000	Total $'000
Gross revenue	210,401	170,451	50,141	31,807	20,025	482,825
Property operating expenses	(51,670)	(30,081)	(12,567)	(6,712)	(3,855)	(104,885)
Segment net property income	158,731	140,370	37,574	25,095	16,170	377,940
Finance income						813
Finance expenses						(78,787)
Manager's management fees						(35,148)
Trustee's fees						(952)
Other trust expenses						(1,345)
Foreign exchange loss						(7,900)
Net change in fair value of financial derivatives						8,885
Profit before tax and fair value change in investment properties						263,506
Net change in fair value of investment properties	48,948	154,922	25,605	33,694	16,422	279,591
Profit for the financial year before tax						543,097
Income tax expense						(2)
Profit for the financial year after tax before distribution						543,095

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

28. SEGMENT REPORTING (continued)

	VivoCity $'000	MBC $'000	mTower $'000	Mapletree Anson $'000	MLHF $'000	Total $'000
Segment assets						
– Investment properties	3,262,000	3,758,000	791,000	762,000	347,000	8,920,000
– Plant and equipment	145	137	19	28	–	329
– Trade receivables	2,771	1,040	338	427	441	5,017
	3,264,916	3,759,177	791,357	762,455	347,441	8,925,346
Unallocated assets						
– Cash and cash equivalents						65,857
– Other receivables						10
– Tax recoverable						1,850
– Other current assets						526
– Derivative financial instruments						13,482
Total assets						9,007,071
Segment liabilities	50,272	25,195	10,759	6,358	572	93,156
Unallocated liabilities						
– Trade and other payables						70,654
– Borrowings						3,008,020
– Deferred tax liabilities						24,974
– Derivative financial instruments						23,319
Total liabilities						3,220,123
Other segmental information						
Additions to:						
– Investment properties	13,077	852	2,408	306	578	17,221
– Plant and equipment	110	73	19	14	–	216

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2021

29. EVENTS OCCURRING AFTER BALANCE SHEET DATE

Subsequent to the balance sheet date, the Manager announced a distribution of 5.32 cents per unit for the period 1 October 2020 to 31 March 2021.

30. NEW OR REVISED ACCOUNTING STANDARDS AND INTERPRETATION

Below are the mandatory standards, amendments and interpretations to existing standards that have been published, and are relevant for the Group's accounting periods beginning on or after 1 April 2021 and which the Group has not early adopted.

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

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

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

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

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

The Phase 2 amendments to SFRS(I) 9, SFRS(I) 1-39 and SFRS(I) 7 are applicable for periods beginning on or after 1 January 2021 ("Phase 2 amendments"). The Phase 2 amendments provide further reliefs for hedge accounting as well as practical expedients for modifications of debt instruments with IBOR based terms.

The Group has SOR and JPY LIBOR rate borrowings which will be affected by the IBOR reform (Note 18).

On 5 March 2021, the Financial Conduct Authority formally announced the dates for the cessation of all LIBOR benchmark settings currently published by the ICE Benchmark Administration. Accordingly, the JPY LIBOR will cease on 31 December 2021.

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

31. AUTHORISATION OF FINANCIAL STATEMENTS

The financial statements were authorised for issue by the Manager and the Trustee on 28 April 2021.

INTERESTED PERSON TRANSACTIONS

For the financial year ended 31 March 2021

The transactions entered into with interested persons during the financial year, which fall under the Listing Manual of the Singapore Exchange Securities Trading Limited ("SGX-ST") and the Property Funds Appendix of the Code on Collective Investment Schemes (excluding transactions of less than S$100,000 each) are as follows:

Name of interested person	Nature of relationship	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S$100,000 and transactions conducted under unitholders' mandate pursuant to Rule 920) S$'000	Aggregate value of all interested person transactions conducted under unitholders' mandate pursuant to Rule 920 (excluding transactions less than S$100,000) S$'000
Mapletree Investments Pte Ltd and its related companies	**Mapletree Investments Pte Ltd:** Controlling shareholder of the Manager and controlling unitholder, and its subsidiaries or associates		
– Manager's management fees		37,538	–
– Lease related income		28,796	–
– Property and lease management fees		19,493	–
– Staff costs		9,531	–
– Operating related expenses		607	–
Temasek Holdings (Private) Limited and its related companies	**Temasek Holdings (Private) Limited:** Controlling shareholder of the Manager and controlling unitholder, and its subsidiaries or associates		
– Lease related income		11,162	–
– Operating related expenses		507	–
DBS Group Holdings Ltd and its related companies	**DBS Trustee Limited:** Trustee of MCT, its holding company and subsidiaries or associates		
– Trustee's fees		1,049	–

INTERESTED PERSON TRANSACTIONS

For the financial year ended 31 March 2021

For the purpose of the disclosure, the full contract sum was used where an interested person transaction had a fixed term and contract value, while the annual amount incurred and accrued was used where an interested person transaction had an indefinite term or where the contract sum was not specified.

Save as disclosed above, there were no interested person transactions (excluding transactions of less than S$100,000 each), during the financial year under review.

Save as disclosed above, there were no material contracts entered into by MCT and its subsidiaries that involved the interests of the CEO or Director of the Manager, or any controlling unitholder of MCT, either still subsisting at the end of the financial year under review or entered into since the end of the previous financial year.

As set out in MCT's Prospectus dated 18 April 2011, fees and charges payable by MCT to the Manager and the Trustee under the Trust Deed (as amended) and to the Property Manager under the Property Management Agreement are not subject to Rules 905 and 906 of the SGX-ST's Listing Manual. Accordingly, such payments are not to be included in the aggregate value of total interested person transactions as governed by Rules 905 and 906 of the SGX-ST's Listing Manual.

MCT Group has not obtained a general mandate from Unitholders pursuant to Rule 920 for any interested person transactions for the financial year under review.

Please also see Significant Related Party Transactions on Note 26 in the financial statements.

MANAGER'S MANAGEMENT FEES PAID AND PAYABLE IN UNITS

A summary of Units issued and issuable for payment of the Manager's management fees during or in respect of the financial year are as follows:

For Period	Issue Date	Units Issued	Issue Price* (S$)
Manager's Base Management Fee			
1 April 2020 to 30 June 2020	5 August 2020	1,183,619	1.9919
1 July 2020 to 30 September 2020	4 November 2020	1,172,615	2.0010
1 October 2020 to 31 December 2020	9 February 2021	1,095,031	2.1007
1 January 2021 to 31 March 2021	10 May 2021	1,079,941	2.1007
Manager's Performance Fee			
1 April 2020 to 31 March 2021	10 May 2021	2,917,474	2.1007

* Based on the volume weighted average traded price for a Unit for all trades on the SGX-ST in the ordinary course of trading on the SGX-ST for the last ten business days of the relevant period in which the management fees accrued.

STATISTICS OF UNITHOLDINGS

As at 28 May 2021

ISSUED AND FULLY PAID UNITS

3,320,201,464 units (voting rights: one vote per unit)
Market Capitalisation: S$6,872,817,030.48 (based on closing price of S$2.070 per unit on 28 May 2021)

DISTRIBUTION OF UNITHOLDINGS

	No. of Unitholders	%	No. of Units	%
1 - 99	353	1.58	15,141	0.00
100 - 1,000	3,630	16.18	2,906,518	0.09
1,001 - 10,000	13,234	58.99	59,622,761	1.79
10,001 - 1,000,000	5,180	23.09	189,193,440	5.70
1,000,001 and above	36	0.16	3,068,463,604	92.42
Total	**22,433**	**100.00**	**3,320,201,464**	**100.00**

LOCATION OF UNITHOLDERS

Country	No. of Unitholders	%	No. of Units	%
Singapore	21,973	97.95	3,312,622,284	99.77
Malaysia	285	1.27	4,238,091	0.13
Others	175	0.78	3,341,089	0.10
Total	**22,433**	**100.00**	**3,320,201,464**	**100.00**

TWENTY LARGEST UNITHOLDERS

No.	Name	No. of Units	%
1.	Citibank Nominees Singapore Pte Ltd	576,908,217	17.38
2.	DBS Nominees (Private) Limited	450,343,224	13.56
3.	HarbourFront Place Pte. Ltd.	442,846,329	13.34
4.	DBSN Services Pte. Ltd.	407,966,545	12.29
5.	HarbourFront Eight Pte Ltd	352,238,977	10.61
6.	HSBC (Singapore) Nominees Pte Ltd	273,013,451	8.22
7.	The HarbourFront Pte Ltd	137,699,999	4.15
8.	Raffles Nominees (Pte.) Limited	125,636,569	3.78
9.	Mapletree Commercial Trust Management Ltd.	100,654,081	3.03
10.	BPSS Nominees Singapore (Pte.) Ltd.	56,843,566	1.71
11.	Sienna Pte. Ltd.	47,201,893	1.42
12.	United Overseas Bank Nominees (Private) Limited	13,317,687	0.40
13.	Morgan Stanley Asia (Singapore) Securities Pte Ltd	10,111,021	0.30
14.	DB Nominees (Singapore) Pte Ltd	8,607,965	0.26
15.	Phillip Securities Pte Ltd	5,684,959	0.17
16.	Societe Generale Singapore Branch	5,521,862	0.17
17.	DBS Vickers Securities (Singapore) Pte Ltd	5,448,737	0.16
18.	Toh Ting Feng (Zhuo Tingfeng) or Lim Bee Lian @ Low Ah Moy	5,222,500	0.16
19.	ABN AMRO Clearing Bank N.V.	4,696,370	0.14
20.	OCBC Nominees Singapore Private Limited	4,366,374	0.13
	Total	**3,034,330,326**	**91.38**

STATISTICS OF UNITHOLDINGS

As at 28 May 2021

SUBSTANTIAL UNITHOLDINGS AS AT 28 MAY 2021

		No. of Units		
No.	Name of Company	Direct Interest	Deemed Interest	% of Total Issued Capital
1.	Temasek Holdings (Private) Limited[1]	–	1,125,803,683	33.90
2.	Fullerton Management Pte Ltd[1]	–	1,080,641,279	32.54
3.	Mapletree Investments Pte Ltd[2]	–	1,080,641,279	32.54
4.	The HarbourFront Pte Ltd[3]	137,699,999	795,085,306	28.09
5.	HarbourFront Place Pte. Ltd.	442,846,329	–	13.33
6.	HarbourFront Eight Pte Ltd	352,238,977	–	10.60
7.	Schroders plc[4]	–	170,578,146	5.13

Notes:

1 Each of Temasek Holdings (Private) Limited ("**Temasek**") and Fullerton Management Pte Ltd ("**Fullerton**") is deemed to be interested in the 137,699,999 units held by The HarbourFront Pte Ltd ("**THFPL**"), 442,846,329 units held by HarbourFront Place Pte. Ltd. ("**HFPlace**"), 352,238,977 units held by HarbourFront Eight Pte Ltd ("**HF8**"), 47,201,893 units held by Sienna Pte. Ltd. ("**Sienna**") and 100,654,081 units held by Mapletree Commercial Trust Management Ltd. ("**MCTM**"). In addition, Temasek is deemed to be interested in the 45,162,404 units in which its other subsidiaries and associated companies have direct or deemed interests. THFPL, HFPlace, HF8, Sienna and MCTM are wholly-owned subsidiaries of Mapletree Investments Pte Ltd ("**MIPL**"). MIPL is a wholly-owned subsidiary of Fullerton which is in turn a wholly-owned subsidiary of Temasek. Each of MIPL and such other subsidiaries and associated companies referred to above is an independently-managed Temasek portfolio company. Neither Temasek nor Fullerton are involved in their business or operating decisions, including those regarding their unitholdings.

2 MIPL is deemed to be interested in the 137,699,999 units held by THFPL, 442,846,329 units held by HFPlace, 352,238,977 units held by HF8, 47,201,893 units held by Sienna and 100,654,081 units held by MCTM.

3 THFPL as holding company of HFPlace and HF8, is deemed to be interested in the 442,846,329 units held by HFPlace and 352,238,977 units held by HF8.

4 Schroders plc is deemed to be interested in the 170,578,146 units held on behalf of clients as Investment Managers.

UNITHOLDINGS OF THE DIRECTORS OF THE MANAGER AS AT 21 APRIL 2021

		No. of Units	
No.	Name	Direct Interest	Deemed Interest
1.	Tsang Yam Pui	–	426,043
2.	Kwa Kim Li	10,000	29,600
3.	Premod P. Thomas	–	–
4.	Kan Shik Lum	–	–
5.	Koh Cheng Chua	–	–
6.	Wu Long Peng	–	–
7.	Mak Keat Meng	–	–
8.	Alvin Tay	–	–
9.	Hiew Yoon Khong	612,751	4,476,380
10.	Wendy Koh	–	1,128,699
11.	Amy Ng	680,513	–
12.	Sharon Lim	–	20,200

FREE FLOAT

Based on the information made available to the Manager as at 28 May 2021, approximately 65.86% of the units in MCT were held in the hands of the public. Accordingly, Rule 723 of the Listing Manual of the SGX-ST has been complied with.

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CORPORATE **DIRECTORY**

MANAGER

Mapletree Commercial Trust Management Ltd.

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BOARD OF DIRECTORS

Mr Tsang Yam Pui
Non-Executive Chairman and Director

Ms Kwa Kim Li
Lead Independent Non-Executive Director

Mr Premod P. Thomas
Independent Non-Executive Director

Mr Kan Shik Lum
Independent Non-Executive Director

Mr Koh Cheng Chua
Independent Non-Executive Director

Mr Wu Long Peng
Independent Non-Executive Director

Mr Mak Keat Meng
Independent Non-Executive Director

Mr Alvin Tay
Independent Non-Executive Director

Mr Hiew Yoon Khong
Non-Executive Director

Ms Wendy Koh
Non-Executive Director

Ms Amy Ng
Non-Executive Director

Ms Sharon Lim
Executive Director and Chief Executive Officer

AUDIT AND RISK COMMITTEE

Mr Premod P. Thomas
Chairman

Mr Koh Cheng Chua

Mr Wu Long Peng

Mr Mak Keat Meng

NOMINATING AND REMUNERATION COMMITTEE

Ms Kwa Kim Li
Chairperson

Mr Kan Shik Lum

Mr Hiew Yoon Khong

MANAGEMENT

Ms Sharon Lim
Chief Executive Officer

Ms Janica Tan
Chief Financial Officer

Mr Koh Wee Leong
Head, Investments & Asset Management

CORPORATE SERVICES

Mr Wan Kwong Weng
Joint Company Secretary

Ms See Hui Hui
Joint Company Secretary

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