

For Immediate Release

MPACT Posts 75.6% and 68.0% Year-on-Year Growth in 1Q FY23/24 Gross Revenue and Net Property Income

- Stable NPI as compared to the preceding quarter
- Better performance by Singapore properties while largely steady contributions from overseas properties were weighed down by translation effects of stronger SGD
- Higher earnings offset by increased utility and financing expenses
- Most markets achieved higher committed occupancy rates
- Positive rental reversion recorded by all markets except Greater China
- Robust performance by Singapore assets including strong rental uplifts and continued success in backfilling mTower
- VivoCity 1Q FY23/24 tenant sales surpassed pre-COVID levels by over 20% and further momentum expected with recently completed AEI
- Festival Walk showed further improvement in shopper traffic and tenant sales, as well as progress towards rental stabilisation

Summary of MPACT's Results

	1Q FY23/24	4Q FY22/23	Variance (%)
Gross revenue (S\$'000)	237,118 ¹	233,271 ¹	1.6
Property operating expenses (S\$'000)	(57,918) ¹	(55,893) ¹	(3.6)
- <i>Utility expenses</i>	(9,896)	(9,376)	(5.5)
Net property income (S\$'000)	179,200 ¹	177,378 ¹	1.0
Net finance costs	(54,101) ¹	(50,920) ¹	(6.2)
Amount available for distribution to Unitholders (S\$'000)	114,752	117,590	(2.4)
Distribution per Unit (Singapore cents)	2.18	2.25	(3.1)

¹ Gross revenue, property operating expenses, NPI and net finance costs do not include contribution from The Pinnacle Gangnam. MPACT will share profit after tax of The Pinnacle Gangnam based on its 50% effective interest.

MPACT Management Ltd.

	1Q FY23/24	1Q FY22/23	Variance (%)
Gross revenue (S\$'000)	237,118 ¹	134,997	75.6
Property operating expenses (S\$'000)	(57,918) ¹	(28,333)	(104.4)
- <i>Utility expenses</i>	(9,896)	(2,011)	(392.1)
Net property income (S\$'000)	179,200 ¹	106,664	68.0
Net finance costs (S\$'000)	(54,101) ¹	(19,074)	(183.6)
Amount available for distribution to Unitholders (S\$'000)	114,752	83,287	37.8
Distribution per Unit (Singapore cents)	2.18	2.50	(12.8)

Singapore, 31 July 2023 – MPACT Management Ltd., as manager of Mapletree Pan Asia Commercial Trust (“MPACT” and as manager of MPACT, the “Manager”), reports that gross revenue and net property income (“NPI”) for 1Q FY23/24 grew 75.6% and 68.0% on a year-on-year basis to S\$237.1 million and S\$179.2 million, respectively. This was driven by the effects of the merger and better performance by the Singapore assets. The Singapore assets recorded a S\$5.5 million revenue growth, mitigating the impact of higher utility expenses. Distribution per Unit (“DPU”) for 1Q FY23/24 was reported at 2.18 Singapore cents.

Ms Sharon Lim, Chief Executive Officer of the Manager, said, “MPACT’s portfolio demonstrated resilience in 1Q FY23/24, with stronger performance by the Singapore properties and largely steady earnings from the overseas properties. The portfolio also achieved stable NPI as compared to the preceding quarter. This set of results reflect the underlying operational strength of our assets. Nonetheless, we must acknowledge that our financial performance was impacted by broader market dynamics, including increased utility costs and higher interest rates. Because of the stronger Singapore dollar (“SGD”), contributions from the overseas properties were also impacted by foreign exchange effects when translated into SGD.”

“Despite prevailing economic softness across markets, we are proud of our team’s leasing efforts. They achieved continued success in backfilling mTower and secured lease renewal with a key tenant at Sandhill Plaza. Notably, rental uplifts were locked in by all markets except

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Greater China, resulting in a favourable 2.4% rental reversion for the portfolio. These accomplishments mitigated occupancy risks and will reinforce the resilience of MPACT.”

“After achieving record tenant sales in FY22/23, VivoCity continued its robust growth, with 1Q FY23/24 tenant sales exceeding pre-COVID levels by over 20%. The completion of our latest asset enhancement initiative (“AEI”) is set to further bolster VivoCity’s growth trajectory. We are also cautiously optimistic about Festival Walk, our other retail asset in Hong Kong, as it emerges from the effects of social incidents and COVID-19 pandemic. 1Q FY23/24 shopper traffic and tenant sales rose 18.2% and 12.1% year-on-year, and the property continued to show signs of rental stabilisation.”

“As we progress into 2023, our resilience stems from the strength of our core assets, and the high occupancies resulting from key lease renewals within the portfolio. We will maintain our agility and proactive approach in driving our assets while effectively adapting to market changes. Preserving the stability of our balance sheet remains a top priority for us.”

OPERATIONAL PERFORMANCE

Portfolio NPI for 1Q FY23/24 increased 68.0% year-on-year to S\$179.2 million, with a 75.6% NPI margin. This was driven by contribution from properties acquired through the merger and better performance by the Singapore portfolio.

During the quarter, MPACT renewed and re-let close to 690,000 square feet of lettable area, including securing a lease renewal with a major tenant at Sandhill Plaza. The backfilling efforts for mTower continued to yield positive results, leading to a further improvement in its committed occupancy to 94.6%. All markets except Greater China recorded positive rental uplifts, contributing to a portfolio rental reversion of 2.4%. In particular, the properties in Singapore achieved strong rental uplifts ranging from 7.1% at Mapletree Business City to 12.3% at VivoCity.

As at 30 June 2023, the portfolio committed occupancy was 95.7%. The tenant retention rate for the portfolio was healthy at 79.1%. The weighted average lease expiry (“WALE”) for MPACT’s retail and office/business park leases was 2.2 years and 2.8 years respectively, translating into an overall portfolio WALE of 2.6 years.

CAPITAL MANAGEMENT

To mitigate uncertainties arising from interest rate and foreign exchange volatilities, approximately 74.2% of the total gross debt of S\$6.9 billion was fixed through fixed rate debt or financial derivatives, and approximately 92% of MPACT's expected distributable income (based on rolling four quarters) was derived from or hedged into SGD.

The debt maturity profile remained well-spread with no more than 22% of debt expiring in any financial year. Where practicable, the Manager maintains natural hedge by matching MPACT's debt mix with the geographical composition of the AUM.

As at 30 June 2023, the aggregate leverage ratio was 40.7% and the average term to maturity was 2.9 years. For 1Q FY23/24, the weighted average all-in cost of debt was 3.17% per annum and the adjusted interest coverage ratio was approximately 3.2 times on a 12-month trailing basis.

By the close of the reporting quarter, approximately S\$1.5 billion of cash and undrawn committed facilities were available to ensure ample financial liquidity to fulfil MPACT's working capital requirements and financial obligations.

DISTRIBUTION TO UNITHOLDERS

DPU for 1Q FY23/24 is 2.18 Singapore cents. Unitholders can expect to receive the distribution on Thursday, 14 September 2023. The Transfer Books and Register of Unitholders of MPACT will be closed at 5.00 p.m. on Tuesday, 8 August 2023.

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About Mapletree Pan Asia Commercial Trust

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 Singapore Exchange Securities Limited on 27 April 2011, it made its public market debut as Mapletree Commercial Trust and was subsequently renamed MPACT on 3 August 2022 following the merger with Mapletree North Asia Commercial Trust. Its 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, Hong Kong, China, Japan and South Korea).

MPACT’s portfolio comprises 18 commercial 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. They have a total lettable area of 11.0 million square feet independently valued at S\$16.6 billion (as at 31 March 2023). For more information, please visit www.mapletrreepact.com.

About the Manager – MPACT Management Ltd.

MPACT is managed by MPACT Management Ltd., a wholly-owned subsidiary of Mapletree Investments Pte Ltd. The Manager’s main responsibility is to manage MPACT’s assets and liabilities for the benefit of Unitholders. The Manager is also responsible for setting the strategic direction of MPACT on the acquisition, divestment and/or enhancement of assets of MPACT in accordance with its stated investment strategy. The Manager’s key objectives are to provide Unitholders of MPACT with an attractive rate of return on their investment through regular and relatively stable distributions and to achieve long-term growth in DPU and net asset value per Unit, with an appropriate capital structure for MPACT.

About the Sponsor – Mapletree Investments Pte Ltd

Headquartered in Singapore, Mapletree Investments Pte Ltd (“MIPL”) is a global real estate development, investment, capital and property management company committed to sustainability. Its strategic focus is to invest in markets and real estate sectors with good growth potential. By combining its key strengths, MIPL has established a track record of award-winning projects, and delivers consistent and high returns across real estate asset classes.

MIPL manages three Singapore-listed real estate investment trusts (“REITs”) and eight private equity real estate funds, which hold a diverse portfolio of assets in Asia Pacific, Europe, the United Kingdom (“UK”) and the United States (“US”). As at 31 March 2023, Mapletree owns and manages S\$77.4 billion of office, retail, logistics, industrial, data centre, residential and student accommodation properties.

MIPL’s assets are located across 13 markets globally, namely Singapore, Australia, Canada, China, Europe, Hong Kong, India, Japan, Malaysia, South Korea, the UK, the US and Vietnam. To support its global operations, MIPL has established an extensive network of offices in these countries.

For more information, please visit www.mapletree.com.sg.

IMPORTANT NOTICE

This release is for information only and does not constitute an offer or solicitation of an offer to sell or invitation to subscribe for or acquire any units in Mapletree Pan Asia Commercial Trust (“MPACT”, and the units in MPACT, the “Units”).

The past performance of MPACT and MPACT Management Ltd., in its capacity as manager of MPACT (the “Manager”), is not indicative of the future performance of MPACT and the Manager. The value of the Units and the income derived from them may fall as well as rise. Units are not obligations of, deposits in, or guaranteed by, the Manager or any of its affiliates. An investment in Units is subject to investment risks, including the possible loss of the principal amount invested. Investors have no right to request the Manager to redeem their Units while the Units are listed. It is intended that unitholders may only deal in their Units through trading on the Singapore Exchange Securities Trading Limited (“SGX-ST”). Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.

This release may also contain forward-looking statements 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 the Manager’s current view of future events.

Nothing in this release should be construed as financial, investment, business, legal or tax advice and you should consult your own independent professional advisors. Neither the Manager nor any of its affiliates, advisers or representatives shall have any liability whatsoever (in negligence or otherwise) for any loss howsoever arising, whether directly or indirectly, from any use, reliance or distribution of this presentation or its contents or otherwise arising in connection with this presentation. This release shall be read in conjunction with MPACT’s financial results for the First Quarter from 1 April 2023 to 30 June 2023 in the SGXNET announcement dated 31 July 2023.

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