

MAPLETREE PAN ASIA COMMERCIAL TRUST UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS AND DISTRIBUTION ANNOUNCEMENT FOR THE FIRST HALF FINANCIAL PERIOD FROM 1 APRIL 2022 TO 30 SEPTEMBER 2022

TABLE OF CONTENTS

Item No.	Description	Page No.
-	Introduction	2
-	Summary Results of Mapletree Pan Asia Commercial Trust Group and Distribution Details	3
-	Condensed Interim Financial Statements	
1(a)	Consolidated Statement of Profit or Loss and Distribution Statement	4
1(b)	Consolidated Statement of Comprehensive Income	8
2	Statements of Financial Position	9
3	Consolidated Statement of Cash Flows	12
4	Statements of Movements in Unitholders' Funds	14
5	Notes to the Condensed Interim Financial Statements	16
-	Other Information	
6	Review of the Condensed Interim Financial Statements	27
7	Review of the Performance	27
8	Variance between Actual and Forecast Results	28
9	Outlook and Prospects	28
10 & 11	Distributions	31,33
12	General Mandate relating to Interested Person Transactions	33
13	Confirmation pursuant to Rule 720(1) of the Listing Manual	33
14	Confirmation pursuant to Rule 705(5) of the Listing Manual	33
15	Additional Information Required Pursuant to Rule 706A of the Listing Manual	33

MAPLETREE PAN ASIA COMMERCIAL TRUST UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS AND DISTRIBUTION ANNOUNCEMENT FOR THE FIRST HALF FINANCIAL PERIOD FROM 1 APRIL 2022 TO 30 SEPTEMBER 2022

INTRODUCTION

Mapletree Pan Asia Commercial Trust (“MPACT”) is a real estate investment trust (“REIT”) positioned to be the proxy to key gateway markets of Asia. Listed on the SGX-ST, it made its public market debut as Mapletree Commercial Trust (“MCT”) on 27 April 2011.

On 21 July 2022, the Manager announced the completion of the merger of MCT and Mapletree North Asia Commercial Trust (“MNACT”) by way of a trust scheme of arrangement (the “Merger”, the “Trust Scheme”). Following which, MNACT Group’s financials is consolidated into MPACT Group from 21 July 2022, the effective date of Trust Scheme. On this date, the new management fee structure pegged to distributable income and DPU growth also took effect. On 3 August 2022, MNACT was delisted and consequently on the same day the merged entity was renamed as MPACT.

MPACT’s principal investment objective is to invest 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, as well as real estate-related assets, in the key gateway markets of Asia (including but not limited to Singapore, China, Hong Kong, Japan and South Korea).

As at 30 September 2022, MPACT’s total assets under management was S\$16.9 billion¹, comprising 18 commercial properties (the “Properties”) across five key gateway markets of Asia - five in Singapore, one in Hong Kong, two in China, nine in Japan and one in South Korea.

Within Singapore, the Properties are:

- 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 – an established integrated development with a 40-storey office block and a three-storey retail centre, Alexandra Retail Centre (“ARC”), located in the Alexandra Precinct;
- Mapletree Anson – a 19-storey premium office building located in Singapore’s Central Business District; and
- Bank of America HarbourFront (“BOAHF”) – A premium six-storey office building located in the HarbourFront Precinct.

Outside Singapore, the Properties are:

- Festival Walk, Hong Kong² – a landmark territorial retail mall with an office component;
- Gateway Plaza, China – a Grade A office building with a podium area in Lufthansa sub-market within Beijing;
- Sandhill Plaza, China – a Grade A business park development in Zhangjiang Science City (Zhangjiang), a key business and innovation hub in Pudong, Shanghai;
- Japan Properties – nine freehold properties comprising five office buildings in Tokyo (IXINAL Monzen-nakacho Building, Higashi-nihonbashi 1-chome Building, TS Ikebukuro Building, Omori Prime Building and Hewlett-Packard Japan Headquarters Building (“HPB”)); an office building in Yokohama (ABAS Shin-Yokohama Building) and three office buildings in Chiba (SII Makuhari Building, Fujitsu Makuhari Building and mBAY POINT Makuhari); and
- The Pinnacle Gangnam (“TPG”), South Korea – a freehold Grade A office building with retail amenities located in Gangnam Business District, Seoul.

MPACT’s distribution policy is to distribute at least 90% of its taxable income. With effect from 1 April 2020, the distribution is paid out on a half-yearly basis. The Group will revert back to quarterly distribution with effect from 3Q FY22/23.

Footnotes:

1. Includes MPACT’s 50% effective interest in TPG.
2. Where “Hong Kong” is mentioned, it refers to the Hong Kong Special Administrative Region.

MAPLETREE PAN ASIA COMMERCIAL TRUST UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS AND DISTRIBUTION ANNOUNCEMENT FOR THE FIRST HALF FINANCIAL PERIOD FROM 1 APRIL 2022 TO 30 SEPTEMBER 2022

SUMMARY RESULTS OF MAPLETREE PAN ASIA COMMERCIAL TRUST GROUP

	1H FY22/23¹ (S\$'000)	1H FY21/22 (S\$'000)	Variance %
Gross revenue	353,162	243,722	44.9
Property operating expenses	(77,987)	(53,867)	(44.8)
Net property income	275,175	189,855	44.9
Amount available for distribution	201,980	146,456	37.9
- to Unitholders	200,970	146,456	37.2
- to Perpetual securities holders	1,010	-	N.M.
Distribution per unit (cents)	4.94 ²	4.39	12.5

N.M.: Not meaningful

Footnotes:

1. The 1H FY22/23 results include MNACT Group's contribution from 21 July 2022 to 30 September 2022.
2. This comprises clean-up distribution of 3.04 cents per unit for the period from 1 April 2022 to 20 July 2022 ("Clean-up Distribution") paid on 25 August 2022 and 1.90 cents of distribution per unit for the period from 21 July 2022 to 30 September 2022 that will be paid on 7 December 2022.

DISTRIBUTION DETAILS

Distribution period	21 July 2022 to 30 September 2022
Distribution rate/ type	Taxable income distribution of 1.19 cents per unit Tax-exempt income distribution of 0.62 cent per unit Capital distribution of 0.09 cent per unit
Trade ex-date	3 November 2022, 9.00 a.m.
Record date	4 November 2022, 5.00 p.m.
Payment date	7 December 2022

MAPLETREE PAN ASIA COMMERCIAL TRUST UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS AND DISTRIBUTION ANNOUNCEMENT FOR THE FIRST HALF FINANCIAL PERIOD FROM 1 APRIL 2022 TO 30 SEPTEMBER 2022

CONDENSED INTERIM FINANCIAL STATEMENTS

1(a) Consolidated Statement of Profit or Loss and Distribution Statement

Consolidated Statement of Profit or Loss	1H FY22/23 (S\$'000)	1H FY21/22 (S\$'000)	Variance %
Gross revenue	353,162	243,722	44.9
Property operating expenses ¹	(77,987)	(53,867)	(44.8)
Net property income	275,175	189,855	44.9
Finance income	552	147	N.M.
Finance expenses	(61,487)	(36,790)	(67.1)
Manager's management fees ²			
- Base fees	(17,392)	(11,125)	(56.3)
- Performance fees	(5,217)	(7,594)	31.3
Trustee's fees	(726)	(520)	(39.6)
Other trust expenses	(2,209)	(658)	N.M.
Foreign exchange gain/(loss) ³	9,988	(87)	N.M.
Net change in fair value of financial derivatives ⁴	3,413	224	N.M.
Profit before tax and fair value change in investment properties and share of profit of a joint venture	202,097	133,452	51.4
Net change in fair value of investment properties ⁵	142,175	41,885	N.M.
Share of profit of a joint venture ⁶	5,899	-	N.M.
Profit for the financial period before tax	350,171	175,337	99.7
Income tax expense ⁷	(9,461)	(3)	N.M.
Profit for the financial period after tax	340,710	175,334	94.3
Attributable to:			
- Unitholders	339,458	175,334	93.6
- Perpetual securities holders ⁸	1,010	-	N.M.
- Non-controlling interest ⁹	242	-	N.M.
Profit for the financial period after tax	340,710	175,334	94.3
Earnings per unit (cents)			
- Basic	8.49	5.28	60.8
- Diluted	8.49	5.28	60.8

MAPLETREE PAN ASIA COMMERCIAL TRUST UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS AND DISTRIBUTION ANNOUNCEMENT FOR THE FIRST HALF FINANCIAL PERIOD FROM 1 APRIL 2022 TO 30 SEPTEMBER 2022

1(a) Consolidated Statement of Profit or Loss and Distribution Statement (continued)

Distribution Statement	1H FY22/23 (S\$'000)	1H FY21/22 (S\$'000)	Variance %
Profit for the financial period after tax before distribution	339,458	175,334	93.6
Adjustments:			
- Share of net change in fair value of investment property of a joint venture	(4,818)	-	N.M.
- Trustee's fees	726	520	39.6
- Financing fees	3,016	1,713	N.M.
- Management fees paid/payable in units	9,112	7,687	18.5
- Net unrealised change in fair value of financial derivatives	9,521	(224)	N.M.
- Net change in fair value of investment properties	(142,175)	(41,885)	N.M.
- Net unrealised foreign exchange (gain)/loss	(9,948)	87	N.M.
- Deferred tax expenses	2,036	-	N.M.
- Net realised gain from unwinding of a financial derivatives instrument ¹⁰	(9,258)	-	N.M.
- Net effect of other non-tax deductible items and other adjustments ¹¹	3,300	3,224	2.4
Amount available for distribution to Unitholders	200,970	146,456	37.2
Comprising:			
- Taxable income	162,936	132,769 ¹²	22.7
- Tax-exempt income	32,584 ¹³	10,699 ¹⁴	N.M.
- Capital distribution	5,450	2,988	82.4
	200,970	146,456	37.2

Footnotes:

1. Included as part of the property operating expenses were the following:

	1H FY22/23 (S\$'000)	1H FY21/22 (S\$'000)	Variance %
Depreciation	264	74	N.M.
Impairment of trade receivables	36	54	(33.3)
Fixed asset written off	11	-	N.M.

2. Effective from 21 July 2022, the management fee structure is pegged to distributable income and DPU growth.
3. This mainly relates to the Japanese Yen ("JPY") denominated medium term notes ("MTN") issued in March 2015. The foreign exchange gain/(loss) is unrealised and arose from the translation of the JPY MTN into MPACT Treasury Company Pte. Ltd.'s ("MPACT TCo") functional currency in Singapore dollar. A cross currency interest rate swap ("CCIRS") has been entered into to hedge against any foreign exchange exposure on the principal and interest payments. The unrealised foreign exchange gain/(loss) has no impact on the amount available for distribution to Unitholders.

MAPLETREE PAN ASIA COMMERCIAL TRUST UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS AND DISTRIBUTION ANNOUNCEMENT FOR THE FIRST HALF FINANCIAL PERIOD FROM 1 APRIL 2022 TO 30 SEPTEMBER 2022

1(a) Consolidated Statement of Profit or Loss and Distribution Statement (continued)

4. This relates to the revaluation of the CCIRS which was entered into to hedge against the foreign exchange risk exposure, the revaluation of the currency forwards which was entered into to hedge against the foreign exchange risk exposure arising from highly probable transactions and any cumulative gain on the financial derivative instruments, previously recognised directly in other comprehensive income, reclassified to profit or loss when hedge accounting were discontinued and the hedged cash flows are no longer expected to occur. The CCIRS and currency forwards are not designated for hedge accounting and any change in fair value of these derivative financial instruments have been taken to profit or loss. The unrealised fair value change of financial derivatives has no impact on amount available for distribution to Unitholders.
5. This relates to the net change in investment properties values. The breakdown was as follows:

	1H FY22/23 (S\$'000)	1H FY21/22 (S\$'000)	Variance %
Change in fair value of investment properties	-	39,038	(100.0)
Excess of fair value of investment properties acquired over fair value of consideration transferred	142,175	-	N.M.
Effects of recognising rental incentives on a straight-line basis over the lease terms	-	2,847	(100.0)
Net change in fair value of investment properties recognised in profit or loss	142,175	41,885	N.M.

The Merger is accounted for as an asset acquisition on completion of the transaction. The related transaction costs and the differences between the scheme consideration and the acquired net assets (collectively "discount over net assets acquired") are initially capitalised/allocated to the investment properties and investment in joint venture, which were subsequently re-measured at fair value.

The scrip component of the scheme consideration was based on S\$2.0039 per consideration unit, being the scheme issue price. In determining the fair value of the scheme consideration, 1-day Volume-Weighted Average Price of S\$1.804 per consideration unit was used. The movement in unit price resulted in a discount over net assets acquired of S\$146,993,000, of which S\$142,175,000 and S\$4,818,000 were attributable to the investment properties acquired and investment in joint venture respectively.

The valuation of the acquired investment properties has not changed materially since the date of acquisition. The fair value gain recorded in 1H FY22/23 arose from a lower fair value of the consideration at the date of acquisition based on the traded price of MPACT units, rather than to a change in fair value of the acquired property portfolio.

For 1H FY21/22, the amount arises from the independent valuations carried out as at 30 September 2021 and includes effects of recognising rental incentives on a straight-line basis over the lease terms.

MAPLETREE PAN ASIA COMMERCIAL TRUST UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS AND DISTRIBUTION ANNOUNCEMENT FOR THE FIRST HALF FINANCIAL PERIOD FROM 1 APRIL 2022 TO 30 SEPTEMBER 2022

1(a) Consolidated Statement of Profit or Loss and Distribution Statement (continued)

6. This relates to the 50% effective interest in TPG, held through MNACT, and includes the effects of the excess of fair value of investment property acquired over fair value of consideration transferred.

	1H FY22/23 (S\$'000)	1H FY21/22 (S\$'000)	Variance %
Share of net profit of a joint venture after tax	1,081	-	N.M.
Excess of fair value of investment property acquired over fair value of consideration transferred	4,818	-	N.M.
Share of profit of a joint venture	5,899	-	N.M.

The valuation of TPG has not changed materially since the date of acquisition. The effects of the excess of fair value of investment property acquired over fair value of consideration transferred recorded in 1H FY22/23 arose from a lower fair value of the consideration at the date of acquisition based on the traded price of MPACT units, rather than to a change in fair value of the acquired property.

7. This mainly relates to the income tax expense, withholding tax expense and deferred tax expense of MPACT TCo, 80 Alexandra Pte. Ltd. and the overseas subsidiaries subsequent to the Merger, where applicable.
8. This relates to the S\$250,000,000 perpetual securities, at coupon rate of 3.50% per annum, issued by MNACT on 8 June 2021 to partially fund the acquisition of HPB. CCIRs were entered to swap SGD coupon rate to JPY coupon rate for these perpetual securities.
9. This relates to the 1.53% effective interest in the Japan Properties held by Mapletree Investments Japan Kabushiki Kaisha.
10. The net realised gain from unwinding of a financial derivatives instrument will be available for distribution to the Unitholders by end of the financial year.
11. This mainly includes capital allowances claims, other non-tax deductible items and rollover income adjustments.
12. This includes an adjustment of S\$10.7 million arising from the COVID-19 cash grants received by the Group in FY20/21, which was included as part of the taxable income distribution in FY20/21. The COVID-19 cash grants received from the Government are exempted from tax.
13. This relates to the tax-exempt income contributed by MNACT Group subsequent to the Merger.
14. This relates to the COVID-19 cash grants received by the Group in FY20/21.

MAPLETREE PAN ASIA COMMERCIAL TRUST UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS AND DISTRIBUTION ANNOUNCEMENT FOR THE FIRST HALF FINANCIAL PERIOD FROM 1 APRIL 2022 TO 30 SEPTEMBER 2022

1(b) Consolidated Statement of Comprehensive Income

	1H FY22/23 (S\$'000)	1H FY21/22 (S\$'000)	Variance %
Profit for the financial period after tax before distribution	340,710	175,334	94.3
Other comprehensive income:			
Items that may be reclassified subsequently to profit or loss:			
Cash flow hedges			
- Fair value gain/(loss)	54,324	(1,928)	N.M.
- Reclassification to profit or loss	9,607	8,095	18.7
Net currency translation differences relating to financial statements of foreign subsidiaries and quasi-equity loans	(83,268)	-	N.M.
Share of currency translation differences relating to a foreign joint venture	(6,164)	-	N.M.
Net currency translation differences on hedges of net investment in foreign operation ¹	(169)	-	N.M.
Net currency translation differences reclassified to profit or loss	10	-	N.M.
Other comprehensive (loss)/ income, net of tax	(25,660)	6,167	N.M.
Total comprehensive income	315,050	181,501	73.6
Attributable to:			
- Unitholders	313,921	181,501	73.0
- Perpetual securities holders	1,010	-	N.M.
- Non-controlling interest	119	-	N.M.
Total comprehensive income	315,050	181,501	73.6

Footnote:

1. Relates to fair value changes on the derivative financial instruments (CCIRS to swap SGD coupon rate to JPY coupon rate) for perpetual securities issued to partially fund the acquisition of HPB.

MAPLETREE PAN ASIA COMMERCIAL TRUST UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS AND DISTRIBUTION ANNOUNCEMENT FOR THE FIRST HALF FINANCIAL PERIOD FROM 1 APRIL 2022 TO 30 SEPTEMBER 2022

2 Statements of Financial Position

	Group		MPACT	
	30 Sep 2022 (S\$'000)	31 Mar 2022 (S\$'000)	30 Sep 2022 (S\$'000)	31 Mar 2022 (S\$'000)
Current assets				
Cash and bank balances ¹	173,584	124,170	23,881	113,051
Trade and other receivables ²	16,706	2,725	3,724	3,157
Tax recoverable ³	5,851	5,849	-	-
Other assets ⁴	4,626	649	325	475
Inventories	534	-	-	-
Derivative financial instruments ⁵	56,744	-	2,814	-
	258,045	133,393	30,744	116,683
Non-current assets				
Investment properties ⁶	16,623,825	8,821,000	7,280,328	7,270,000
Plant and equipment	2,418	162	66	116
Investment in subsidiaries ⁷	-	-	4,969,433	910,964
Investment in joint venture ⁸	115,188	-	-	-
Other assets ⁴	-	2,227	-	2,227
Derivative financial instruments ⁵	150,919	27,741	68,680	27,741
	16,892,350	8,851,130	12,318,507	8,211,048
Total assets	17,150,395	8,984,523	12,349,251	8,327,731
Current liabilities				
Trade and other payables ⁹	217,990	102,919	125,545	87,046
Borrowings ¹⁰	1,361,792	460,547	169,743	263,894
Lease liabilities	69	-	-	-
Loans from a subsidiary ¹¹	-	-	186,454	196,653
Current income tax liabilities ¹²	46,838	-	-	-
Derivative financial instruments ⁵	18,840	4,570	13,711	4,570
	1,645,529	568,036	495,453	552,163
Non-current liabilities				
Other payables ⁹	142,123	53,923	58,267	49,915
Borrowings ¹⁰	5,431,184	2,543,787	1,680,694	1,179,815
Lease liabilities	114	-	-	-
Loans from a subsidiary ¹¹	-	-	728,664	728,522
Deferred tax liabilities ¹³	184,307	24,974	-	-
Derivative financial instruments ⁵	902	266	28,680	12,887
	5,758,630	2,622,950	2,496,305	1,971,139
Total liabilities	7,404,159	3,190,986	2,991,758	2,523,302
Net assets	9,746,236	5,793,537	9,357,493	5,804,429
Represented by:				
- Unitholders' funds	9,484,257	5,793,537	9,357,493	5,804,429
- Perpetual securities holders ¹⁴	249,444	-	-	-
- Non-controlling interest	12,535	-	-	-
	9,746,236	5,793,537	9,357,493	5,804,429
Units in issue ('000)	5,233,433	3,323,514	5,233,433	3,323,514
Net asset value per unit attributable to Unitholders (S\$)	1.81	1.74	1.79	1.75

MAPLETREE PAN ASIA COMMERCIAL TRUST UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS AND DISTRIBUTION ANNOUNCEMENT FOR THE FIRST HALF FINANCIAL PERIOD FROM 1 APRIL 2022 TO 30 SEPTEMBER 2022

2 Statements of Financial Position (continued)

Footnotes:

1. The increase in cash and bank balances is mainly due to the merger with MNACT, net cash generated from operations and net drawdown of bank borrowings, offset partially by payment of 2H FY21/22 distribution and Clean-up Distribution to Unitholders.
2. The increase in trade and other receivables is mainly due to the merger with MNACT during the period. There is no allowance for expected credit losses included in trade and other receivables as at 30 September 2022 (31 March 2022: S\$80,000).
3. Tax recoverable refers mainly to the net income tax recoverable of Mapletree Business City LLP (“MBC LLP”) prior to the acquisition by MPACT.
4. The increase in other assets (current) is mainly due to the merger with MNACT. Other assets (non-current) relate to prepayment of directly attributable transaction costs, namely legal and professional fees incurred in relation to the Merger. The Merger is accounted for as an asset acquisition on completion of the transaction. At completion, the prepayment was capitalised in the carrying amount of investment in subsidiaries. At the Group level, the acquisition related transaction costs were initially capitalised in the carrying amount of investment properties and investment in joint venture, which the latter were subsequently re-measured at fair value.
5. Derivative financial instruments reflect the fair value as at period end of the (i) interest rate swaps (“IRS”); (ii) CCIRS; and (iii) currency forwards entered into by the Group to manage its interest rate risks and foreign currency risks. The change in fair value of derivative financial instruments were mainly due to fluctuation in the interest rate and currency.
6. The increase in investment properties is mainly due to the merger with MNACT as well as capital expenditure incurred for the period. For more details, please refer Paragraph 5.5.
7. The increase in investment in subsidiaries is due to the merger with MNACT during the period. The list of subsidiaries being acquired are as follow:

Name of subsidiary	Country of Incorporation	Effective interest held by the Group
Mapletree North Asia Commercial Trust	Singapore	100%
Mapletree North Asia Commercial Trust Treasury Company (S) Pte. Ltd	Singapore	100%
Mapletree North Asia Commercial Treasury Company (HKSAR) Limited	Hong Kong	100%
Claymore Limited	Cayman	100%
Festival Walk Holdings Limited	Hong Kong	100%
Festival Walk (2011) Limited	Hong Kong	100%
Beijing Gateway Plaza (Cayman) Ltd.	Cayman	100%
HK Gateway Plaza Company Limited	Hong Kong	100%
Gateway Plaza Property Operations (Beijing) Limited	China	100%
Glamour II Limited	Cayman	100%
China Orient Limited	Hong Kong	100%
Shanghai Zhan Xiang Real Estate Company Limited	China	100%
Pinnacle KR Asset Pte. Ltd.	Singapore	100%
Tsubaki 1 Pte. Ltd.	Singapore	100%
Tsubaki Tokutei Mokuteki Kaisha	Japan	100%
Godo Kaisha Makuhari Blue	Japan	98.47%
Tsubaki 2 Pte. Ltd.	Singapore	100%
Godo Kaisha Tsubaki 3	Japan	98.47%

MAPLETREE PAN ASIA COMMERCIAL TRUST UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS AND DISTRIBUTION ANNOUNCEMENT FOR THE FIRST HALF FINANCIAL PERIOD FROM 1 APRIL 2022 TO 30 SEPTEMBER 2022

2 Statements of Financial Position (continued)

8. Investment in joint venture relates to the 50% effective interest in IGIS Qualified Investment Type Private Placement Real Estate Investment Trust No. 6, which hold TPG.
9. The increase in trade and other payables is mainly due to the merger with MNACT. Other payables (non-current) relate to tenancy related deposits.
10. Borrowings represent bank borrowings, MTN and Tokutei Mokuteki Kaisha (“TMK”) bonds measured at amortised cost. The increase in total borrowings is mainly due to (i) merger with MNACT; and (ii) acquisition debt drawdown to partially fund the scheme consideration and transaction costs; partially offset by net repayment of borrowings during the period.

Notwithstanding the net current liabilities position, based on the Group’s available financial resources, the Manager is of the opinion that the Group will be able to refinance its borrowings and meet its current obligations as and when they fall due. Specifically, the Group has sufficient credit facilities available to refinance the portion of the borrowings due within the next 12 months.

11. Loans from a subsidiary represent the unsecured borrowings from MPACT TCo on-lent to MPACT. The unsecured borrowings from MPACT TCo were raised through the issuance of MTN under the MTN Programme.
12. The increase in the current income tax liabilities is due to the merger with MNACT.
13. The increase in the deferred tax liabilities is due to the merger with MNACT. Deferred tax liabilities rose from (i) changes in fair value of investment properties; (ii) accelerated tax depreciation; (iii) changes in fair value of derivative financial instruments; and (iv) unremitted earnings of overseas subsidiaries.
14. The perpetual securities issued by MNACT on 8 June 2021 have no fixed redemption date, with the redemption at the option of MNACT on 8 June 2026 and each distribution payment date thereafter, and will bear an initial rate of distribution of 3.50% per annum for the first five years. The rate of distribution will be repriced from 3.50% after the first five years. Distributions are payable semi-annually at the discretion of MNACT and will be non-cumulative. The perpetual securities, net of issuance costs, are classified and recognised as equity instruments. CCIRs were entered to swap SGD coupon rate to JPY coupon rate for these perpetual securities.

MAPLETREE PAN ASIA COMMERCIAL TRUST UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS AND DISTRIBUTION ANNOUNCEMENT FOR THE FIRST HALF FINANCIAL PERIOD FROM 1 APRIL 2022 TO 30 SEPTEMBER 2022

3 Consolidated Statement of Cash Flows

	1H FY22/23 (S\$'000)	1H FY21/22 (S\$'000)
Cash flows from operating activities		
Profit for the financial period after tax before distribution	340,710	175,334
Adjustments for:		
- Income tax expense	9,461	3
- Depreciation	264	74
- Fixed asset written off	11	-
- Adjustments for rental incentives amortisation	890	2,847
- Impairment of trade receivables	36	54
- Net unrealised foreign exchange (gain)/loss	(9,948)	87
- Net change in fair value of investment properties	(142,175)	(41,885)
- Net change in fair value of financial derivatives	(3,413)	(224)
- Finance income	(552)	(147)
- Finance expenses	61,487	36,790
- Manager's management fees paid/payable in units	9,112	7,687
- Share of profit of a joint venture	(5,899)	-
	259,984	180,620
Change in working capital:		
- Trade and other receivables	3,221	4,002
- Other current assets	1,765	231
- Inventories	10	-
- Trade and other payables	4,149	(14,690)
Cash generated from operations	269,129	170,163
- Income tax paid	(2,199)	(5)
Net cash provided by operating activities	266,930	170,158
Cash flows from investing activities		
Net cash outflow on acquisition of interest in investment properties ¹	(2,249,036)	-
Additions to investment properties	(15,638)	(10,261)
Additions to plant and equipment	(28)	(34)
Finance income received	471	222
Net cash used in investing activities	(2,264,231)	(10,073)

MAPLETREE PAN ASIA COMMERCIAL TRUST UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS AND DISTRIBUTION ANNOUNCEMENT FOR THE FIRST HALF FINANCIAL PERIOD FROM 1 APRIL 2022 TO 30 SEPTEMBER 2022

3 Consolidated Statement of Cash Flows (continued)

	1H FY22/23 (S\$'000)	1H FY21/22 (S\$'000)
Cash flows from financing activities		
Proceeds from bank borrowings	1,047,005	89,900
Repayments of bank borrowings	(633,892)	(55,800)
Redemption of MTN	-	(70,000)
Principal payment of lease liabilities	(11)	-
Payments of financing fees	(6,891)	-
Finance expenses paid	(55,074)	(36,600)
Payments of distribution to Unitholders	(272,002)	(176,422)
Payments of distribution to MNACT ex-Unitholders	(67,712)	-
Payment of transaction costs related to issuance of new units ²	(584)	-
Proceeds from preferential offering ³	2,040,737	-
Change in restricted cash	(21,335)	-
Net cash provided by/(used in) financing activities	2,030,241	(248,922)
Net increase/(decrease) in cash and cash equivalents	32,940	(88,837)
Cash and cash equivalent at beginning of financial period	124,170	192,543
Effect of currency translation on cash and cash equivalents	(4,218)	-
Cash and cash equivalent at end of financial period⁴	152,892	103,706

Footnotes:

1. This relates to the cash consideration paid on the adjusted net asset value (net of cash and bank balances acquired) of MNACT and the related transaction costs.
2. This relates to transaction costs for the issuance of new units for settlement of the Scheme Consideration ("Consideration Units") and preferential offering.
3. On 28 July 2022, 1,018,382,531 units at S\$2.0039 per unit, amounting to S\$2,040.7 million were issued pursuant to the preferential offering. The proceeds from the preferential offering was fully used to partially fund the cash consideration in relation to the Merger as set out in the circular to Unitholders dated 29 April 2022 (the "Circular"). As at 30 September 2022, the gross proceeds have been fully utilised.
4. For purpose of presenting the consolidated statement of cash flows, cash and cash equivalents comprises of the following:

	1H FY22/23 (S\$'000)	1H FY21/22 (S\$'000)
Cash and bank balances	173,584	103,706
Less: Restricted cash	(20,692)	-
Cash and cash equivalents per consolidated statement of cash flows	152,892	103,706

Restricted cash relates to the amount of cash reserves for the Japan Properties which is required to be maintained based on the agreements with the banks. Restricted cash are reserves for use in capital expenditure, interest expense and certain property related expenses to ensure these liabilities can be met when incurred.

MAPLETREE PAN ASIA COMMERCIAL TRUST UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS AND DISTRIBUTION ANNOUNCEMENT FOR THE FIRST HALF FINANCIAL PERIOD FROM 1 APRIL 2022 TO 30 SEPTEMBER 2022

4 **Statements of Movements in Unitholders' Funds**

	Group		MPACT	
	1H FY22/23 (S\$'000)	1H FY21/22 (S\$'000)	1H FY22/23 (S\$'000)	1H FY21/22 (S\$'000)
Operations				
Balance at beginning of financial period	1,792,513	1,767,720	1,816,026	1,805,715
Profit for the financial period	339,458	175,334	147,429	160,726
Distributions to Unitholders	(272,002)	(176,422)	(272,002)	(176,422)
Transfer to General Reserve	(245)	-	-	-
Balance at end of financial period	1,859,724	1,766,632	1,691,453	1,790,019
Unitholders' Contribution				
Balance at beginning of financial period	3,974,425	3,959,140	3,974,425	3,959,140
Issue of new units arising from:				
- Settlement of management fees	10,919	10,687	10,919	10,687
- Preferential offering	2,040,737	-	2,040,737	-
- Settlement of Scheme Consideration	1,597,865	-	1,597,865	-
Issue expenses	(720)	-	(720)	-
Balance at end of financial period	7,623,226	3,969,827	7,623,226	3,969,827
Hedging Reserve				
Balance at beginning of financial period	26,599	(17,892)	13,978	(12,400)
Fair value changes, net of tax	54,312	(1,928)	28,701	(1,157)
Reclassification to profit or loss, net of tax	9,604	8,095	135	5,821
Balance at end of financial period	90,515	(11,725)	42,814	(7,736)
General Reserve				
Balance at beginning of financial period	-	-	-	-
Transfer from Operations	245	-	-	-
Balance at end of financial period	245	-	-	-
Foreign Currency Translation Reserve				
Balance at beginning of financial period	-	-	-	-
Net currency translation differences reclassified to profit or loss	10	-	-	-
Net currency translation differences relating to financial statements of foreign subsidiaries and quasi-equity loans	(83,130)	-	-	-
Share of currency translation differences relating to a foreign joint venture	(6,164)	-	-	-
Net currency translation differences on hedges of net investment in foreign operation	(169)	-	-	-
Balance at end of financial period	(89,453)	-	-	-
Total Unitholders' funds at end of financial period	9,484,257	5,724,734	9,357,493	5,752,110

MAPLETREE PAN ASIA COMMERCIAL TRUST UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS AND DISTRIBUTION ANNOUNCEMENT FOR THE FIRST HALF FINANCIAL PERIOD FROM 1 APRIL 2022 TO 30 SEPTEMBER 2022

4 **Statements of Movements in Unitholders' Funds** (continued)

	Group		MPACT	
	1H FY22/23 (S\$'000)	1H FY21/22 (S\$'000)	1H FY22/23 (S\$'000)	1H FY21/22 (S\$'000)
Total Unitholders' funds at end of financial period (continued)	9,484,257	5,724,734	9,357,493	5,752,110
<u>Perpetual securities</u>				
Balance at beginning of financial period	-	-	-	-
Acquisition of subsidiaries	248,434	-	-	-
Profit attributable to perpetual securities holders	1,010	-	-	-
Balance at end of financial period	249,444	-	-	-
<u>Non-controlling interest</u>				
Balance at beginning of financial period	-	-	-	-
Acquisition of subsidiaries	12,416	-	-	-
Profit attributable to non-controlling interest	242	-	-	-
Fair value changes on hedge, net of tax	12	-	-	-
Reclassification to profit or loss, net of tax	3	-	-	-
Net currency translation differences relating to financial statements of foreign subsidiaries	(138)	-	-	-
Balance at end of financial period	12,535	-	-	-
Total	9,746,236	5,724,734	9,357,493	5,752,110

MAPLETREE PAN ASIA COMMERCIAL TRUST UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS AND DISTRIBUTION ANNOUNCEMENT FOR THE FIRST HALF FINANCIAL PERIOD FROM 1 APRIL 2022 TO 30 SEPTEMBER 2022

5 Notes to the Condensed Interim Financial Statements

5.1 Basis of Preparation

The condensed interim financial statements for the six months ended 30 September 2022 have been prepared in accordance with Singapore Financial Reporting Standards (International) (“SFRS(I)”) 1-34 *Interim Financial Reporting* issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in MPACT’s and the Group’s financial positions and the Group’s performance since the most recent audited annual financial statements for the financial year ended 31 March 2022.

The condensed interim financial statements are presented in Singapore Dollars (“S\$” or “SGD”), which is MPACT’s functional currency and rounded to the nearest thousand, unless otherwise stated.

The accounting policies adopted and methods of computation applied are consistent with those used in the audited financial statements for the financial year ended 31 March 2022, except for the adoption of new and amended standards as set out in Paragraph 5.2 and revised management fees structure from 21 July 2022. The revised management fee structure was adopted such that management fees payable to the MPACT Manager will constitute:

- (a) base fee comprising 10.0% of the distributable income of the Group (calculated before accounting for the base fee and performance fee); and
- (b) performance fee comprising 25.0% of the difference in DPU in a financial year with the DPU in the preceding financial year (calculated before accounting for the performance fee, but after accounting for the base fee in each financial year), multiplied by the weighted average number of the Group’s units in issue for such financial year.

The Manager has elected to receive 40% of its base fee in units from 1 July 2022 and the balance in cash from MPACT Group. From 1 April 2022 to 30 June 2022, the Manager has elected to receive 50% of its base fee in units and the balance in cash from MPACT and 100% of its base fee in cash from MBC LLP. The Manager has elected to receive 40% of its performance fee in units and the balance in cash from MPACT Group for FY22/23.

In preparing the condensed interim financial statements, the Manager has exercised its judgement, and made 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. Actual results may differ from these estimates.

The area involving a higher degree of judgement, where estimates and assumptions are significant to the condensed interim financial statements is disclosed in Paragraph 5.5 – Investment Properties.

5.2 New and Amended Standards Adopted by the Group

The Group has adopted new or amended SFRS(I)s and Interpretations to SFRS(I)s (“INT SFRS(I)”) that are mandatory for application from 1 April 2022. 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 period.

MAPLETREE PAN ASIA COMMERCIAL TRUST UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS AND DISTRIBUTION ANNOUNCEMENT FOR THE FIRST HALF FINANCIAL PERIOD FROM 1 APRIL 2022 TO 30 SEPTEMBER 2022

5.3 Gross Revenue

	Group	
	1H FY22/23 (S\$'000)	1H FY21/22 (S\$'000)
Rental income	325,929	224,090
Car parking income	8,605	4,325
Other operating income ¹	18,628	15,307
	353,162	243,722
Government grant income ²	-	48
Less: Government grant expenses ²	-	(48)
	353,162	243,722

¹ The other operating income mainly includes sale of electricity, compensation income from pre-termination of leases, ice rink income, additional air-conditioning, and rental from event space.

² The government grant income relates to cash grant received from the Singapore Government as part of the COVID-19 relief measures. The corresponding disbursement to eligible tenants are recorded as government grant expenses. The Group has fully passed through all government grant, as mandated by the Government, in the form of rental rebates and rental waiver to eligible tenants.

5.4 Earnings Per Unit (“EPU”) and Distribution Per Unit (“DPU”)

	Group	
	1H FY22/23	1H FY21/22
Weighted average number of units ('000)	3,999,037	3,319,682
EPU¹ (cents) – basic and diluted²	8.49	5.28
Number of units in issue at end of financial period ('000)	5,233,433	3,321,268
DPU (cents)	4.94	4.39

¹ In computing the EPU, profit after tax for the financial period and the weighted average number of units at the end of the financial period are used.

² Diluted EPU is the same as the basic EPU as there are no dilutive instruments in issue during the financial period.

MAPLETREE PAN ASIA COMMERCIAL TRUST UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS AND DISTRIBUTION ANNOUNCEMENT FOR THE FIRST HALF FINANCIAL PERIOD FROM 1 APRIL 2022 TO 30 SEPTEMBER 2022

5.5 Investment Properties

	Group		MPACT	
	30 Sep 2022 (S\$'000)	31 Mar 2022 (S\$'000)	30 Sep 2022 (S\$'000)	31 Mar 2022 (S\$'000)
<u>Completed investment properties</u>				
Beginning of financial period/year	8,821,000	8,737,000	7,270,000	7,202,000
Additions through acquisition ¹	7,747,580	-	-	-
Additions during the period/year	13,670	18,304	10,328	18,014
Change in fair value of investment properties	142,175	65,696	-	49,986
Translation difference on consolidation	(100,600)	-	-	-
End of financial period/year	16,623,825	8,821,000	7,280,328	7,270,000

¹ On 21 July 2022, the Group acquired all the issued and paid-up units of MNACT by way of a Trust Scheme in accordance with the Singapore Code on Take-overs and Mergers. Following the completion, MNACT became a wholly owned subsidiary and unlisted sub-trust of MPACT. The fair value of the total Scheme Consideration was S\$4,052.4 million and was settled by (i) S\$2,454.5 million in cash; and (ii) allotment and issuance of 885,734,587 Consideration Units. The Group incurred total transaction costs of S\$7.8 million, of which S\$5.9 million related to directly attributable transaction costs (namely legal, professional and other fees paid/payable) were capitalised under investment properties. The Manager has waived its acquisition fee entitlement in respect of the Merger.

The Group's investment properties are measured at fair value based on valuations performed by independent professional valuers at least once a year, or more frequently if required. Under the Monetary Authority of Singapore's Property Funds Guideline, a valuer should not value the same property for more than two consecutive financial years.

The latest independent valuations were performed as at 31 March 2022 for all the properties. The fair value of the Group's investment properties as at 30 September 2022 are based on valuations performed by independent professional valuers as at 31 March 2022 and capital expenditure capitalised during the period from 1 April 2022 to 30 September 2022.

Taking into account the operating performance of the investment properties since 31 March 2022 together with the business environments in which the properties are situated, the Manager is of the view that the fair value of the investment properties has not materially changed from the most recent valuations conducted as at 31 March 2022.

SFRS(I) 13 *Fair Value Measurement* establishes a fair value hierarchy that categorises the fair values into three levels based on the inputs used in the valuation techniques when measuring the fair value of assets and liabilities.

- 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).

MAPLETREE PAN ASIA COMMERCIAL TRUST UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS AND DISTRIBUTION ANNOUNCEMENT FOR THE FIRST HALF FINANCIAL PERIOD FROM 1 APRIL 2022 TO 30 SEPTEMBER 2022

5.5 Investment Properties (continued)

The fair value of the investment properties within the Group's and MPACT's portfolio are classified within Level 3 of the fair value measurement hierarchy. The following table presents the valuation techniques and key unobservable inputs that were used:

Geographical regions	Valuation techniques	Key unobservable inputs
Singapore	Income capitalisation	Capitalisation rate 3.35% - 4.85% (31 March 2022: 3.35% - 4.85%)
	Discounted cash flow	Discount rate 6.50% - 7.25% (31 March 2022: 6.50% - 7.25%)
Hong Kong	Term and reversion ¹	Term and reversion rate 4.15% ²
	Discounted cash flow	Discount rate 7.80% ²
China	Term and reversion ¹	Term and reversion rate 5.00% - 5.50% ²
	Discounted cash flow	Discount rate 7.50% - 9.25% ²
	Direct comparison	Adjusted price per square metre RMB 38,066 – RMB 61,997 ²
Japan	Discounted cash flow	Discount rate 3.20% - 4.20% ²

¹ Properties are valued by capitalising the amount of net income receivable from existing tenancies, after deducting any specific costs which must be borne by the recipient. Both the term and reversion are capitalised by the market capitalisation rates, which reflect the rate of investment, alienation restrictions, effect of inflation and prospect of rental growth, if any.

² Relates to the investment properties held through MNACT that are acquired during the financial period.

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 term and reversion 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.

Security

As at 30 September 2022, the investment properties in Japan with an aggregate fair value of S\$1,442,093,000 have been pledged as security for the TMK bonds and certain bank loans of the Japanese subsidiaries. As at 31 March 2022, the Group's investment properties are unencumbered.

As at 30 September 2022 and 31 March 2022, all investment properties held directly by MPACT are unencumbered.

MAPLETREE PAN ASIA COMMERCIAL TRUST UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS AND DISTRIBUTION ANNOUNCEMENT FOR THE FIRST HALF FINANCIAL PERIOD FROM 1 APRIL 2022 TO 30 SEPTEMBER 2022

5.6 Borrowings and Loans from a Subsidiary

	Group		MPACT	
	30 Sep 2022 (S\$'000)	31 Mar 2022 (S\$'000)	30 Sep 2022 (S\$'000)	31 Mar 2022 (S\$'000)
<u>Borrowings</u>				
Current				
Bank loans (unsecured)	904,549	264,000	170,000	264,000
MTN (unsecured)	458,185	196,788	-	-
Transaction costs to be amortised	(942)	(241)	(257)	(106)
	1,361,792	460,547	169,743	263,894
Non-current				
Bank loans (secured)	718,779	-	-	-
Bank loans (unsecured)	3,914,498	1,820,000	1,685,000	1,182,000
TMK Bonds (secured)	63,866	-	-	-
MTN (unsecured)	750,128	730,000	-	-
Transaction costs to be amortised	(16,087)	(6,213)	(4,306)	(2,185)
	5,431,184	2,543,787	1,680,694	1,179,815
<u>Loans from a subsidiary</u>				
Current				
Loans from a subsidiary	-	-	186,515	196,788
Transaction costs to be amortised	-	-	(61)	(135)
	-	-	186,454	196,653
Non-current				
Loans from a subsidiary	-	-	730,000	730,000
Transaction costs to be amortised	-	-	(1,336)	(1,478)
	-	-	728,664	728,522
Total borrowings	6,792,976	3,004,334	2,765,555	2,368,884

MAPLETREE PAN ASIA COMMERCIAL TRUST UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS AND DISTRIBUTION ANNOUNCEMENT FOR THE FIRST HALF FINANCIAL PERIOD FROM 1 APRIL 2022 TO 30 SEPTEMBER 2022

5.6 Borrowings and Loans from a Subsidiary (continued)

(a) Ratios

	Group	
	30 Sep 2022 (S\$'000)	31 Mar 2022 (S\$'000)
Total gross borrowings ¹	6,934,578	3,014,000
Total deposited property ¹	17,279,199	8,984,523
Aggregate leverage ratio	40.1%	33.5%
Interest coverage ratio ("ICR") ²	4.4 times	4.8 times
Adjusted ICR ³	4.4 times	4.8 times

¹ Excludes share attributable to non-controlling interest and includes the Group's proportionate share of joint venture's gross borrowings and deposited property value.

² Computed by dividing the trailing 12 months earnings before interest, tax, depreciation and amortisation (excluding effects of any fair value changes of derivatives and investment properties, and foreign exchange differences) ("EBITDA"), by the trailing 12 months interest expense and borrowing-related fees.

³ Computed by dividing the trailing 12 months EBITDA, by the trailing 12 months interest expense and borrowing-related fees and distribution of hybrid securities. There are no hybrid securities issued by the Group as at 31 March 2022.

The Group is in compliance with the borrowing limit requirement imposed by the CIS Code and all externally imposed capital requirements for the financial period ended 30 September 2022 and financial year ended 31 March 2022.

(b) Undrawn committed borrowing facilities

	Group		MPACT	
	30 Sep 2022 (S\$'000)	31 Mar 2022 (S\$'000)	30 Sep 2022 (S\$'000)	31 Mar 2022 (S\$'000)
Expiring beyond one year	682,253	375,000	152,000	375,000

MAPLETREE PAN ASIA COMMERCIAL TRUST UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS AND DISTRIBUTION ANNOUNCEMENT FOR THE FIRST HALF FINANCIAL PERIOD FROM 1 APRIL 2022 TO 30 SEPTEMBER 2022

5.7 Units in Issue

	Group and MPACT	
	1H FY22/23	1H FY21/22
	'000	'000
Units at beginning of financial period	3,323,514	3,316,204
Units issued as settlement of Manager's management fees	5,803 ¹	5,064 ²
Units issued pursuant to preferential offering	1,018,383 ³	-
Units issued pursuant to settlement of Scheme Consideration	885,735 ⁴	-
Units at end of financial period⁵	5,233,433⁶	3,321,268

¹ On 5 May 2022 and 12 August 2022, 5,802,782 new units were issued at an issue price of S\$1.8989 and S\$1.8202 per unit respectively as part payment of Manager's base fees for the period from 1 January 2022 to 30 June 2022 and Manager's performance fees for FY21/22.

² On 10 May 2021 and 5 August 2021, 5,063,734 new units were issued at an issue price of S\$2.1007 and S\$2.1473 per unit respectively as part payment of Manager's base fees for the period from 1 January 2021 to 30 June 2021 and Manager's performance fees for FY20/21.

³ On 28 July 2022, 1,018,382,531 new units were issued at an issue price of S\$2.0039 per unit pursuant to the preferential offering.

⁴ On 29 July 2022, 885,734,587 new units were issued at an issue price of S\$2.0039 per unit pursuant to settlement of Scheme Consideration in relation to the Merger.

⁵ There were no convertibles, treasury units and units held by its subsidiaries as at 30 September 2022 and 30 September 2021.

⁶ As at 30 September 2022, the units in issue is 5,233,433,485 (30 September 2021: 3,321,267,783). Total does not sum up due to rounding differences.

5.8 Net Asset Value ("NAV") and Net Tangible Asset ("NTA") Per Unit

	Group		MPACT	
	30 Sep 2022	31 Mar 2022	30 Sep 2022	31 Mar 2022
Number of units in issue at end of financial period/ year ('000)	5,233,433	3,323,514	5,233,433	3,323,514
NAV and NTA per unit¹ (\$)	1.81	1.74	1.79	1.75

¹ NAV and NTA per unit are the same as there is no intangible asset as at 30 September 2022 and 31 March 2022.

MAPLETREE PAN ASIA COMMERCIAL TRUST UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS AND DISTRIBUTION ANNOUNCEMENT FOR THE FIRST HALF FINANCIAL PERIOD FROM 1 APRIL 2022 TO 30 SEPTEMBER 2022

5.9 Fair Value Measurement

(a) Derivative financial instruments

The following table presents derivative financial instruments measured at fair value and classified by level of the fair value measurement hierarchy:

	Group		MPACT	
	30 Sep 2022	31 Mar 2022	30 Sep 2022	31 Mar 2022
	(S\$'000)	(S\$'000)	(S\$'000)	(S\$'000)
<u>Level 2</u>				
Assets				
Derivative financial instruments	207,663	27,741	71,494	27,741
Liabilities				
Derivative financial instruments	(19,742)	(4,836)	(42,391)	(17,457)

The fair value of the derivative financial instruments (namely IRS, CCIRS and forward currency contracts) not traded in an active market is determined by using valuation techniques based on market conditions existing at each of the balance sheet date. The fair value of IRS and CCIRS are calculated as the present value of the estimated future cash flows using assumptions based on market conditions existing at the quoted currency rates as at the balance sheet date. The fair values of forward currency contracts are determined using banks' quoted forward rates and foreign exchange spot rates at the balance sheet date.

(b) Other financial assets and liabilities

The carrying values of cash and bank balances, trade and other receivables, other current assets, trade and other payables, current borrowings and non-current borrowings, which are at variable market rates, approximate their fair values.

The carrying amount and fair value of the fixed rate non-current borrowings are as follow:

	Carrying amount		Fair value	
	30 Sep 2022	31 Mar 2022	30 Sep 2022	31 Mar 2022
	(S\$'000)	(S\$'000)	(S\$'000)	(S\$'000)
Group				
MTNs (non-current)	748,792	728,522	706,305	722,597
MPACT				
Loans from a subsidiary (non-current)	728,664	728,522	688,029	722,597

MAPLETREE PAN ASIA COMMERCIAL TRUST UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS AND DISTRIBUTION ANNOUNCEMENT FOR THE FIRST HALF FINANCIAL PERIOD FROM 1 APRIL 2022 TO 30 SEPTEMBER 2022

5.10 Significant Related Party Transactions

The following significant related party transactions took place at terms agreed between the parties:

	Group	
	1H FY22/23	1H FY21/22
	(S\$'000)	(S\$'000)
Manager's management fees paid/payable to the Manager	21,687	18,719
Japan asset management fee	922	-
Acquisition of MNACT Group through Trust Scheme from related entities	1,621,819	-
Trustee's fees	726	520
Property management fees paid/payable to the Property Managers	14,091	9,868
Staff costs paid/payable to the Property Manager	8,632	5,721
Rental and other related income received/receivable from related parties	12,628	6,453
Finance income received/receivable from a related company of the Manager	1,797	-
Professional fees, other products and service fees paid/payable to related parties	4,665	1,322
Interest expenses, financing fees and fees related to the issue of units paid/payable to a related party	14,103	7,729
	<u>14,103</u>	<u>7,729</u>

5.11 Segment Reporting

The Manager considers the business from a business segment perspective; managing and monitoring the business based on geographies and group of properties within the Group's portfolio. The change in reportable segments during the period was due to the expansion of the investment mandate from Singapore to key gateway markets in Asia and the completion of the Merger.

The Manager assesses the performance of the operating segments based on a measure of Net Property Income. Interest income and borrowing costs are not allocated to segments, as the treasury activities are centrally managed by the Manager. In addition, the Manager monitors the non-financial assets as well as financial assets directly attributable to each segment when assessing segment performance. Segment results include items directly attributable to a segment.

Segment results, assets and liabilities include items directly attributable to a segment.

MAPLETREE PAN ASIA COMMERCIAL TRUST UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS AND DISTRIBUTION ANNOUNCEMENT FOR THE FIRST HALF FINANCIAL PERIOD FROM 1 APRIL 2022 TO 30 SEPTEMBER 2022

5.11 Segment Reporting (continued)

The segment information by the reportable segments for the reporting period and comparative period are as follow:

(a) Segment Revenue and Results

For the financial period ended 30 September 2022

Geographical Market	Singapore	Singapore	Singapore	Hong Kong	China	Japan	Korea	
Property	VivoCity	MBC	Other Singapore Properties¹	Festival Walk²	China Properties^{2,3}	Japan Properties²	TPG²	Total
	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)
Gross revenue	110,122	112,122	48,316	42,643	19,931	20,028	-	353,162
Property operating expenses	(24,935)	(21,210)	(11,389)	(10,357)	(3,489)	(6,607)	-	(77,987)
Segment net property income	85,187	90,912	36,927	32,286	16,442	13,421	-	275,175
Finance income								552
Finance expenses								(61,487)
Manager's management fees								(22,609)
Trustee's fees								(726)
Other trust expenses								(2,209)
Foreign exchange gain								9,988
Net change in fair value of financial derivatives								3,413
Profit before tax and fair value change in investment properties and share of profit of a joint venture								202,097
Net change in fair value of investment properties	-	-	-	79,196	33,454	29,525	-	142,175
Share of profit of a joint venture	-	-	-	-	-	-	5,899	5,899
Profit for the financial period before tax								350,171
Income tax expense								(9,461)
Profit for the financial period after tax before distribution								340,710

¹ Include mTower, Mapletree Anson and BOAHF

² The contributions from these properties are from 21 July 2022 to 30 September 2022

³ Include Sandhill Plaza and Gateway Plaza

MAPLETREE PAN ASIA COMMERCIAL TRUST UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS AND DISTRIBUTION ANNOUNCEMENT FOR THE FIRST HALF FINANCIAL PERIOD FROM 1 APRIL 2022 TO 30 SEPTEMBER 2022

5.11 Segment Reporting (continued)

(a) Segment Revenue and Results (continued)

For the financial period ended 30 September 2021

Geographical Market	Singapore						Other Singapore Properties	Total
	VivoCity	MBC	mTower	Mapletree Anson	BOAHF	(S\$'000)		
Property	(S\$'000)	(S\$'000)	(S\$'000)	(S\$'000)	(S\$'000)	(S\$'000)	(S\$'000)	
Gross revenue	83,124	107,471	25,879	17,214	10,034	53,127	243,722	
Property operating expenses	(22,666)	(20,087)	(5,838)	(3,407)	(1,869)	(11,114)	(53,867)	
Segment net property income	60,458	87,384	20,041	13,807	8,165	42,013	189,855	
Finance income							147	
Finance expenses							(36,790)	
Manager's management fees							(18,719)	
Trustee's fees							(520)	
Other trust expenses							(658)	
Foreign exchange loss							(87)	
Net change in fair value of financial derivative							224	
Profit before tax and fair value change in investment properties							133,452	
Net change in fair value of investment properties	(8,306)	41,673	4,565	2,932	1,021	8,518	41,885	
Profit for the financial period before tax							175,337	
Income tax expense							(3)	
Profit for the financial period after tax before distribution							175,334	

(b) Segment Assets and Liabilities

As at 30 September 2022

Geographical Market	Singapore	Singapore	Singapore	Hong Kong	China	Japan	Korea	Total
	VivoCity	MBC	Other Singapore Properties	Festival Walk	China Properties	Japan Properties	TPG	
Property	(S\$'000)	(S\$'000)	(S\$'000)	(S\$'000)	(S\$'000)	(S\$'000)	(S\$'000)	(S\$'000)
Segment assets								
- Investment properties	3,190,602	3,800,670	1,840,380	4,574,306	1,775,774	1,442,093	-	-16,623,825
- Plant and equipment	41	39	11	2,320	7	-	-	2,418
- Investment in joint venture	-	-	-	-	-	-	115,188	115,188
- Trade and other receivables	3,349	558	597	353	1,959	5,367	2,413	14,596
	3,193,992	3,801,267	1,840,988	4,576,979	1,777,740	1,447,460	117,601	16,756,027
Unallocated assets								394,368
Total assets								17,150,395
Segment liabilities	50,768	18,358	17,137	88,873	37,782	65,585	1,287	279,790
Unallocated liabilities								7,124,369
Total liabilities								7,404,159

MAPLETREE PAN ASIA COMMERCIAL TRUST UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS AND DISTRIBUTION ANNOUNCEMENT FOR THE FIRST HALF FINANCIAL PERIOD FROM 1 APRIL 2022 TO 30 SEPTEMBER 2022

5.11 Segment Reporting (continued)

(b) Segment Assets and Liabilities (continued)

As at 31 March 2022

Geographical Market	Singapore						Other Singapore Properties	Total
	VivoCity	MBC	mTower	Mapletree Anson	BOAHF			
Property	(S\$'000)	(S\$'000)	(S\$'000)	(S\$'000)	(S\$'000)	(S\$'000)	(S\$'000)	
Segment assets								
- Investment properties	3,182,000	3,800,000	747,000	752,000	340,000	1,839,000	8,821,000	
- Plant and equipment	69	73	14	4	2	20	162	
- Trade and other receivables	1,843	499	79	85	42	206	2,548	
	3,183,912	3,800,572	747,093	752,089	340,044	1,839,226	8,823,710	
Unallocated assets							160,813	
Total assets							8,984,523	
Segment liabilities	46,665	22,163	10,234	7,041	648	17,923	86,751	
Unallocated liabilities							3,104,235	
Total liabilities							3,190,986	

OTHER INFORMATION

6. Review of the Condensed Interim Financial Statements

The Statements of Financial Position of MPACT and the Group as at 30 September 2022 and the related Consolidated Statement of Profit or Loss, Distribution Statement, Consolidated Statement of Comprehensive Income, Statements of Movements in Unitholders' Funds of MPACT and the Group and the Consolidated Statement of Cash Flows for the six month period ended 30 September 2022 and the explanatory notes have not been audited or reviewed by the Group's auditors.

7. Review of the Performance

1H FY22/23 versus 1H FY21/22

Gross revenue was higher by 44.9% at S\$353.2 million for 1H FY22/23 compared to 1H FY21/22. This was due to the contribution from properties acquired through the Merger¹, higher contribution from VivoCity and MBC, offset by lower contribution from other Singapore properties. Excluding the effects of the Merger, gross revenue was 11.0% or S\$26.8 million higher year-on-year. As Singapore ride on the recovery road from the COVID-19 pandemic, positive contribution across all major revenue categories, like fixed rent, turnover rent, car park income and advertising and promotion income were observed for the Singapore properties.

Property operating expenses were 44.8% or S\$24.1 million higher at S\$78.0 million compared to 1H FY21/22 mainly due to the contribution from properties acquired through the Merger and higher expenses across all Singapore properties. Higher expenses observed across all Singapore properties' property operating expenses categories, moving in tandem with the increased in activities this year.

Accordingly, NPI increased by 44.9% to S\$275.2 million for 1H FY22/23. Excluding the contribution from the Merger, NPI increased by 12.2% to S\$213.0 million. NPI margin remains at about 78%.

¹ Refers to merger with MNACT that was completed on 21 July 2022.

MAPLETREE PAN ASIA COMMERCIAL TRUST UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS AND DISTRIBUTION ANNOUNCEMENT FOR THE FIRST HALF FINANCIAL PERIOD FROM 1 APRIL 2022 TO 30 SEPTEMBER 2022

7. Review of the Performance (continued)

1H FY22/23 versus 1H FY21/22 (continued)

Net finance expenses were 66.3% or S\$24.3 million higher at S\$60.9 million for 1H FY22/23 compared to 1H FY21/22 mainly due to contribution from MNACT Group, the acquisition debt interest incurred and the higher interest rates on the existing Singapore dollar borrowings.

The foreign exchange gain/(loss) arose largely from the translation of the JPY denominated MTN. The net change in fair value of financial derivatives relates to the mark-to-market movement of currency forward contracts to hedge currency exposures of future HKD, RMB, JPY and KRW distributable income, the CCIRS entered into to hedge against any foreign exchange exposure on the principal and interest payments of a JPY denominated MTN and the cumulative gain on the financial derivative instrument, previously recognised directly in other comprehensive income, reclassified to profit or loss when hedge accounting was discontinued and the hedged cash flows are no longer expected to occur. The unrealised foreign exchange gain/(loss) and unrealised fair value change of financial derivatives have no impact on the amount available for distribution to Unitholders.

As a result, 1H FY22/23 amount available for distribution to the Unitholders was S\$201.0 million, 37.2% higher as compared to 1H FY21/22.

8. Variance between Actual and Forecast Results

MPACT has not disclosed any forecast to the market.

9. Commentary on the competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting and the next 12 months

Singapore Retail

Retail indicators continued to show signs of recovery with the lifting of COVID-19 restrictions, further supported by improved business and consumer confidence in Q1 and Q2 2022.

Approximately 1.23 million square feet of space is expected to be delivered from 2022 to 2024, translating to 412,000 square feet per year, lower than the past five-year annual average of 715,000 square feet.

Consequently, the limited upcoming supply should support improvements in occupancy levels and rents and retail absorption is expected to recover. However, global inflationary pressures, rising energy prices, interest rate hikes, supply chain disruptions, and manpower shortages will pose challenges.

Singapore Office

Moderate economic growth and eased workplace restrictions will boost confidence in office leasing and expansion plans. The CBD is expected to have the strongest rebound due to resilient demand by traditional occupier sectors.

Approximately 4.44 million square feet of space is expected to be delivered from 2022 to 2024, translating to 1.48 million square feet per year, lower than the past five-year annual average of 1.57 million square feet.

Island-wide rents are expected to continue on an upward growth trajectory on the back of diversified occupier demand and relatively limited supply.

9. Commentary on the competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting and the next 12 months (continued)

Singapore Business Park

Robust demand for business park space has been driven by high-value and knowledge industries, on the back of eased restrictions and output expansions in industrial sectors, and is expected to continue for the next few years.

Approximately 3.17 million square feet of space is expected to be delivered from 2022 to 2024, translating to 1.05 million square feet annually predominately in the Rest of Island submarket. The Fringe submarket, where MBC is located, is not expected to be significantly impacted by the upcoming supply with its locational advantage and scale. Furthermore, about half of the upcoming developments are purpose-built to companies or catered for specialised sectors.

The limited supply, coupled with high demand, has supported rental growth in Q1 and Q2 2022. Rental growth is expected to continue in the Fringe submarket particularly favouring the newer and higher specification developments that are preferred by tenants.

Hong Kong Retail

The alleviation of the fifth wave of COVID and Phase II of the consumption voucher distribution scheme in August 2022 have lent support on retail sales in the short term.

While a full-scale border re-opening has not been implemented, quarantine requirements for travellers have been removed. However, visitors are still subject to medical surveillance for three days and COVID-19 testing for seven days. As Mainland Chinese are still required to be quarantined upon returning home, a significant uptick in visitors from Mainland is unlikely until such requirements are also lifted. The locals will remain the key source of consumption in 2022.

Vacancy levels are expected to remain largely unchanged for the rest of the year. A major recovery of rental rates for the retail market is not expected for this year and will depend on the return of visitors and an improvement in the general economic situation.

Beijing Office

Market activities have dropped significantly due to lockdowns. Q3 2022 recorded negative net absorption largely driven by downsizing of some prominent internet companies and vacating by several state-owned enterprises.

Market activity has gradually resumed since the end of May and demand is expected to rebound with the introduction of a normalised COVID prevention protocol. However, further recovery this year will be hindered as internet companies slow down expansion and look to acquire buildings for their own use.

Shanghai Business Park

With the end of lockdowns, leasing activities in Shanghai business parks have resumed in June 2022. Strong growth recorded by sectors such as biomedicine, integrated circuits and AI is expected to drive robust leasing demand. Colliers expects rents of Shanghai business parks to grow 1.8% year-on-year in 2022.

Looking forward, the influx of supply in H2 2022 is likely to push up vacancy rates and limit rental growth in the short term.

MAPLETREE PAN ASIA COMMERCIAL TRUST UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS AND DISTRIBUTION ANNOUNCEMENT FOR THE FIRST HALF FINANCIAL PERIOD FROM 1 APRIL 2022 TO 30 SEPTEMBER 2022

9. Commentary on the competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting and the next 12 months (continued)

Japan Office

Rents have declined in general across Greater Tokyo and this rental downtrend is expected to continue due to the longer free rent periods across Greater Tokyo.

New supply in 2023 will be significant in the five central wards of Tokyo, particularly in the Minato ward. However, the impact of new supply is not expected to be significant in the 18 wards of Tokyo, Yokohama and Chiba markets.

Accordingly, vacancies are expected to increase in the five central wards of Tokyo, while the occupancy levels in the 18 wards of Tokyo, Yokohama and Chiba are expected to remain stable.

Seoul Office

Demand from tech companies, one of the major leasing drivers in GBD, is expected to continue to grow. Rental levels are also expected to continue to increase with a lack of significant supply in GBD up until 2025.

GBD's vacancy rates are now the lowest in Seoul compared to the other districts. With limited new supply, the vacancy rate in GBD is expected to remain low.

Conclusion

Although positive indicators have been observed in most of the markets, the external economic environment has deteriorated due to the ongoing Russia-Ukraine conflict. Increasing inflationary pressures especially from rising energy prices and interest rate hikes, as well as volatilities in the global financial markets could heighten downside risks.

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.

MPACT, as a flagship commercial REIT with stability and scale across key gateway markets of Asia, is expected to stay resilient through economic cycles in the long term. The enlarged scale and stronger financial muscles will also enable the vehicle to pursue capital recycling, asset enhancement and acquisition opportunities.

MAPLETREE PAN ASIA COMMERCIAL TRUST UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS AND DISTRIBUTION ANNOUNCEMENT FOR THE FIRST HALF FINANCIAL PERIOD FROM 1 APRIL 2022 TO 30 SEPTEMBER 2022

10. Distributions

(a) Current financial period

Any distributions declared for the current financial period? Yes

Name of distribution: 42th distribution for the period from 21 July to 30 September 2022

Distribution type/rate:	Distribution type	Distribution rate per unit (cents)
	Taxable Income	1.19
	Tax-Exempt Income	0.62
	Capital	0.09
	Total	1.90¹

¹ Together with the Clean-up Distribution of 3.04 Singapore cents per unit, MPACT's total distribution for the period from 1 April 2022 to 30 September 2022 amounted to 4.94 Singapore cents per Unit.

Par value of units: Not meaningful

Tax rate: Taxable Income Distribution

Qualifying investors and individuals (other than those who hold their units through a partnership will generally receive pre-tax distributions. These distributions are exempt from tax in the hands of individuals unless such distributions are derived through a Singapore partnership or from the carrying on of a trade, business or profession. Such individual unitholders, i.e. to whom the exemption will not apply, must declare the distribution received as income in their tax returns. Qualifying investors, unless they are exempt from tax because of their own circumstances, will have to pay income tax subsequently on such distributions at their own applicable tax rates.

Qualifying foreign non-individual investors and qualifying non-resident funds will receive their distributions after deduction of tax at the rate of 10%.

All other investors will receive their distributions after deduction of tax at the rate of 17%.

Tax-Exempt Income Distribution

Tax-Exempt Income Distribution is exempt from Singapore income tax in the hands of all Unitholders.

Capital Distribution

Capital Distribution represents a return of capital to Unitholders for Singapore income tax purposes and is therefore not subject to Singapore income tax. For Unitholders who are liable to Singapore income tax on profits from sale of MPACT Units, the amount of Capital Distribution will be applied to reduce the cost base of their MPACT Units for Singapore income tax purposes.

MAPLETREE PAN ASIA COMMERCIAL TRUST UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS AND DISTRIBUTION ANNOUNCEMENT FOR THE FIRST HALF FINANCIAL PERIOD FROM 1 APRIL 2022 TO 30 SEPTEMBER 2022

10. Distributions (continued)

(b) Corresponding period of the preceding financial period

Any distributions declared for the corresponding period of the immediate preceding financial period? Yes

Name of distribution: 39th distribution for the period from 1 April 2021 to 30 September 2021

Distribution type/rate:	Distribution type	Distribution rate per unit (cents)
	Taxable Income	3.99
	Tax-Exempt Income	0.32
	Capital	0.08
	Total	4.39

Par value of units: Not meaningful

Tax rate: Taxable Income Distribution

Qualifying investors and individuals (other than those who hold their units through a partnership) will generally receive pre-tax distributions. These distributions are exempt from tax in the hands of individuals unless such distributions are derived through a Singapore partnership or from the carrying on of a trade, business or profession. Such individual unitholders, i.e. to whom the exemption will not apply, must declare the distribution received as income in their tax returns. Qualifying investors, unless they are exempt from tax because of their own circumstances, will have to pay income tax subsequently on such distributions at their own applicable tax rates.

Qualifying foreign non-individual investors and qualifying non-resident funds will receive their distributions after deduction of tax at the rate of 10%.

All other investors will receive their distributions after deduction of tax at the rate of 17%.

Tax-Exempt Income Distribution

Tax-Exempt Income Distribution is exempt from Singapore income tax in the hands of all Unitholders.

Capital Distribution

Capital Distribution represents a return of capital to Unitholders for Singapore income tax purposes and is therefore not subject to Singapore income tax. For Unitholders who are liable to Singapore income tax on profits from sale of MPACT Units, the amount of Capital Distribution will be applied to reduce the cost base of their MPACT Units for Singapore income tax purposes.

MAPLETREE PAN ASIA COMMERCIAL TRUST UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS AND DISTRIBUTION ANNOUNCEMENT FOR THE FIRST HALF FINANCIAL PERIOD FROM 1 APRIL 2022 TO 30 SEPTEMBER 2022

10. Distributions (continued)

(c) Record date: The Transfer Books and Register of Unitholders of MPACT will be closed at 5.00 p.m. on Friday, 4 November 2022 for the purposes of determining each Unitholder's entitlement to MPACT's distribution.

The ex-distribution date will be on Thursday, 3 November 2022.

(d) Date Payable: Wednesday, 7 December 2022

11. If no distribution has been declared/(recommended), a statement to that effect.

Not applicable.

12. General Mandate relating to Interested Person Transactions

MPACT has not obtained a general mandate from Unitholders for Interested Person Transactions.

13. Confirmation pursuant to Rule 720(1) of the Listing Manual

The Manager confirms that it has procured undertakings from all its directors and executive officers, in the format set out in Appendix 7.7 under the Rule 720(1) of the Listing Manual.

14. Confirmation pursuant to Rule 705(5) of the Listing Manual

The Board of Directors of the Manager has confirmed that, to the best of their knowledge, nothing has come to their attention which may render these interim financial results to be false or misleading in any material aspect.

15. Additional Information Required Pursuant to Rule 706A of the Listing Manual

Merger between MPACT and MNACT

The Group acquired all the issued and paid-up units of MNACT by way of a Trust Scheme which became effective on 21 July 2022 in accordance with the Singapore Code on Take-overs and Mergers. Pursuant to the Merger, each MNACT unitholder was entitled to receive, for each unit in MNACT held by it as at 5.00 p.m. on 20 July 2022, the following consideration (the "Scheme Consideration"), at its election:

- (i) Scrip-only consideration: 0.5963 Consideration Units at the scheme issue price of S\$2.0039 per consideration unit (the "Scheme Issue Price"); OR
- (ii) Cash-and-scrip consideration: S\$0.1912 in cash and 0.5009 Consideration Units at the Scheme Issue Price; OR
- (iii) Cash-only consideration: S\$1.1949 in cash.

MAPLETREE PAN ASIA COMMERCIAL TRUST UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS AND DISTRIBUTION ANNOUNCEMENT FOR THE FIRST HALF FINANCIAL PERIOD FROM 1 APRIL 2022 TO 30 SEPTEMBER 2022

15. Additional Information Required Pursuant to Rule 706A of the Listing Manual (continued)

Merger between MPACT and MNACT (continued)

The terms of the Merger were the result of extensive negotiations between MPACT and MNACT on an arm's length basis. The Scheme Consideration was determined by taking into consideration, among other factors, the then-prevailing and historical relative market prices of the respective REITs and the latest available independent market valuations of their respective property portfolios prior to the announcement of the Merger. Please refer to the Circular for more information, including paragraph 1.3.1 of the Circular for further details on the factors taken into account.

Following completion of the Merger, MNACT is now a wholly owned subsidiary and unlisted sub-trust of the MPACT. The fair value of the total Scheme Consideration was S\$4,052.4 million and was settled as follows on 29 July 2022: (i) S\$2,454.5 million in cash; and (ii) allotment and issuance of 885,734,587 Consideration Units.

For avoidance of doubt, the fair value of the Consideration Units component of the total Scheme Consideration is based on one-day volume weighted average traded price for all trades done on SGX-ST of MPACT on the effective date of the scheme, which is not equivalent to the Scheme Issue Price of S\$2.0039.

As at 21 July 2022 (being the effective date of the Merger), the aggregate net asset value of MNACT Group acquired (incidental to and as a consequence of the Merger) is approximately S\$4,205.5 million.

Please refer to the announcements dated 31 December 2021, 28 January 2022, 21 March 2022, 23 May 2022, 7 June 2022, 15 June 2022, 21 July 2022 and the Circular for more information.

Please refer to footnotes 7 and 8 of the Statements of Financial Position section of this announcement for the list of entities being acquired.

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

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

27 October 2022