



Mapletree Commercial Trust

1Q FY22/23 Business Updates

29 July 2022

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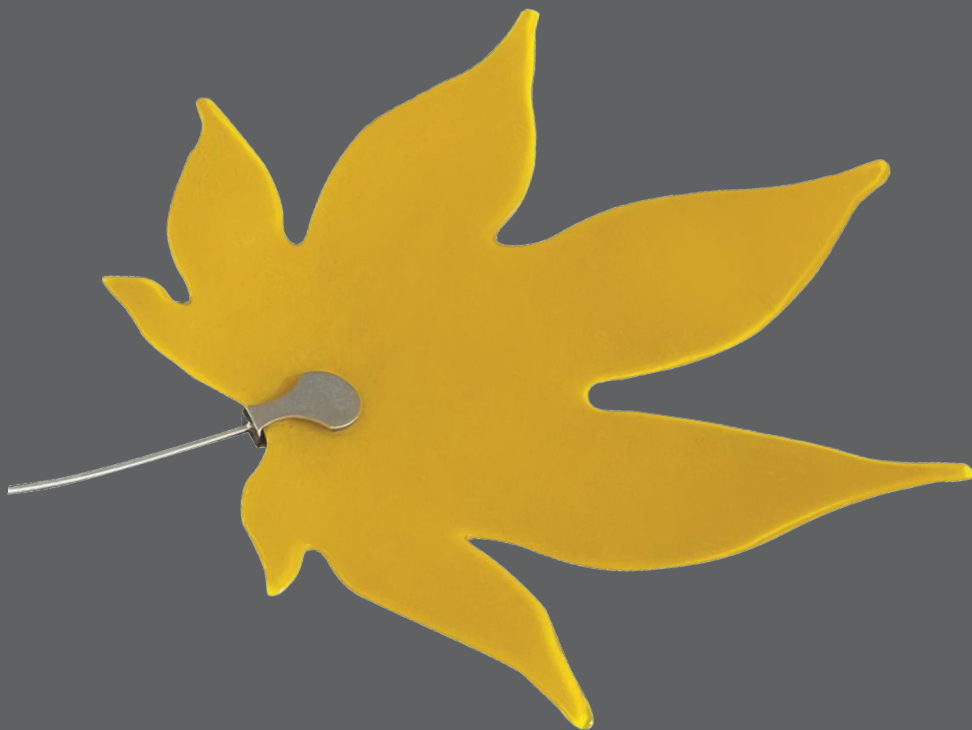
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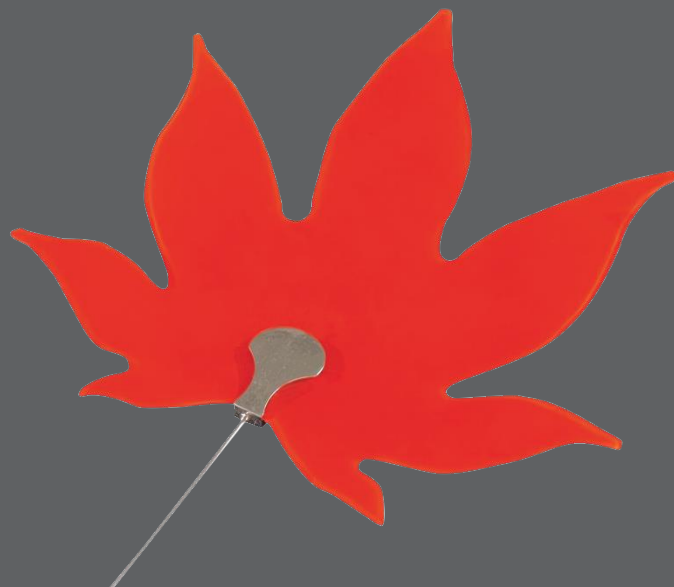
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Key Highlights



Financial Performance

- Improved 1Q FY22/23 performance in tandem with easing COVID-19 measures
- 1Q FY22/23 gross revenue and net property income (“NPI”) up 8.8% and 10.1% respectively mainly due to lower rental rebates and higher contribution from VivoCity and MBC

Portfolio Performance

- VivoCity continued steady recovery momentum with 1Q FY22/23 tenant sales surpassing pre-COVID levels¹
- Portfolio achieved 97.2% committed occupancy

1. Comparison against 1Q FY19/20.

Capital Management

- Maintained well-distributed debt maturity profile with no more than 24% of debt due for refinancing in any financial year
- Completed all term loan refinancing for FY22/23 subsequent to reporting quarter
- Priority to ensure reasonable certainty over interest expenses and seize opportunities to achieve optimal balance of risks and costs

Proposed Merger with Mapletree North Asia Commercial Trust (“MNACT”)¹

- Trust Scheme became effective on 21 July 2022 and MNACT on track to delist on 3 August 2022
- Creation of Mapletree Pan Asia Commercial Trust (“MPACT”), a flagship commercial REIT with stability and scale across key gateway markets of Asia
- Committed to MPACT unitholders and will focus on executing “4R” strategy to drive growth

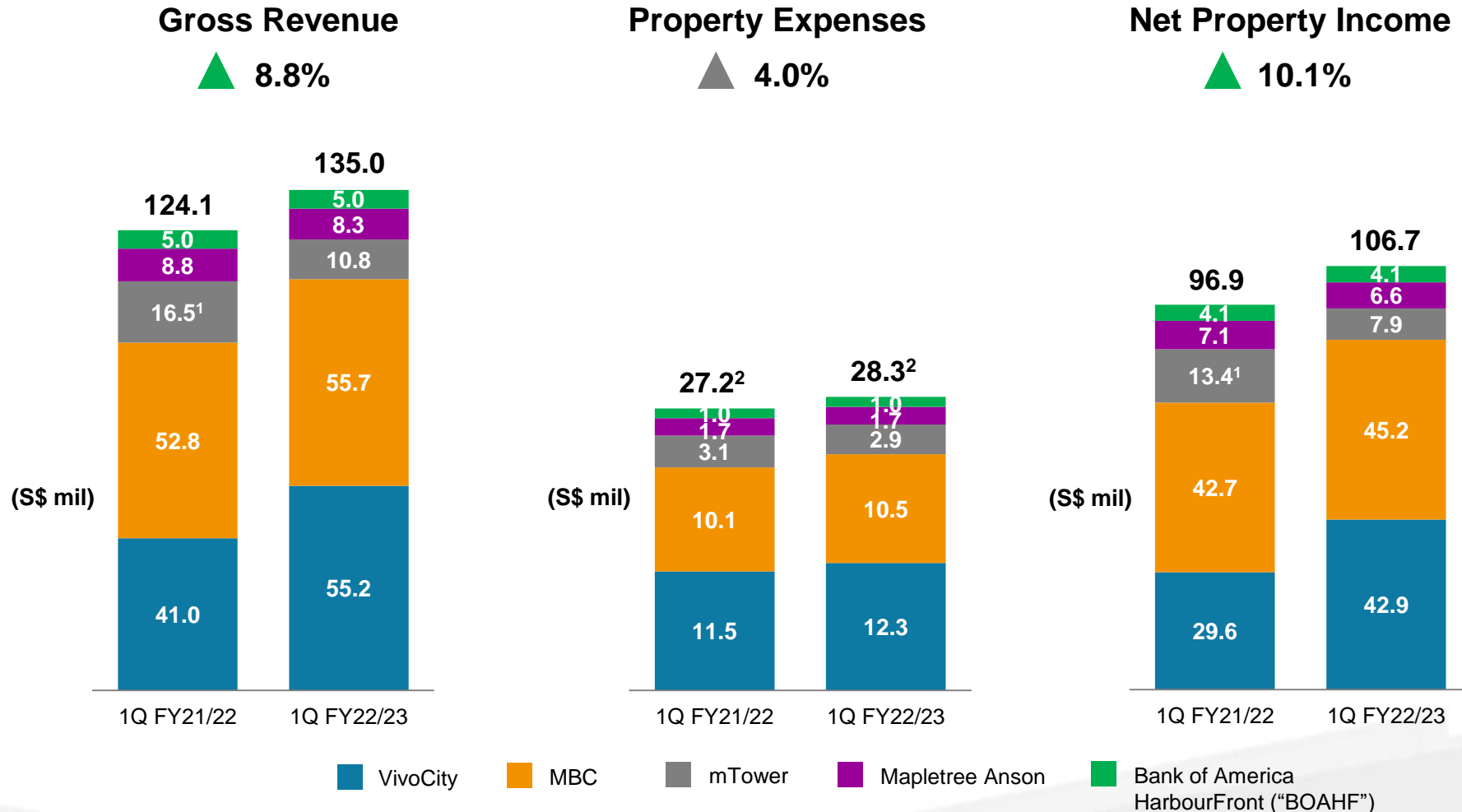
1. Unless otherwise defined, all capitalised terms used and not defined herein shall have the same meanings given to them in the circular issued by the Manager to MCT Unitholders on 29 April 2022 (the “Circular”).



**Financial
Performance**

1Q FY22/23 Segmental Results

1Q FY22/23 gross revenue and NPI up 8.8% and 10.1% respectively
Mostly due to lower rental rebates and higher contribution from VivoCity and MBC



1. A one-off compensation was recorded from a lease pre-termination at mTower in 1Q FY21/22.
2. Total does not add up due to rounding differences.

Key Financial Indicators

Maintained strong balance sheet
Every 50 bps change in SORA¹ estimated to impact DPU by 0.10 cents p.a.

	As at 30 June 2022	As at 31 March 2022	As at 30 June 2021
Total Debt Outstanding	S\$3,014.0 mil	S\$3,014.0 mil	S\$3,007.0 mil
Gearing Ratio ²	33.8%	33.5%	34.2%
Interest Coverage Ratio (12-month trailing basis)	4.9 times	4.8 times	4.8 times
% Fixed Rate Debt	78.6%	80.3%	75.7%
Weighted Average All-In Cost of Debt (p.a.) ³	2.53%⁴	2.40%	2.44%⁵
Average Term to Maturity of Debt	3.0 years	3.3 years	4.0 years
Unencumbered Assets as % of Total Assets	100%	100%	100%
MCT Corporate Rating (by Moody's)	Baa1 (stable)	Baa1 (rating under review)	Baa1 (stable)

1. Refers to Singapore Overnight Rate Average.

2. Based on total gross borrowings divided by total assets. Correspondingly, the ratio of total gross borrowings to total net assets is 52.6% as at 30 June 2022.

3. Including amortised transaction costs.

4. Annualised based on the quarter ended 30 June 2022.

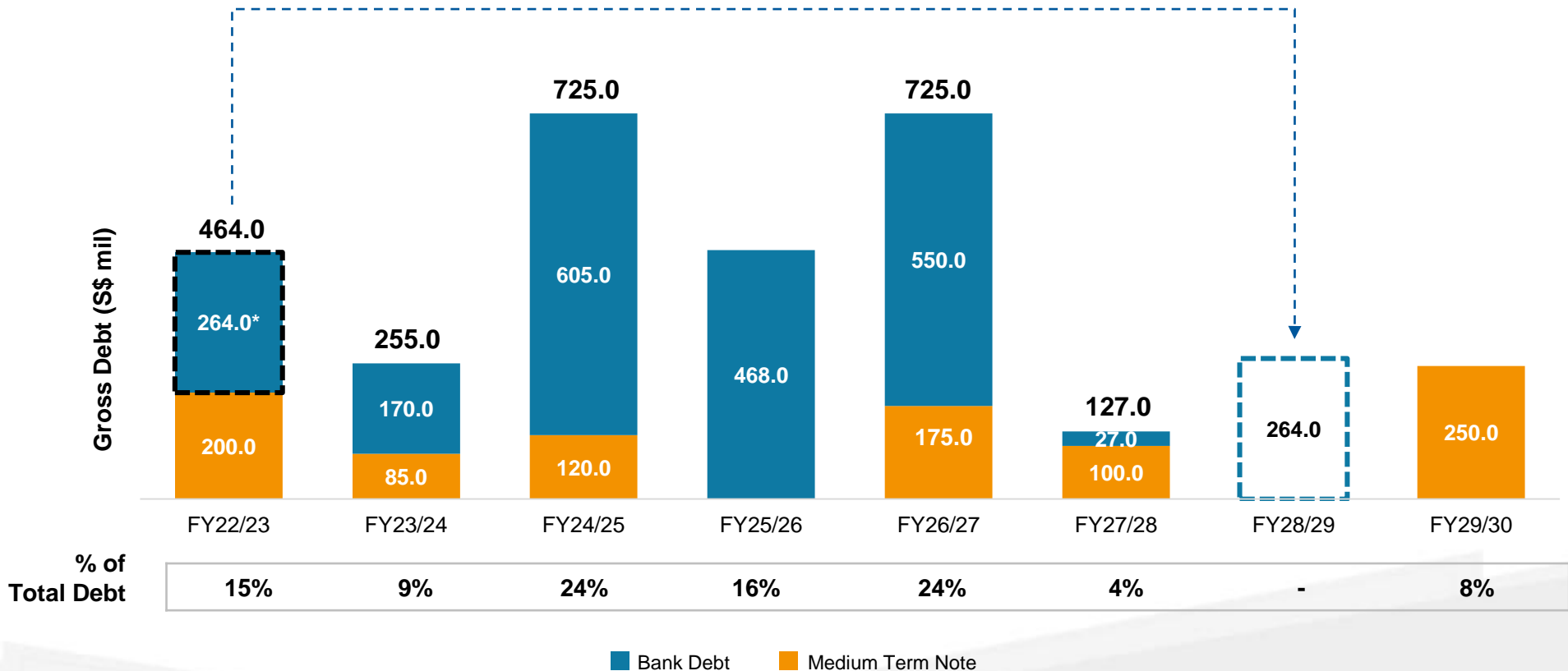
5. Annualised based on the quarter ended 30 June 2021.

Debt Maturity Profile (as at 30 June 2022)

Financial flexibility of 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\$3,014.0 mil

- Subsequent to the reporting quarter, S\$264.0 mil* of bank debt was refinanced, thus completing all term loan refinancing for FY22/23



Portfolio Updates



Portfolio Committed Occupancy

Portfolio achieved healthy committed occupancy of 97.2%

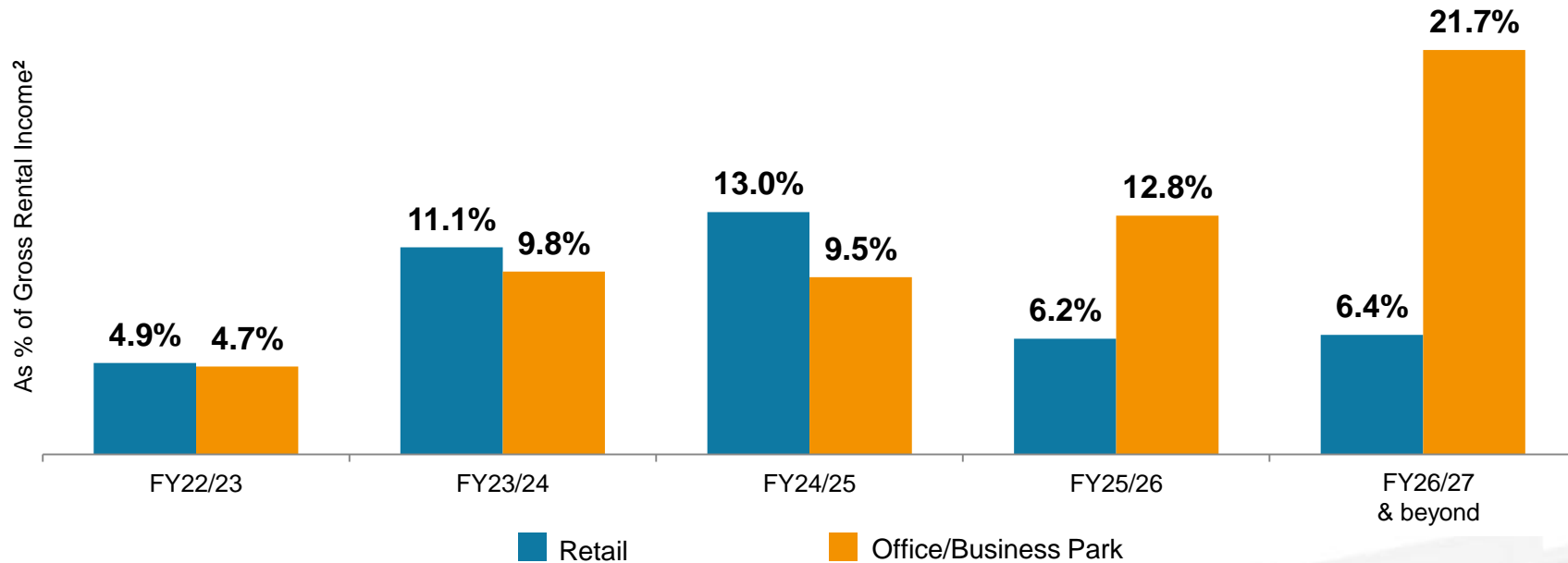
	June 2021	March 2022	30 June 2022 ¹
VivoCity	99.4%	99.2%	98.5%
MBC	96.6%	97.3%	98.2%
mTower	76.7%	88.0%	86.8%
Mapletree Anson	99.2%	100%	100%
BOAHF	100%	100%	100%
MCT Portfolio	95.4%	97.0%	97.2%

1. Occupancy rates were previously calculated on a weighted average basis for the month. On this same basis, the committed occupancy rates for June 2022 are 97.2% for MCT Portfolio, 98.5% for VivoCity, 98.1% for MBC, 86.8% for mTower, 100% for Mapletree Anson and 100% for BOAHF.

Lease Expiry Profile (as at 30 June 2022)

Portfolio resilience underpinned by well-staggered lease expiry profile

Weighted Average Lease Expiry (“WALE”)	Committed Basis
Portfolio	2.8 years ¹
Retail	2.2 years
Office/Business Park	3.2 years



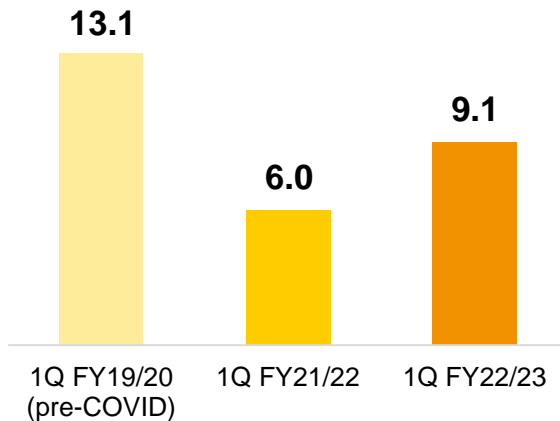
1. Portfolio WALE was 2.3 years based on the date of commencement of leases.
2. Total does not add up to 100% due to rounding differences.

VivoCity – Shopper Traffic and Tenant Sales

Continued recovery momentum in tandem with easing of wide-ranging COVID-19 measures with 1Q FY22/23 tenant sales surpassing pre-COVID levels¹

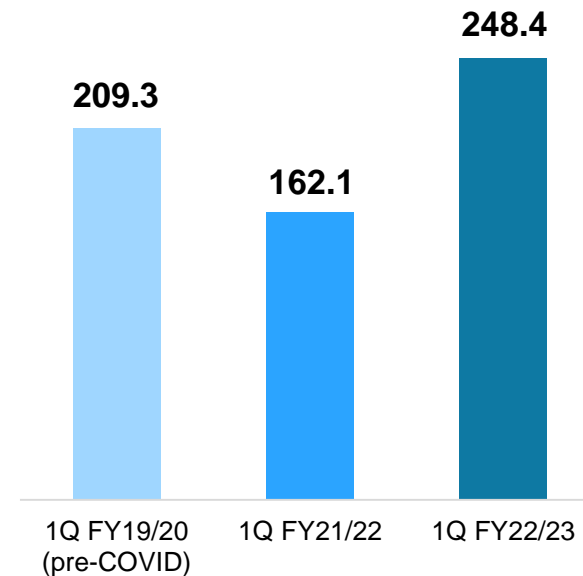
Shopper Traffic (mil)

▲ 50.9%
year-on-year



Tenant Sales (\$ mil)²

▲ 53.3%
year-on-year



1. Compared against 1Q FY19/20.

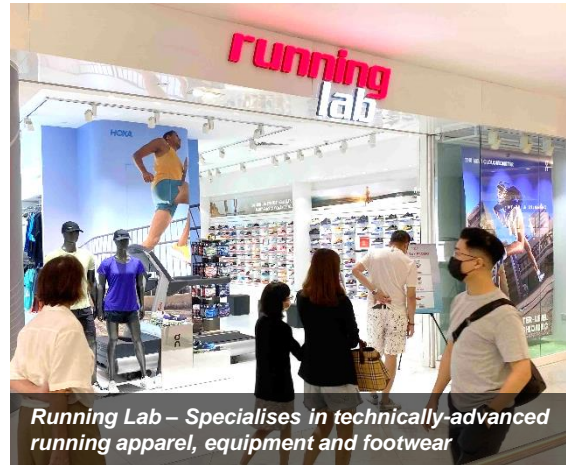
2. Includes estimates of tenant sales for a small portion of tenants.

VivoCity – Continuous Effort in Injecting Novelty

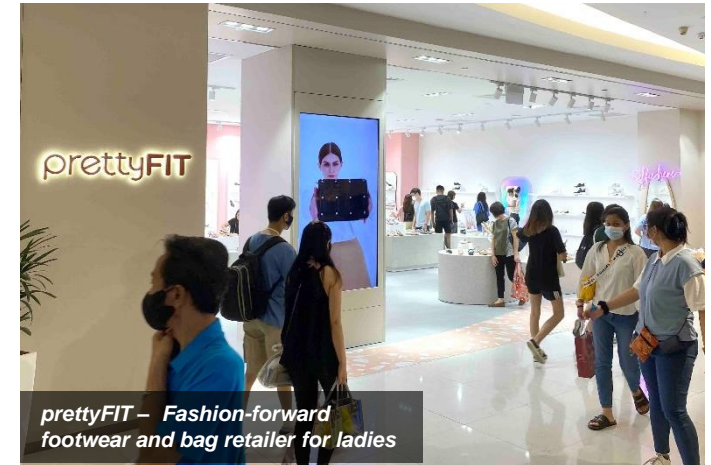
Curating a vibrant retail mix with new tenants and change in concepts



Chocolate Origin with CACAOCAT – Homegrown retailer specialising in chocolate confectionery



Running Lab – Specialises in technically-advanced running apparel, equipment and footwear



prettyFIT – Fashion-forward footwear and bag retailer for ladies



Sanook Kitchen – Offers authentic yet affordable Thai food




HOOGA – Local home décor brand with Scandinavian design influence



Jollibee – Popular fast food chain with more than 1,200 stores worldwide

Note: The above only represents a portion of tenants that were introduced and refreshed in 1Q FY22/23.



Proposed Merger with Mapletree North Asia Commercial Trust

Progress Update on the Merger

Trust Scheme became effective on 21 July 2022 MNACT on track to be delisted on 3 August 2022

✓ 1	Unitholders' approvals	<ul style="list-style-type: none"> Merger approved by Unitholders on 23 May 2022
✓ 2	Court hearing to sanction Trust Scheme	<ul style="list-style-type: none"> Trust Scheme sanctioned by Court on 7 June 2022
✓ 3	Election Period (in respect of the Scheme Consideration) for MNACT Unitholders	<ul style="list-style-type: none"> Election period from 15 June 2022 to 29 June 2022 Based on the results of the elections for the Scheme Consideration made by the MNACT Unitholders in relation to the Trust Scheme, the cash component payable by MCT for the Scheme Consideration is approximately S\$2,454.5 million in aggregate Accordingly, 1,018,382,531 Preferential Offering Units have been issued by the MCT Manager, on the basis of 306 Preferential Offering Units for every 1,000 existing MCT Units held by Eligible Unitholders, at the issue price of S\$2.0039 per Preferential Offering Unit, raising gross proceeds of approximately S\$2,040.7 million. The remaining amount of approximately S\$413.8 million required for the cash component of the Scheme Consideration will be funded through debt
✓ 4	Application Period (in respect of the Preferential Offering) for MCT Unitholders	<ul style="list-style-type: none"> Application period from 12 July 2022 to 20 July 2022 Date of commencement of trading of Preferential Offering Units: 28 July 2022 Pursuant to the MIPL Undertaking, Sienna Pte. Ltd., being an MIPL Entity, has accepted and subscribed for 1,008,629,340¹ of the 1,018,382,531 Preferential Offering Units as part of its commitment and conviction in MPACT MIPL has further agreed to voluntary 6-month lock-up of the unitholdings of the MIPL Entities in the Merged Entity following the completion of the Preferential Offering
✓ 5	Record date for clean-up distribution	<ul style="list-style-type: none"> 5.00 p.m. on 20 July 2022 Clean-up distribution to MCT Unitholders is in respect of the period from 1 April 2022 up to 20 July 2022 (being the day immediately before the Effective Date) (the "MCT Clean-up Distribution"). Actual quantum and further details will be announced at a later date
6	Effective Date ²	<ul style="list-style-type: none"> 21 July 2022
✓ 7	Date of commencement of trading of Preferential Offering Units ³	<ul style="list-style-type: none"> 28 July 2022
✓ 8	Payment of Scheme Consideration to MNACT Unitholders and date of commencement of trading of Consideration Units ^{3,4}	<ul style="list-style-type: none"> 29 July 2022
✓ 9	Expected date of delisting of MNACT	<ul style="list-style-type: none"> 3 August 2022

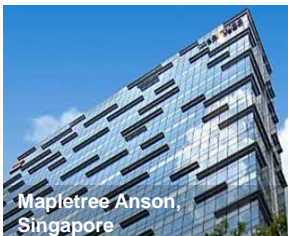
1. This represents the aggregate of Sienna's valid acceptances of pro rata provisional allotment and excess applications.

2. The date on which the Trust Scheme became effective in accordance with its terms.

3. The Preferential Offering Units and the Consideration Units will be entitled to any distributions which may be declared, paid or made in respect of any period commencing on or after 21 July 2022. For the avoidance of doubt, the Preferential Offering Units and the Consideration Units will not be entitled to the MCT Clean-up Distribution.

4. The MNACT Unitholders will, as unitholders of the Merged Entity, be able to commence trading of the Consideration Units on the SGX-ST on the Scheme Settlement Date from 9.00 a.m. on 29 July 2022. Upon completion of the Merger, the Merged Entity is expected to have total units outstanding of 5,232,164,608.

Creation of a Flagship Asian Commercial REIT with Stability and Scale



maple^{re}tree
commercial

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

Strength



maple^{re}tree
north asia commercial

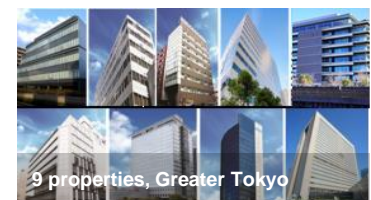
First and only North Asia focused REIT listed in Singapore, with properties in key gateway markets including China, Hong Kong SAR¹, Japan and South Korea

Growth

maple^{re}tree
pan asia commercial

18 commercial properties across 5 key gateway markets of Asia with total AUM of over S\$17 billion

Well-balanced across the commercial sub asset classes, which includes retail, office and business park segments



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

“4R” Asset and Capital Management Strategy

The MCT Manager is ready and remains committed to MPACT Unitholders in undertaking the responsibility of executing its “4R” Asset and Capital Management Strategy to drive growth in MPACT



Singapore
Core and Stability

- Will remain a core market to provide underlying portfolio stability



South Korea
Step-Up and Grow

- Favourable market dynamics makes it primed for targeted expansion



Hong Kong SAR
Recovery

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



Japan
Rebalance

- Capitalise on opportunities to recycle capital



China
Harvest and Grow

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



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



Unlock value through selective strategic divestments at an opportune time



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

Outlook



Outlook

Singapore Economy

- Based on advance estimates, the Singapore economy grew by 4.8% on a year-on-year basis in the second quarter of 2022, extending the 4.0% growth recorded in the previous quarter. On a quarter-on-quarter seasonally adjusted basis, GDP was unchanged in the second quarter, after posting an expansion of 0.9% in the first quarter.

Retail

- According to CBRE, retail indicators continued to improve alongside the easing of border restrictions and measures for dine-in, entertainment and social events from 1 April 2022. Although borders have reopened and visitor arrivals have seen a sharp increase, retailers are cautiously optimistic about the eventual return of tourist spending in view of uncertain economic growth and rising inflation.
- Given manpower shortages and rising input costs faced by retailers, landlords' capacity to raise rents in the near term is inhibited. With below-historical average new supply in the next few years, CBRE expects a more meaningful rent recovery after H2 2022.

Sources: The Singapore Ministry of Trade and Industry Press Release, 14 July 2022 and CBRE Figures, Singapore, Q2 2022.

Office

- Positive leasing momentum carried over to Q2 2022 as Singapore eased workplace restrictions and allowed 100% of employees to return to office from 26 April 2022.
- The recent tech market volatility may have raised concerns of demand cooling for office space in Singapore, but CBRE expects well-established and financially-sound tech companies to continue to grow their footprint in Singapore as their long-term prospects remain intact.

Business Park

- Similar to previous quarters, there was steady leasing interest from pharmaceutical and biomedical companies actively seeking to expand their R&D and lab facilities. Their preference was mainly confined within the City Fringe. Less downsizing activity was seen for renewals among the banking sector.
- The average annual pipeline supply over the next three years will be at a historical high with higher concentration risk in the Rest of Island submarket. This could potentially exert more pressure on Rest of Island rents. However, rents in City Fringe are expected to remain resilient given the lack of new options.
- Looking ahead, business parks could benefit from office recovery, where the widening rental gap between office and business parks could lend support to the latter.

Overall

- Singapore has significantly relaxed COVID-19 measures and we have observed encouraging operating indicators on the ground. However, the external economic environment has deteriorated due to the continued Russia-Ukraine conflict. Increasing inflationary pressures especially from rising energy prices and interest rate hikes could impede full recovery.
- The Manager will keep its focus on maintaining healthy portfolio occupancy and steady rental income, while managing costs in a sustainable manner. In navigating the volatile interest rate environment, the management priority will be to ensure reasonable certainty over interest expenses while achieving an optimal balance of risks and costs.
- Post-merger, the creation of MPACT is expected to take MCT to the next level. As a flagship commercial REIT with stability and scale across key gateway markets of Asia, MPACT will stay resilient through economic cycles. The enlarged scale and stronger financial muscles will also enable the vehicle to pursue capital recycling, asset enhancement and acquisition opportunities.



Thank You

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