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Mapletree Commercial Trust

1Q FY21/22 Business Updates

23 July 2021

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Content

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Key Highlights

VivoCity

Key Highlights

Financial Performance

- 1Q FY21/22 performance impacted by retightened COVID-19 measures[1] but less severe than a year ago
- 1Q FY21/22 gross revenue and net property income ("NPI") higher mainly due to lower rental rebates and compensation from a lease pre-termination at mTower
- Swiftly provided rental assistance to eligible retail tenants amounting to ~0.6 month of fixed rents during the quarter

Portfolio Performance

- VivoCity's 1Q FY21/22 tenant sales and shopper traffic mainly impacted by five-week cessation of dining-in at all F&B establishments
- Portfolio achieved 95.4% committed occupancy

1. Singapore entered Phase 2 (Heightened Alert) from 16 May to 13 June 2021 during which the government halted dining-in at all F&B establishments, capped the limit for social gatherings at two, and imposed work-from-home as the default work arrangement. The limit on social gatherings was raised to five from 14 June but dining-in could only resume (subject to group size limit of two) from 21 June 2021. Work-from-home directives continue to be in place to-date.

Key Highlights

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Capital Management

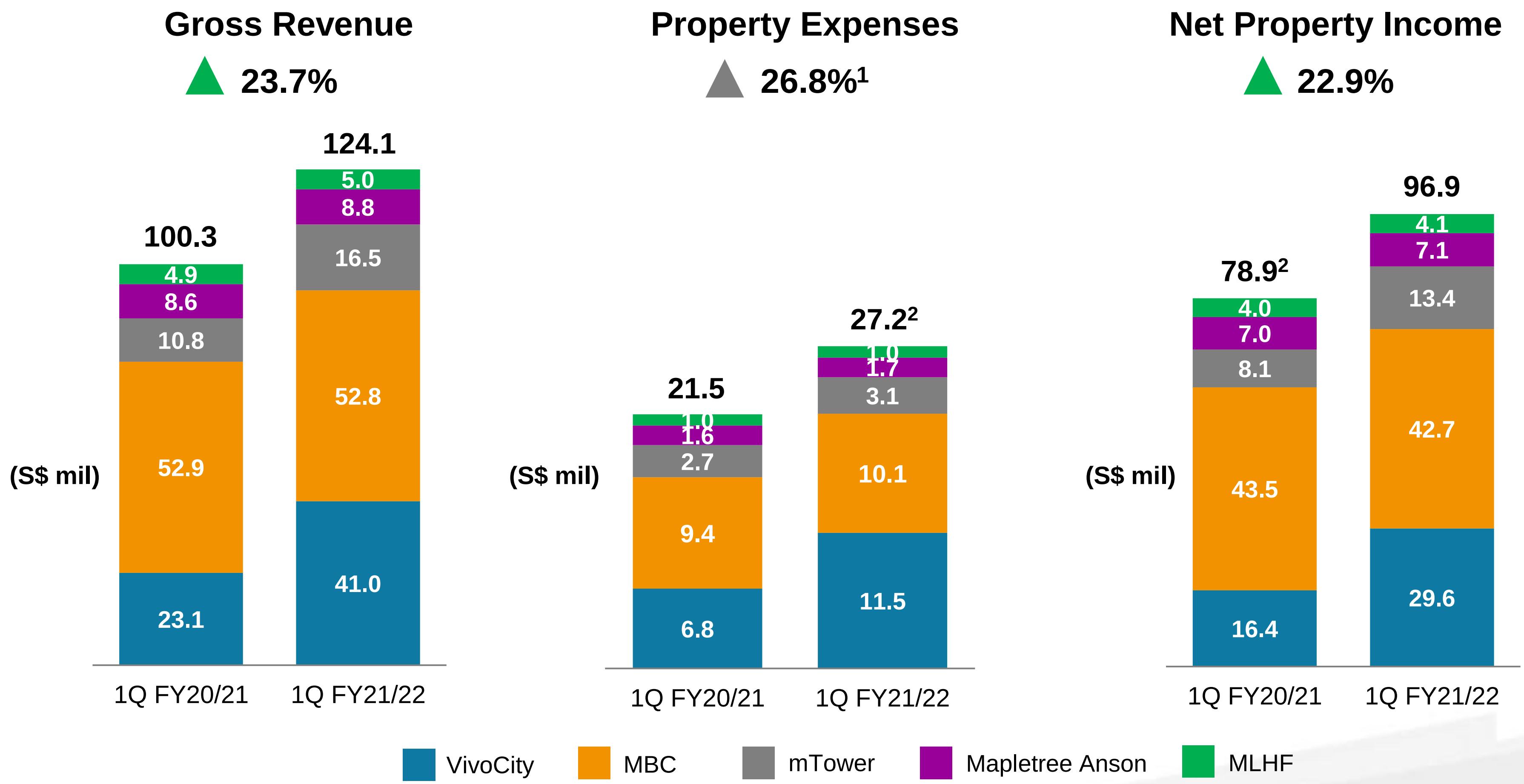
- Capital management strategy continues to prioritise financial flexibility and liquidity
- Well-distributed debt maturity profile with no more than 24% of debt due for refinancing in any financial year

Financial Performance

VivoCity

1Q FY21/22 Segmental Results

1Q FY21/22 gross revenue and NPI up 23.7% and 22.9% respectively
Mostly due to lower rental rebates and compensation from a lease pre-termination at mTower



1. Mainly due to property tax rebates received from the government in 1Q FY20/21.
2. Total does not add up due to rounding differences.

Key Financial Indicators

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

	As at 30 June 2021	As at 31 March 2021	As at 30 June 2020
Total Debt Outstanding	**S$3,007.0 mil**	**S$3,032.9 mil**	**S$3,068.2 mil**
Gearing Ratio	**34.2%**[1]	**33.9%**	**33.7%**
Interest Coverage Ratio (12-month trailing basis)	**4.8 times**	**4.4 times**	**4.1 times**
% Fixed Rate Debt	**75.7%**	**70.7%**	**73.5%**
Weighted Average All-In Cost of Debt (p.a.)[2]	**2.44%**[3]	**2.48%**	**2.61%**[4]
Average Term to Maturity of Debt	**4.0 years**	**4.2 years**	**3.9 years**
Unencumbered Assets as % of Total Assets	**100%**	**100%**	**100%**
MCT Corporate Rating (by Moody's)	**Baa1(stable)**	**Baa1(negative)**	**Baa1(negative)**

1. Based on total gross borrowings divided by total assets. Correspondingly, the ratio of total gross borrowings to total net assets is 53.6%.
2. Including amortised transaction costs.
3. Annualised based on the quarter ended 30 June 2021.
4. Annualised based on the quarter ended 30 June 2020.

Debt Maturity Profile (as at 30 June 2021)

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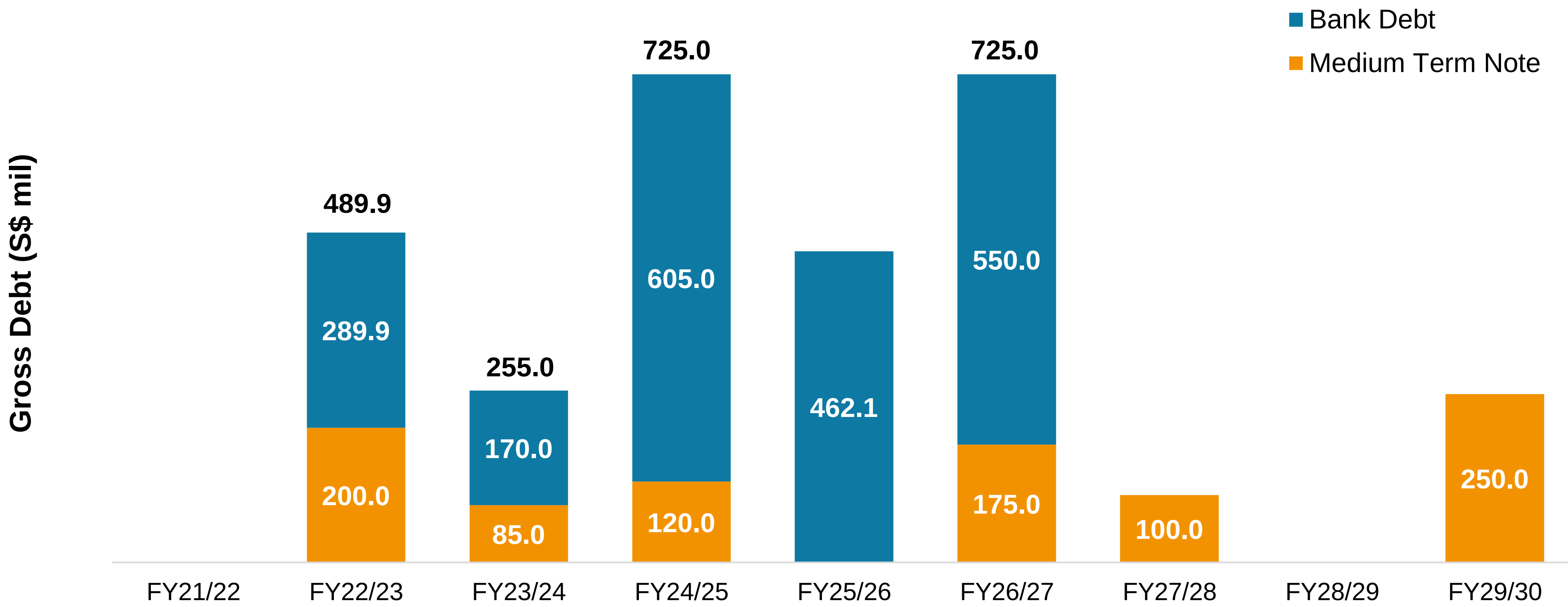
Financial flexibility from more than S$400 mil of cash and undrawn committed facilities
Well-distributed debt maturity profile with no more than 24% of debt due in any financial year

Total gross debt: S$3,007.0 mil



% of Total Debt[1]	FY21/22	FY22/23	FY23/24	FY24/25	FY25/26	FY26/27	FY27/28	FY28/29	FY29/30
	-	16%	9%	24%	15%	24%	3%	-	8%

1. Total does not add up to 100% due to rounding.

Portfolio Updates

Mapletree Business City

Portfolio Occupancy

Compensation from pre-terminated lease at mTower provides more than 1 year of lead time for backfilling

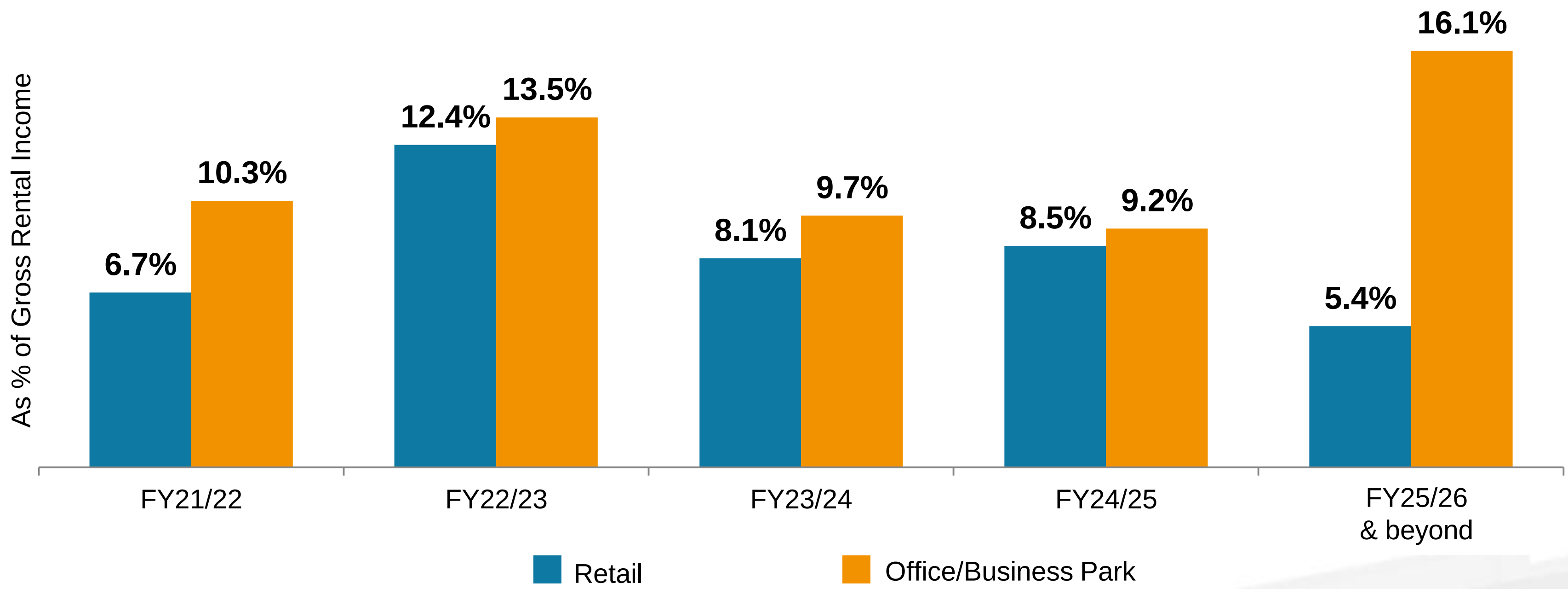
	June 2020	March 2021	June 2021	
			Actual	Committed[1]
VivoCity	98.3%	97.1%	97.7%	99.4%
MBC	97.6%	94.2%	93.1%	96.6%
mTower	88.7%	75.5%	72.3%	76.7%
Mapletree Anson	100%	100%	99.2%	99.2%
MLHF	100%	100%	100%	100%
MCT Portfolio	**97.1%**	**93.5%**	**92.6%**	**95.4%**

1. As at 30 June 2021.

Lease Expiry Profile (as at 30 June 2021)

Portfolio resilience supported by manageable lease expiries

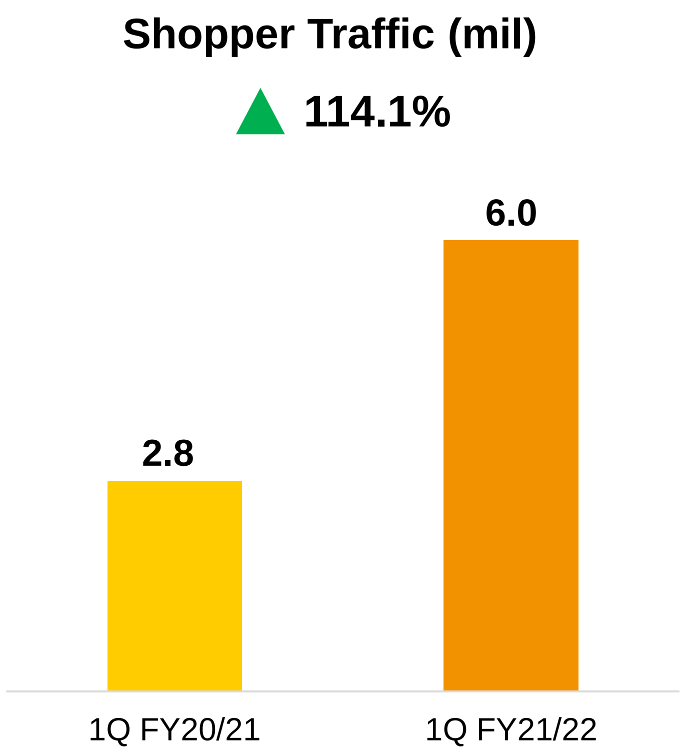
WALE	Committed Basis
Portfolio	**2.4 years**[1]
Retail	2.2 years
Office/Business Park	2.6 years

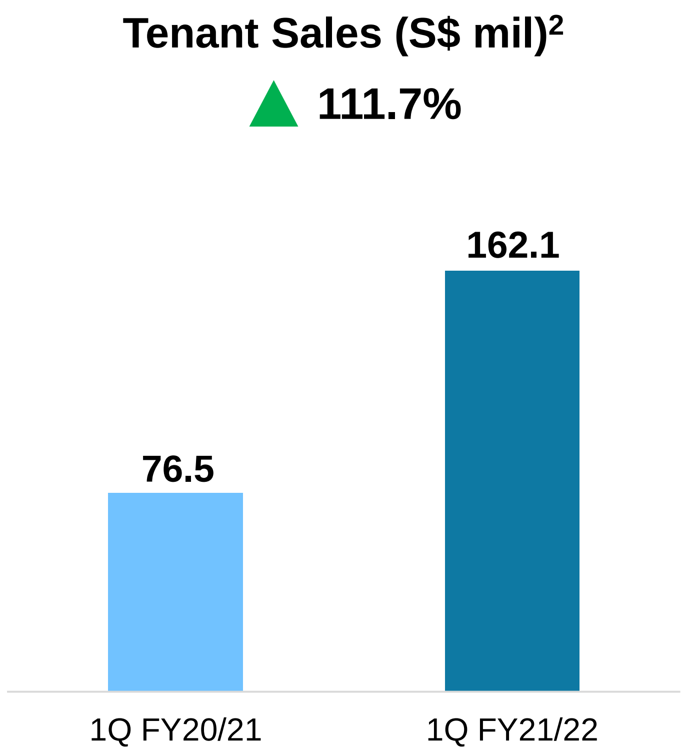


1. Portfolio WALE was 2.2 years based on the date of commencement of leases.

VivoCity – Shopper Traffic and Tenant Sales

1Q FY21/22 shopper traffic and tenant sales dampened by five-week cessation of dining-in
Year-on-year growth mostly due to ten-week closure of non-essential businesses in 1Q FY20/21[1]





1. Refers to circuit breaker from 7 April to 1 June 2020 and Phase One easing of circuit breaker from 2 to 18 June 2020 during which the majority of businesses were closed, as well as prolonged work-from-home directives, restrictions on atrium events and border closures.
2. Includes estimates of tenant sales for a small portion of tenants.

VivoCity – Recovery Momentum Disrupted by Retightened Measures

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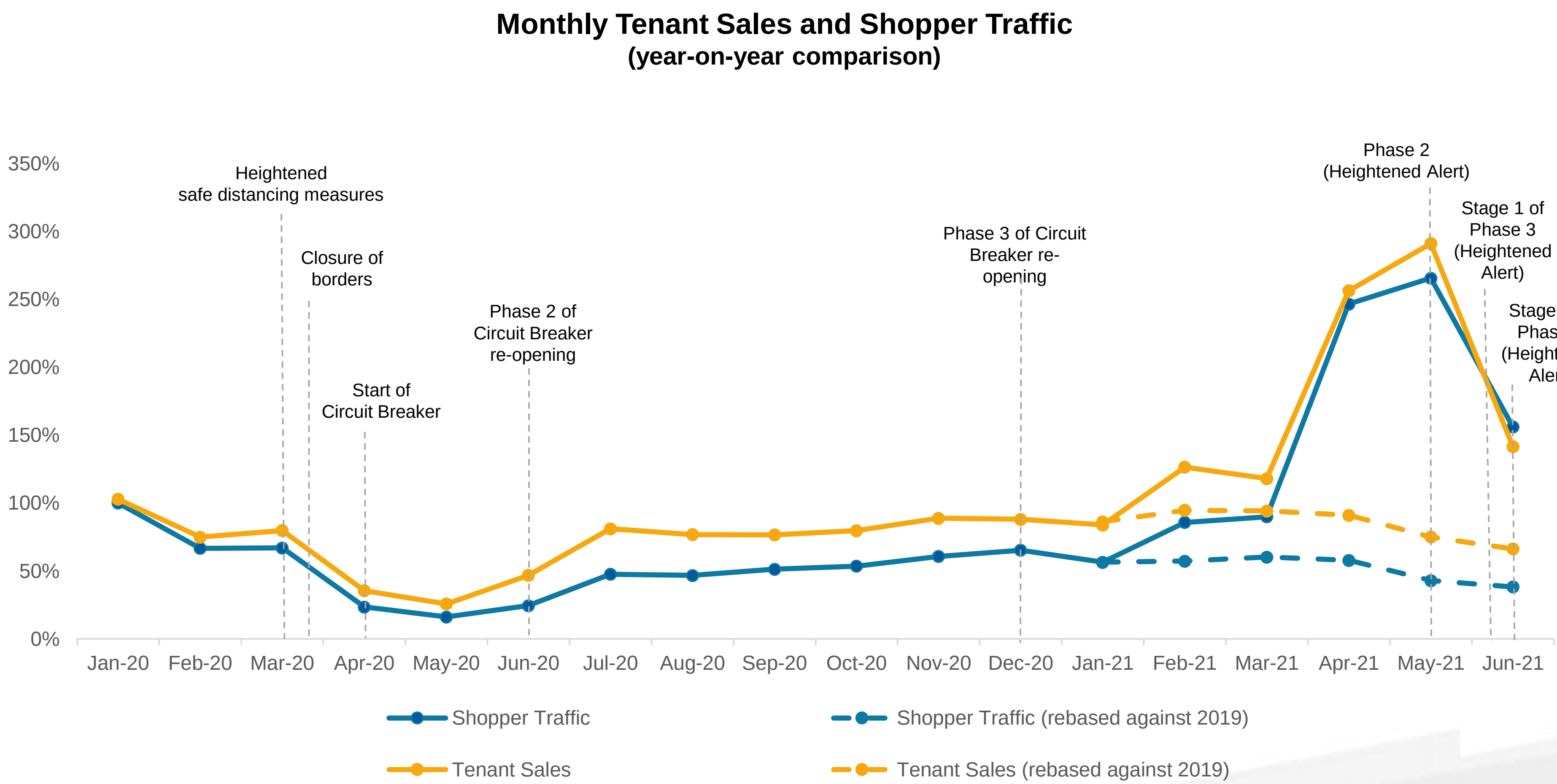
For the period from 21 to 30 June 2021, when dining-in was allowed to resume, the average daily shopper traffic reached about half of pre-COVID levels



Swiftly Rendered Assistance When COVID-19 Measures Were Reimposed

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Provided rental rebates to eligible retail tenants totalling 0.6 month[1] of fixed rents in 1Q FY21/22
Commits to render additional assistance where warranted

COVID-19 Timeline	
7 Feb 2020	Government raised DORSCON[2] 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 • All non-essential industries and retail shall be closed • The public is required to stay at home unless for essential services
2 Jun 2020	Easing of circuit breaker. *Phase One: Safe Re-opening* – majority of business remained closed
From 19 Jun 2020	Further easing of circuit breaker *Phase Two: Safe Transition* – most businesses allowed to resume operations; social gatherings allowed in groups of five
From 28 Sep 2020	Up to 50% of workforce allowed to return to their workplaces
From 28 Dec 2020	Further easing of circuit breaker *Phase Three: Safe Nation* – increased capacity limits for events and activities; social gathering sizes raised from five to eight
From 5 Apr 2021	More employees (up to 75% of workforce) allowed to return to their workplaces
From 8 May 2021	Tightened circuit breaker measures. Workplace capacity reverted to 50% and social gathering limits reduced to from eight to five
From 16 May 2021	*Phase Two (Heightened Alert)* – Cessation of dining-in at all F&B establishments, reduced social gathering limit from five to two and resumption of work-from-home as default arrangement
From 14 Jun 2021	*Phase Three (Heightened Alert) Stage 1* – Gradual lifting of restrictions. Increased limits on social groups from two to five
From 21 Jun 2021	*Phase Three (Heightened Alert) Stage 2* – Dining-in allowed to resume for groups of two
From 12 Jul 2021	Further increase in social gathering limits and dine-in capacity limit raised to five. Borders remain closed
From 22 Jul 2021	Dining-in halted, social group sizes reduced to two as Singapore returns to *Phase Two (Heightened Alert)*

Period	Average quantum of rental rebate/waiver for eligible tenants
March 2020 – March 2021	~4.4 months[3]
1Q FY21/22	~0.6 month
Total to date	**~5.0 months**

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

VivoCity – Continuous Effort in Injecting Novelty

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Introduced new and refreshing retail concepts in spite of COVID-19 disruptions

Foot Locker – Retails popular sneaker brands under one roof, catering to the growing athleisure demand

DJI – Renowned maker of camera drones opened its retail and service centre

Love & Co – Specialises in couple bands and engagement rings

Genki Sushi – Japanese restaurant serving sushi on conveyor belts

Yakiniku Like – Japanese restaurant that offers a solo-dining barbeque concept with top-quality meats at value prices

Note: The above only represents a portion of tenants that were introduced in 1Q FY21/22.

Outlook

Mapletree Business City

Outlook

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Singapore Economy

- Based on the Ministry of Trade and Industry's ("MTI") advance estimates, the Singapore economy grew by 14.3% on a year-on-year basis in the second quarter of 2021, extending the 1.3% growth in the previous quarter. The strong growth was largely due to the low base in the second quarter of 2020 when GDP fell by 13.3% due to the circuit breaker implemented from 7 April to 1 June 2020. On a quarter-on-quarter seasonally-adjusted annualised basis, the economy contracted by 2.0% in the second quarter, a reversal from the 3.1% growth in the preceding quarter.

Retail

- According to CBRE, the retail sector encountered another setback with stricter measures during Phase 2 (Heightened Alert) from 16 May till 13 June 2021. With work-from-home remaining as the default and borders still closed, the retail market continues to face pressures albeit with a smaller magnitude of rental decline.
- Even though the sector is poised to benefit from an improvement in economic activity and consumer sentiment on the back of vaccination rollout, secondary outbreaks could pose disruptions and border controls will continue to impede full market recovery for the rest of 2021.

Sources: The Singapore Ministry of Trade and Industry Press Release, 14 July 2021 and CBRE MarketView Singapore Q2 2021

Outlook

Office

- The initial positive leasing momentum in the first half of Q2 2021 was halted with the tightening of measures in May 2021 under Phase 2 (Heightened Alert). Work-from-home became the default again and these restrictions impacted leasing enquiry levels.
- With limited new and expansionary demand, most leasing transactions comprised renewals and relocations. With the tight vacancy in the Grade A market, some landlords of better performing buildings have begun to push for higher rents. Conversely, it was more challenging for the Grade B market to backfill existing vacancies.
- Going forward, there are still potential risks on the demand side, but the tapering supply pipeline bodes well for the market. The market remains two-tiered in the medium term – the outlook for Grade A market looks positive, but recovery for Grade B market is likely to lag behind.

Business Park

- The overall leasing interest in the business park market was relatively subdued with renewals being the key driver of leasing activities in Q2 2021.
- The City Fringe submarket continued to be underpinned by tight availability of space. The Rest of Island submarket saw some positive take-up but given the high vacancy rates, landlords maintained some flexibility in rental negotiations to shore up occupancy levels.

Outlook

Business Park (cont'd)

- Going forward, any rental growth is likely to stem from the City Fringe submarket given limited upcoming supply and strong demand. However, upcoming supply within the Rest of Island submarket is likely to put further downward pressure on rents. Nonetheless, overall demand for the business park market remains resilient.

Overall

- Although Singapore is once again retightening measures to contain the community spread of COVID-19, positive momentum is expected to resume once measures are eased again. Although downside risks remain in this fluid environment, we also expect recovery to be nearer than before as the country continues to make progress in vaccinating the majority of the population.
- MCT's focus remains to maintain a healthy portfolio occupancy and sustainable rental income by proactively managing our assets. MCT will also continue to be proactive and nimble in implementing appropriate measures such as assisting tenants, managing costs and mitigating the impact from further disruptions, while supporting the authorities' effort in containing the outbreak.
- Anchored by a well-diversified portfolio with key best-in-class assets, MCT is expected to derive stable cashflows from high quality tenants. MCT's overall resilience will keep the vehicle well-placed to ride through the pandemic.

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Thank You

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