

# Mapletree North Asia Commercial Trust

Financial Results for the Period from  
1 April 2020 to 31 March 2021 (FY20/21)

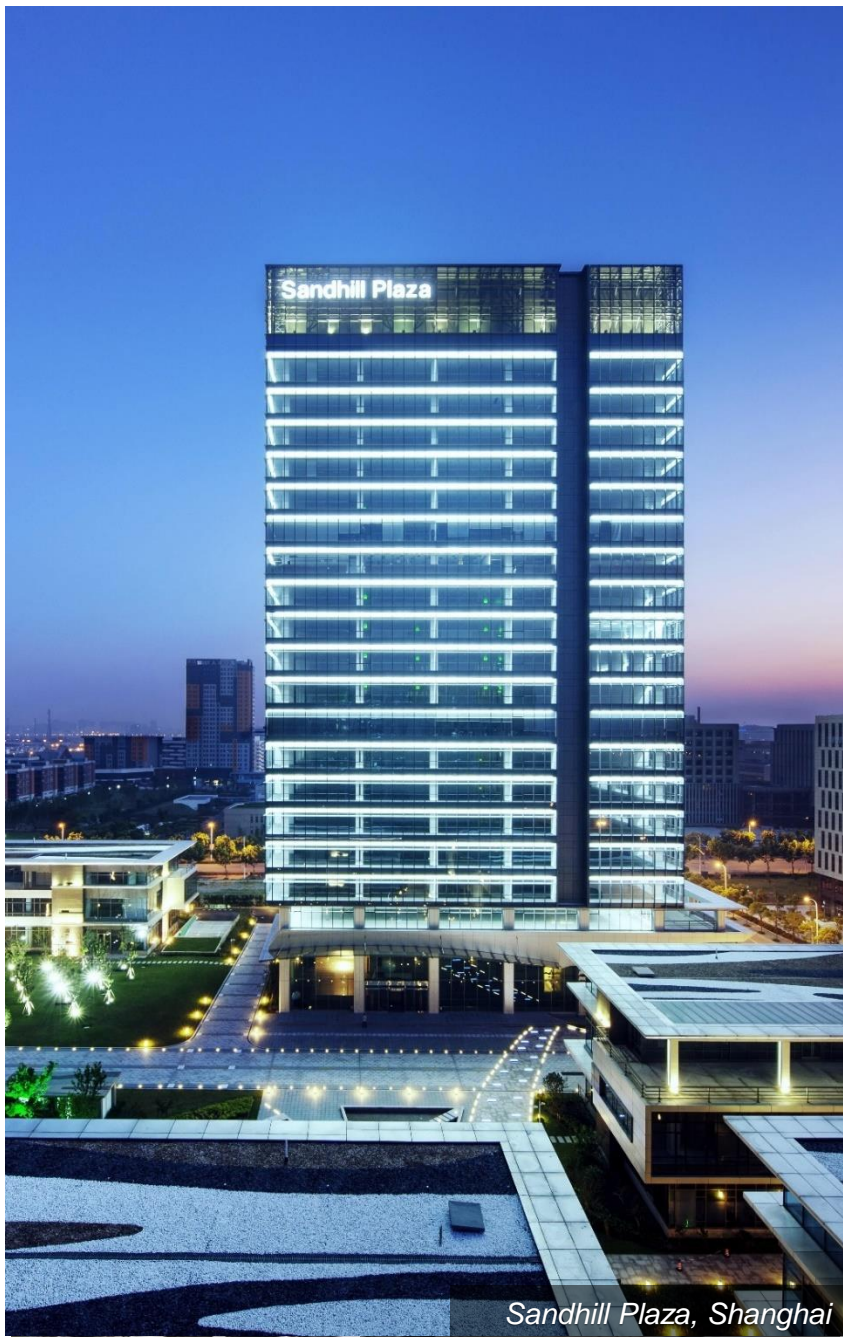
22 April 2021

# Disclaimer

This presentation shall be read in conjunction with Mapletree North Asia Commercial Trust's ("MNACT") financial results for the period from 1 April 2020 to 31 March 2021 in the SGXNET announcement dated 22 April 2021.

This presentation is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for units in MNACT ("Units"). The value of 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 of MNACT 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. The past performance of MNACT is not necessarily indicative of its future performance.

This release may contain forward-looking statements that involve 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 factors 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 employees' wages, benefits and training, property expenses and 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 on future events.



# Agenda

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- **FY20/21 Financial Summary**
  - **FY20/21 Portfolio Update**
  - **Enhancing Resilience**
  - **Outlook**
  - **Appendix**
-



A photograph of a modern office lounge area. The space is bright and airy, featuring large windows on the left side. Several tall, slender trees are planted in white rectangular planters. People are sitting on orange slatted benches, some looking at their phones. The overall atmosphere is professional and comfortable.

# FY20/21 Financial Summary



# 2H & FY20/21 Financial Summary

	FY20/21	Change vs FY19/20	2H FY20/21	Change vs 2H FY19/20
<b>Gross Revenue<sup>1,2</sup></b>	<b>S\$391.4m</b>	<b>↑10.4%</b>	<b>S\$201.3m</b>	<b>↑39.7%</b>
<b>NPI<sup>2</sup></b>	<b>S\$292.0m</b>	<b>↑5.2%</b>	<b>S\$152.3m</b>	<b>↑41.4%</b>
<b>NPI Margin</b>	<b>74.6%</b>	<b>↓3.7ppts</b>	<b>75.7%</b>	<b>↑1.0ppts</b>
<b>DI</b>	<b>S\$210.2m</b>	<b>↓7.8%</b>	<b>S\$113.3m</b>	<b>↑8.8%</b>
<b>DPU<sup>3</sup></b>	<b>6.175 cents</b>	<b>↓13.3%</b>	<b>3.299 cents</b>	<b>↑1.9%</b>
<b>Annualised Distribution Yield<sup>4</sup></b>	<b>5.8%</b>	<b>↓3.0ppts</b>	<b>6.2%</b>	<b>↓1.8ppts</b>
<b>Closing Unit Price</b>	<b>S\$1.06</b>	<b>↑31.7%</b>	<b>S\$1.06</b>	<b>↑31.7%</b>

## DPU in FY20/21 was lower compared to FY19/20 because:

- There was higher rental reliefs granted to the retail tenants<sup>5</sup> at **FW**, and lower average rental rates at **FW** mall and **GW**.
- While there were no rentals collected during the period of Festival Walk Temporary Closure<sup>6</sup>, there were top-ups to the distributable income (“Festival Walk Top-ups<sup>7</sup>”) in FY19/20 to mitigate the decline in DPU and to enable a certain level of distributable income to the Unitholders (until such time the loss of revenue was recovered through the insurance claims).
- Partially offset by:
  - ✓ Full-year contributions from **MBP** and **Omori** acquired on 28 February 2020, and **TPG** acquired on 30 October 2020.
  - ✓ Lower finance costs in FY20/21 by S\$3.3 million compared to FY19/20, mainly due to lower benchmark interest rates and lower interest rates from the refinancing of borrowings.

1. GW and SP revenue is presented net of applicable value added tax. JP revenue is presented net of consumption tax.

2. FY20/21 Gross Revenue and NPI do not include the contribution from TPG, acquired on 30 October 2020. The asset's contribution is reflected as MNACT's share of profit of a joint venture, based on MNACT's 50% effective interest.

3. MNACT has amended its distribution policy to make distributions on a half-yearly basis starting from 1H FY20/21. Consequently, DPU for FY20/21 is calculated based on the income available for distribution for 1H and 2H FY20/21 over the number of units in issue as at the end of the period of 3,366,891,945 units and 3,434,336,938 units respectively. The number of units in issue as at the end of 2H FY20/21 does not include the payment of Manager's base fee and the property manager's management fees (collectively known as “Fees”) in units of 13,428,409 for 2H FY20/21. The units for payment of Fees for 2H FY20/21, to be issued in May 2021, will be included in the computation of the DPU payable for the first half of FY21/22.

4. Defined as annualised DPU for the respective periods, divided by the closing unit price for the period.

5. For FY20/21, rental reliefs of S\$49.8 million were granted to FW's retail tenants (FY19/20: \$17.8 million).

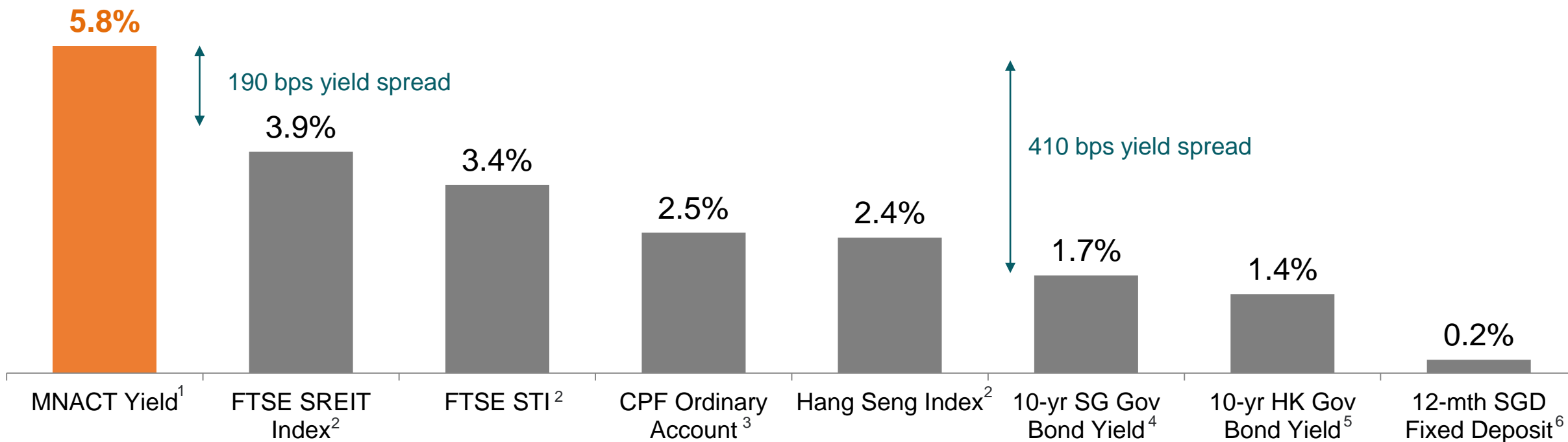
6. During FY19/20, there were no rentals collected during the period when Festival Walk mall was temporarily closed from 13 November 2019 to 15 January 2020 and its office tower from 13 to 25 November 2019 (“Festival Walk Temporary Closure”).

7. Please refer to MNACT's SGX-ST Announcement dated 17 January 2020 titled “3Q FY19/20 – Media Release” and SGX-ST Announcement dated 29 April 2020 dated “4Q FY19/20 – Media Release”.

5 *FW: Festival Walk; GW: Gateway Plaza; SP: Sandhill Plaza; JP: Japan Properties; TPG: The Pinnacle Gangnam*

# MNACT's Returns versus Comparable Instruments

As of 31 March 2021



1. Based on available DPU to Unitholders of 6.175 cents for FY20/21, divided by the closing unit price of S\$1.06 as of 31 March 2021.

2. Trailing 12-month gross dividend yield of FTSE SREIT Index, FTSE STI, and Hang Seng Index as of 31 March 2021, Bloomberg.

3. Prevailing interest rate on Central Provident Fund (“CPF”) Ordinary Account Savings from CPF Board, January to March 2021.

4. Singapore Government Bond Yield from Monetary Authority of Singapore as of 31 March 2021.

5. Hong Kong Government Bond Yield from Hong Kong Government Bond Programme website as of 31 March 2021.

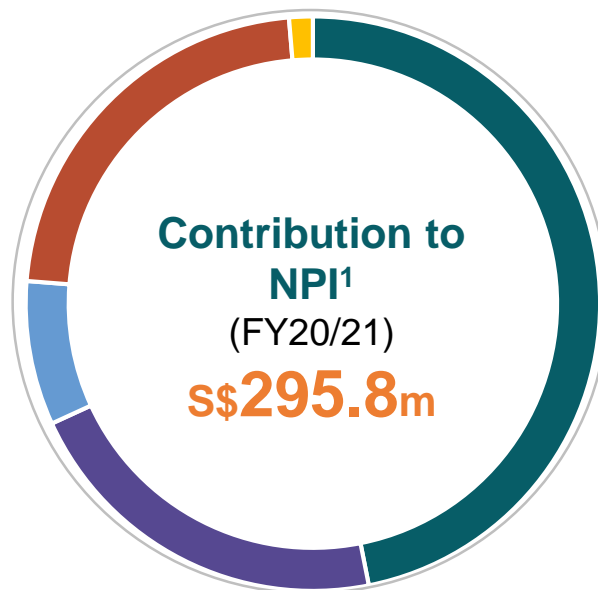
6. 12-month SGD fixed deposit savings rate from Monetary Authority of Singapore as of 31 March 2021.

# FY20/21 Portfolio Contribution

## (Including contribution from The Pinnacle Gangnam)



FW	47%
GW	20%
SP	6%
JP	26%
TPG²	1%



FW	47%
GW	21%
SP	8%
JP	23%
TPG²	1%



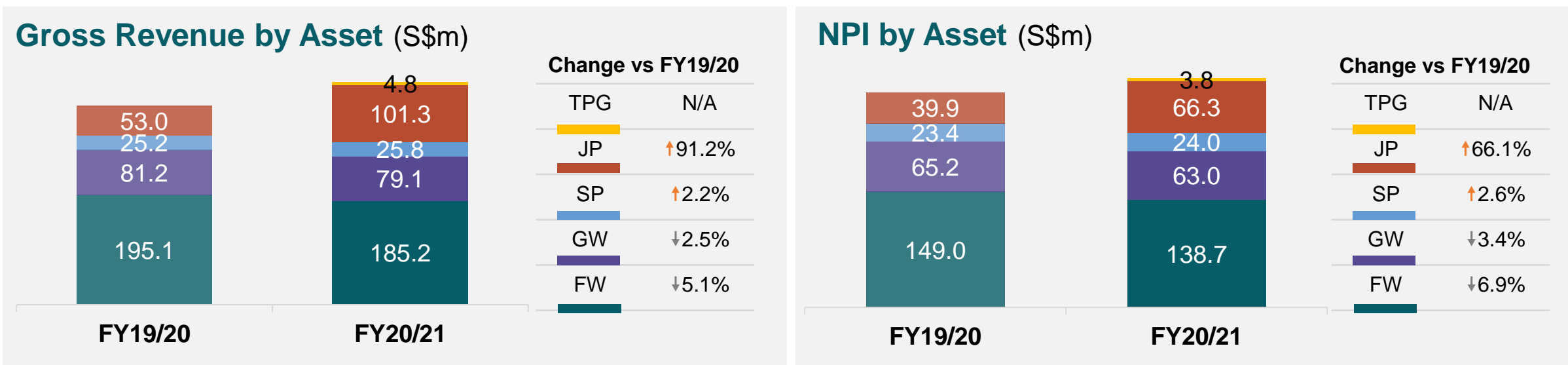
FW	57%
GW	17%
SP	6%
JP	17%
TPG	3%

1. For presentation purpose, the Gross Revenue and NPI of the portfolio shown on this slide include MNACT's 50% share of the Gross Revenue and NPI from TPG.
2. Contribution from TPG was from 30 October 2020, following completion of the acquisition.
3. Includes MNACT's 50.0% effective interest in TPG.

FW: Festival Walk; GW: Gateway Plaza; SP: Sandhill Plaza; JP: Japan Properties; TPG: The Pinnacle Gangnam

# Portfolio Gross Revenue and NPI by Asset

(Including contribution from The Pinnacle Gangnam)



- Lower NPI for **FW** mainly due to a higher quantum of rental reliefs granted and a lower average retail rental rate, partially mitigated by a higher average rate of HKD against SGD, and a low base effect as there were no rentals collected during the period of Festival Walk Temporary Closure.
- Lower NPI for **GW** mainly due to a lower average occupancy and lower average rental rate, partially mitigated by a higher average rate of RMB against SGD.
- Higher NPI for **SP** was mainly due to a higher average rental rate and average occupancy rate, as well as a higher average rate of RMB against SGD.
- Higher NPI for **JP** was mainly due to the full-year contributions from MBP and Omori, as well as a higher average rate of JPY against SGD.
- NPI for **TPG**: Contribution from 30 October 2020, following completion of the acquisition.



# Update on Portfolio Valuation (as of 31 March 2021)

\$ million	Valuation (Local Currency/S\$)				Valuation Cap Rate		
	As of 31 Mar 2021 <sup>1</sup>	As of 30 Sep 2020 <sup>2</sup>	As of 31 Mar 2020 <sup>3</sup>	% Change yoy	As of 31 Mar 2021	As of 30 Sep 2020	As of 31 Mar 2020
Festival Walk	HK\$26,170	HK\$27,000	HK\$28,530	↓8.3%	4.15% (Gross)	4.15% (Gross)	4.15% (Gross)
	S\$4,520	S\$4,773	S\$5,090	↓11.2%			
Gateway Plaza	RMB6,460	RMB6,553	RMB6,853	↓5.7%	5.50% (Gross)	5.50% (Gross)	5.50% (Gross)
	S\$1,334	S\$1,311	S\$1,368	↓2.5%			
Sandhill Plaza	RMB2,424	RMB2,424	RMB2,424	0.0%	5.00% (Gross)	5.00% (Gross)	5.00% (Gross)
	S\$501	S\$485	S\$484	↑3.5%			
Japan Properties <sup>4</sup>	JPY106,750	JPY106,750	JPY104,050	↑2.6%	3.90% – 4.70% (Net)	3.90% – 4.70% (Net)	4.10% – 4.70% (Net)
	S\$1,319	S\$1,380	S\$1,405	↓6.2%			
<b>Portfolio</b> <i>(excluding The Pinnacle Gangnam)</i>	<b>S\$7,674</b>	<b>S\$7,948</b>	<b>S\$8,347</b>	↓8.1% (31 March 2021 compared to 31 March 2020) ↓3.5% (31 March 2021 compared to 30 September 2020)			
<b>The Pinnacle Gangnam</b> (50.0% interest)	<b>KRW229,525</b>	Acquisition Price (30 Oct 2020) KRW 226,000	-	↑1.6% <sup>6</sup>	<b>3.2% (Net)</b>	-	-
	<b>S\$272</b>	S\$273 <sup>5</sup>	-	↓0.4% <sup>6</sup>			
<b>Portfolio</b> <i>(including The Pinnacle Gangnam)</i>	<b>S\$7,946</b>	↓4.8% (31 March 2021 compared to 31 March 2020) ↓0.03% (31 March 2021 compared to 30 September 2020)					

1. DBS Trustee Limited, in its capacity as trustee of MNACT, had appointed Cushman and Wakefield Limited for the independent valuations of Festival Walk, Gateway Plaza and Sandhill Plaza and CBRE K.K. for the independent valuation for the Japan Properties. The valuers for The Pinnacle Gangnam were Colliers International (Hong Kong) Limited, Colliers International (Korea) Limited and Daeil Appraisal Board (collectively the "TPG Valuers"). Valuation methodologies used as of 31 March 2021 by Cushman & Wakefield Limited include: income capitalisation method, discounted cash flow method and direct comparison method (for Gateway Plaza and Sandhill Plaza). Valuation methodologies used as of 31 March 2021 by CBRE K.K. include discounted cash flow method and direct capitalisation method. Valuation methodologies used as of 31 March 2021 by the TPG Valuers include: income capitalisation method, discounted cash flow method and direct comparison method.

Based on exchange rates S\$1= HK\$ 5.7897, S\$1 = RMB 4.8410 and S\$1 = JPY 80.9448 and S\$1 = KRW 844.6659.

2. Based on exchange rates of S\$1= HK\$ 5.6574, S\$1 = RMB 4.9985 and S\$1 = JPY 77.3652.

3. Based on exchange rates S\$1= HK\$ 5.6051, S\$1 = RMB 5.0095 and S\$1 = JPY 74.0401.

4. Based on 100% effective interest in the properties.

5. Based on exchange rates S\$1= KRW 828.01.

6. As compared to acquisition price (30 October 2020).

# Balance Sheet and Capital Management Metrics

(as of 31 March 2021)

## Balance Sheet Metrics



### Assets under Management<sup>1</sup>

**S\$7,945.8m**

31 December 2020:  
S\$8,134.6m

### Total Gross Debt<sup>2</sup>

**S\$3,440m**

31 December 2020:  
S\$3,489m

### Net Asset Value per Unit<sup>3</sup>

**S\$1.274**

31 December 2020:  
S\$1.306

## Capital Management



### Aggregate Leverage Ratio<sup>4,5</sup>

**41.5%**

31 December 2020:  
41.3%

### Interest Cover Ratio on a Trailing 12-Month Basis<sup>6</sup>

**3.7 times**

31 December 2020:  
3.4 times

### Effective Interest Rate for FY20/21

**1.99% per annum**

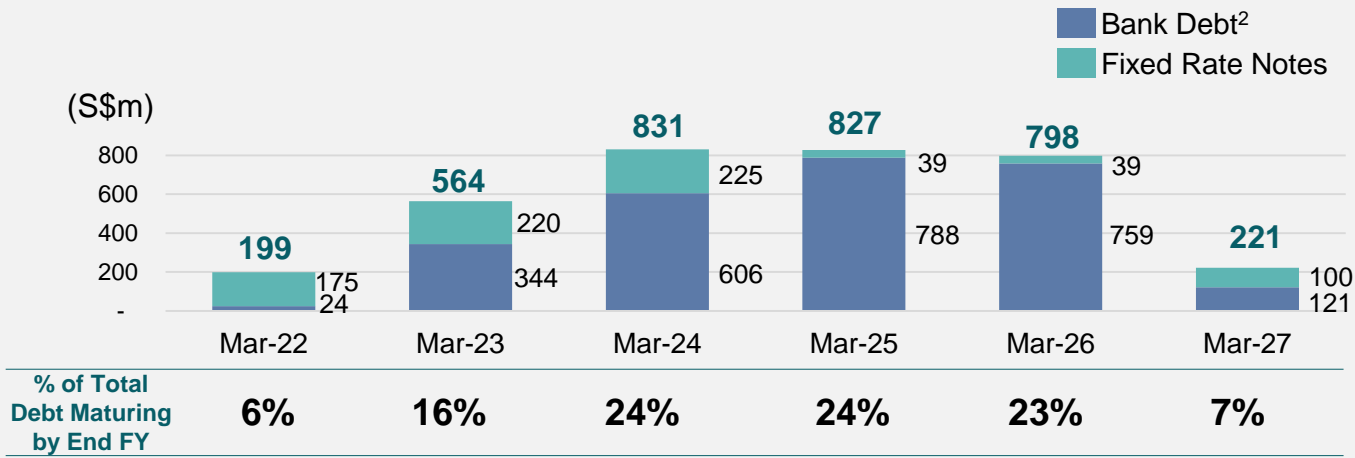
FY19/20:  
2.43% per annum

1. Includes MNACT's 50.0% effective interest in TPG.
2. As of 31 March 2021, 75% (31 December 2020: 74%) of MNACT's debt is unsecured. The secured debt includes JPY onshore borrowings, which are secured against JP, and the proportionate share of KRW onshore borrowings, which are secured against TPG.
3. After taking into account distribution payments to Unitholders on 21 June 2021, NAV per unit would have been lower at S\$1.241.
4. MNACT holds a 98.47% effective interest in JP and a 50.0% effective interest in TPG. In accordance with the Property Funds Guidelines, the aggregate leverage ratio includes MNACT's proportionate share of borrowings and deposited property values for JP and TPG.
5. As of 31 March 2021, MNACT's share of total debt to net asset value ratio and MNACT's share of total debt less cash and cash equivalents held in MNACT's functional currency (SGD) to net asset value ratio were 78.1% and 76.2%, respectively.
6. The interest cover ratios as of 31 March 2021 and 31 December 2020 are based on a trailing 12-month basis and do not take into account the interim insurance proceeds.

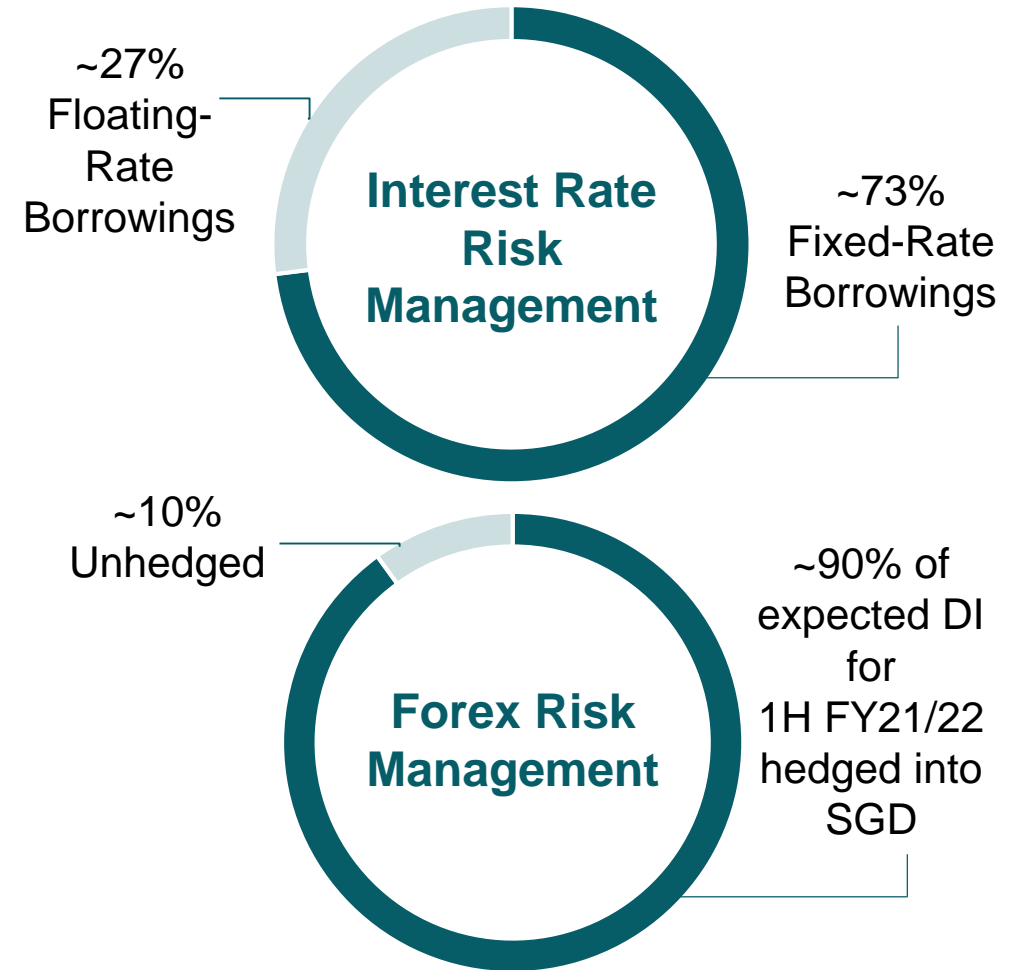
# Prudent Capital Management

## Debt Maturity Profile (as of 31 March 2021)

- **Total Gross Debt<sup>1</sup>: S\$3,440m**  
(Denomination: ~59% HKD, ~32% JPY, ~5% KRW, ~3% SGD, ~1% RMB)
- Average Term to Maturity: 3.12 years



- **Healthy liquidity position** as of 31 March 2021 comprising committed and uncommitted undrawn credit facilities of S\$513.8 million, and cash and bank balances of S\$252.2 million.



1. As of 31 March 2021, cross currency interest rate swaps entered into to swap SGD and HKD denominated medium-term notes to HKD and JPY, and USD and SGD denominated bank loans to HKD and JPY. RMB debt relates to onshore debt from acquisition of SP in June 2015. JPY debt relates to debt from acquisition of JP in May 2018 and February 2020, and the HK\$580 million Fixed Rate Notes issued in March 2019 with the swap transaction entered into to swap the HKD fixed interest rate into JPY fixed interest rate. KRW debt and SGD debt refer to onshore debt and offshore debt, respectively, from the acquisition of TPG in October 2020.

Based on exchange rates S\$1= HK\$ 5.7897, S\$1 = RMB 4.8410, S\$1 = JPY 80.9448 and S\$1 = KRW 844.6659.

2. Includes the proportionate share of KRW onshore borrowings.



# MNACT Distribution Details

## Distribution Period

**1 October 2020 to 31 March 2021**

## Distribution Amount

**3.299 cents** per Unit

## Application of Distribution Reinvestment Plan (“DRP”)

- As part of the Manager’s proactive capital management efforts to maintain an optimal overall aggregate leverage for MNACT, the Manager will continue to apply the DRP to the 2H FY20/21 distribution.
- The issue of units in lieu of cash distributions under the DRP will strengthen MNACT’s balance sheet and lower the gearing level progressively.

## Important Dates and Times

**9.00am, Thursday, 29 April 2021**

Units will be traded ex-distribution

**5.00pm, Friday, 30 April 2021**

Closure of MNACT’s Transfer Books and Register of Unitholders (the “**Record Date**”)

**Friday, 30 April 2021**

Announcement date on issue price of DRP Units

**Friday, 7 May 2021**

Despatch of Notice of Election (“**NOE**”)

**Thursday, 3 June 2021**

Unitholders and depository agents should have completed and returned the NOE to the Manager c/o CDP or submitted their instructions electronically<sup>1</sup>.

**Monday, 21 June 2021**

Payment of cash distribution, crediting of DRP Units to Unitholders’ securities accounts and listing of DRP Units on the SGX-ST

1. An eligible Unitholder who is a CDP depositor and wishes to receive all or part of the Distribution in new Units may either: (a) mail the physical copy of the NOE to CDP; or (b) for individual and joint-alternate signatory account holders only, submit his/her instructions electronically via investors.sgx.com. Joint signatories account holders are to submit a physical form to CDP.





# FY20/21 Portfolio Update



# Portfolio of Commercial Properties in North Asia Providing Income and Geographical Diversification

As of 31 March 2021,

**12 Properties**  
in Beijing, Hong Kong SAR<sup>1</sup>, Japan, Seoul and Shanghai

**\$7.9 billion**  
Assets under Management<sup>2</sup>

**97.0%**  
Portfolio Occupancy



\*While MNACT holds a 98.47% effective interest in JP, all property and financial-related figures (e.g. gross rental income, net property income, weighted average lease expiry, occupancy, trade sector breakdown and valuation) stated in this presentation for JP are based on 100.0% effective interest in JP (which includes the 1.53% effective interest in the JP held by Mapletree Investments Japan Kabushiki Kaisha ("MIJ")). For TPG, all property figures stated in this presentation are based on MNACT's 100.0% effective interest in the property, except for gross rental income, net property income and valuation figures, which are based on 50% effective interest.

1. Where Hong Kong SAR is mentioned in the presentation, it refers to the Hong Kong Special Administrative Region ("SAR").  
 2. Includes MNACT's 50.0% effective interest in TPG, and based on exchange rates of S\$1= HK\$ 5.7897, S\$1 = RMB 4.8410, S\$1 = JPY 80.9448 and S\$1 = KRW 844.6659.

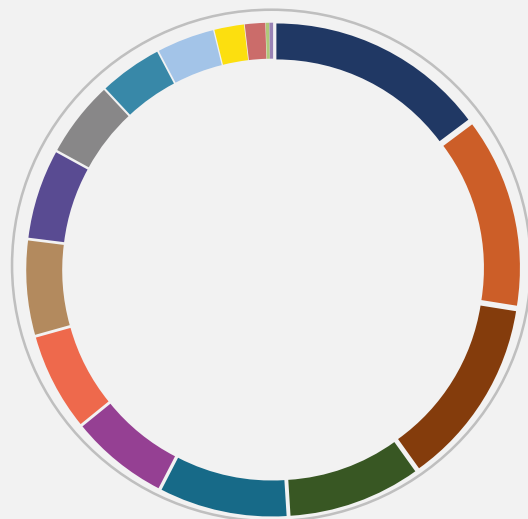


# Portfolio Tenant Mix and Top 10 Tenants

(As of 31 March 2021)

## Trade Sector by Gross Rental Income (“GRI”)

(For the Month of March 2021)



■ Machinery / Equipment / Manufacturing	14.8%
■ Financial Institution / Insurance / Banking / Real Estate	12.7%
■ Apparel & Fashion Accessories	12.6%
■ Food & Beverages	8.9%
■ Automobile	8.6%
■ Departmental Store & Supermarket	6.5%
■ Professional & Business Services	6.5%
■ Services	6.3%
■ Leisure & Entertainment	6.0%
■ Information Technology	5.1%
■ Personal Cosmetics	4.2%
■ Electronics, Houseware & Furnishings	3.9%
■ Luxury Jewellery, Watches & Accessories	2.0%
■ Pharmaceutical / Medical	1.4%
■ Natural Resources	0.2%
■ Others	0.2%

- No single trade sector comprises more than **14.8%** of GRI

## Top 10 Tenants by Monthly GRI

(For the Month of March 2021)

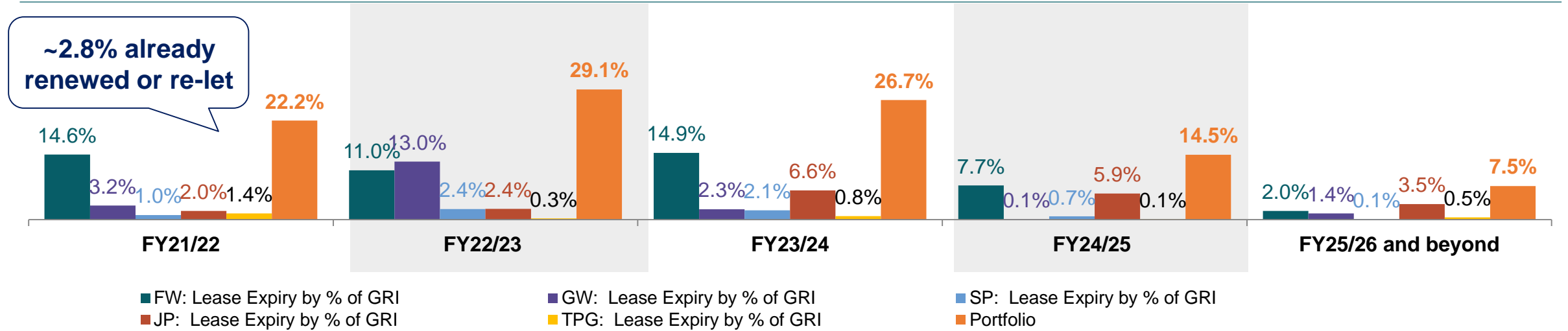
	Tenant	Building
1.	BMW	GW
2.	Seiko Instruments Inc	JP
3.	NTT Urban Development	JP
4.	TaSTe	FW
5.	Fujitsu	JP
6.	ARUP	FW
7.	Festival Grand	FW
8.	Apple	FW
9.	CFLD	GW
10.	Bank of China	GW

- Accounted for **35.7%** of the portfolio GRI

# Well-Staggered Lease Expiry Profile

## Portfolio Lease Expiry Profile by Percentage of Monthly GRI

(As of 31 March 2021)



Note:

- Lease Expiry Profile: shows the remaining leases to be renewed or re-let as of quarter end.
- WALE is based on the expiry dates of committed leases.

## Weighted Average Lease Expiry (“WALE”) by GRI (As of 31 March 2021)

**Portfolio: 2.3 years** | **FW: 2.0 years** | **GW: 2.2 years** | **SP: 2.0 years** | **JP: 3.0 years** | **TPG: 2.8 years**

1. The portfolio WALE of 2.3 years as of 31 March 2021 was based on committed leases (leases which have been renewed or re-let as of 31 March 2021), with lease commencement dates before and after 31 March 2021. Excluding committed leases commencing after 31 March 2021, the portfolio WALE would have been 2.1 years as of 31 March 2021.

# Update on Festival Walk, Hong Kong SAR

## Hong Kong SAR Retail Market

- In Hong Kong SAR, retail sales from January to February 2021 increased by 2.7%<sup>1</sup>, an improvement compared to the 19.7% decrease in retail sales from April 2020 to December 2020.
- Retail leasing demand was extremely thin over the course of 2020<sup>2</sup>. Citywide average rents continued trending downwards due to the higher cost sensitivity of tenants<sup>3</sup>.

## Festival Walk, Hong Kong SAR

### Occupancy

(As of 31 March 2021)

**99.9%**

Compared to 98.9%  
as of 31 December 2020

### Average Rental

**Reversion<sup>4</sup>** (For FY20/21)

**-21%<sup>5</sup>** (retail)

### Footfall<sup>6</sup>

(For FY20/21)

**↓30.9%** year-on-year

### Retail Sales<sup>6</sup>

(For FY20/21)

**↓23.1%** year-on-year

- Shopper traffic for FY20/21 decreased due to the social distancing measures and dine-in bans imposed by the authorities to contain the spread of COVID-19. This, together with lower spending by the locals during the year, had affected tenants' sales compared to the same period last year.
- During 2H FY20/21, retail sales<sup>6</sup> have shown a year-on-year (“YoY”) improvement of 6.4%, compared to a YoY decline of 36.2% in 1H FY20/21, in line with the progressive easing of the restrictive COVID-19 measures. *(For details, please refer to Slide 19)*
- Accordingly, a lower quantum of rental reliefs of S\$14.9 million was extended to the retail tenants during 2H FY20/21 compared to S\$34.9 million in 1H FY20/21.

1. Hong Kong Census and Statistics Department’s “Report on Monthly Survey of Retail Sales for February 2021”. Hong Kong SAR’s retail sales figures for March 2021 have not been published as of 22 April 2021. Hong Kong’s retail sales from April 2020 to February 2021 declined by 16.0% year-on-year.

2. CBRE, Hong Kong Market Outlook 2021

3. Cushman & Wakefield, Hong Kong Retail Marketbeat, Q1 2021.

4. Average rental reversion is calculated based on the change in the effective rental rates of the new leases compared to the previous leases. It takes into account rent-free periods and step-up rental rates over the lease term (if any). It excludes rental rates for short-term leases that are less than or equal to 12 months where the rental rates are not reflective of prevailing market rents that are on normal lease tenure basis.

5. Taking into account the short-term leases at Festival Walk mall, the average rental reversion for leases that were renewed or re-let in FY20/21 would have been lower at -27%.

6. To provide the same basis of comparison, the period of mall closure from 13 November 2019 to 15 January 2020 and the corresponding period in FY20/21 were not taken into account.



# Update on Festival Walk, Hong Kong SAR

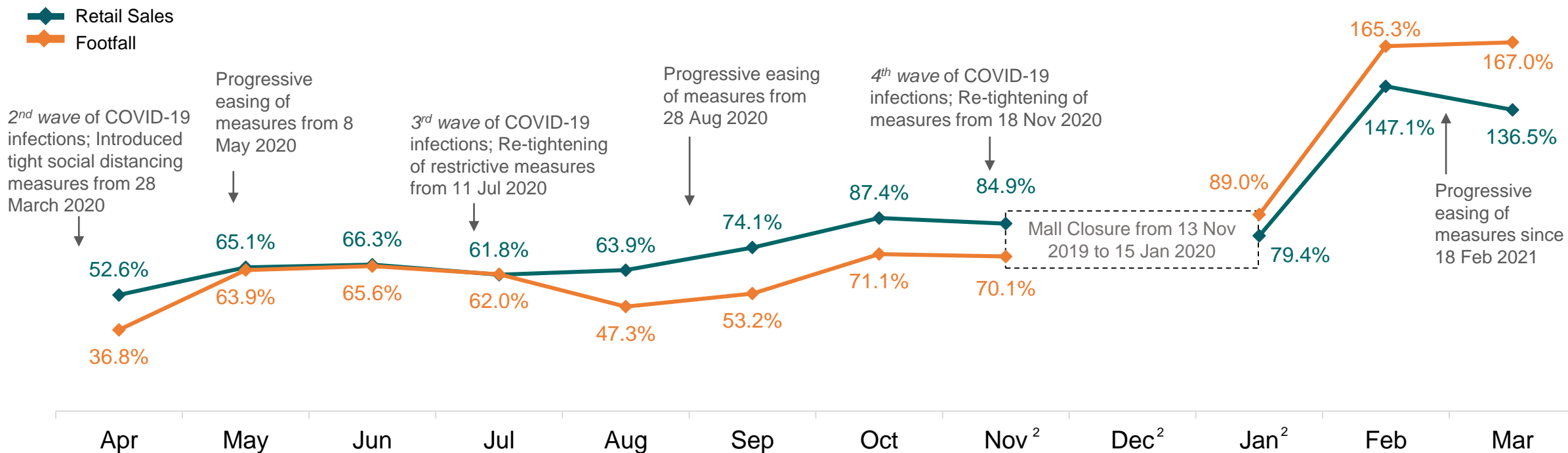
- During FY20/21, the Manager received interim payments of HK\$263 million (S\$46 million)<sup>1</sup> from the insurers, as partial payments on account of the estimated insurance claims for property damage and revenue loss due to business interruption during Festival Walk's closure.
- These insurance proceeds are non-distributable income, and are recorded as non-operating income in the financial statements.
- As announced on 4 December 2019, the Business Interruption Insurance Amount will be used to repay the external borrowings incurred to fund the distribution top-ups paid to unitholders in 3Q FY19/20 and 4Q FY19/20.
- Any Business Interruption Insurance Amount in excess of the distribution top-ups will be distributed to unitholders.
- Finalisation of the insurance claims remains in progress.

1. Please refer to MNACT's SGX-ST Announcement dated 14 October 2020 titled "Update on Festival Walk".

# Festival Walk Mall – FY20/21 Retail Sales and Footfall

## Recovering Retail Sales and Footfall in Line with Progressive Easing of Restrictive Measures

### Monthly Retail Sales and Footfall<sup>1</sup> in FY20/21 Compared to FY19/20



- ✓ Retail sales in Feb 2021 and Mar 2021 improved by 47.1% and 36.5% YoY, respectively, in line with retail sales recovery in Hong Kong SAR.
- ✓ For Jan – Mar 2021 (4Q FY20/21), retail sales increased by 21.8% YoY in line with mainly due to the progressive easing of restrictive COVID-19 measures. Additionally, there was a low base effect where retail sales in 4Q FY19/20 was heavily impacted by the onset of COVID-19.

1. Retail sales and footfall in FY20/21 as a percentage of retail sales and footfall in FY19/20, for the period from April 2020 to March 2021.

2. The mall was closed from 13 November 2019 to 15 January 2020. To provide the same basis of comparison, retail sales and footfall for November included only 1 to 12 November 2020 and the corresponding period last year, while retail sales and footfall figures in December 2020 and December 2019 were not included in the chart. Retail sales and footfall for January included only 16 to 31 January 2021 and the corresponding period last year.

# Enhancing Festival Walk Mall as a Lifestyle Hub

New Shops in 4Q FY20/21

Introducing new F&B outlets featuring an exciting variety of culinary delights, a new educational toy store and a gift shop



ASAM Chicken Rice  
(Singaporean and Malaysian cuisines)



PHO LE (Vietnamese beef noodles)



Men Wah Bing Teng (Traditional Hong Kong food)



Sanrio Gift Gate (Gift Merchandise)



Awe\$ome (Educational toys & games)



# Enhancing Festival Walk Mall as a Lifestyle Hub

Promotions and Marketing Events in 4Q FY20/21

Support retailers to boost sales and shopper traffic via alternative platforms, sales redemption promotions and marketing events



Flash mob performances on the weekends in March brought cheer to the shoppers



Graphic for 'TAKE OUT' promotion. The word 'TAKE' is in large green letters, with a shopping bag icon containing 'WoW offer \$\$' below it. The word 'OUT' is in large green letters, with a fork and spoon icon inside the 'O'. Logos for 'FESTIVAL WALK' and 'mapleiree north asia commercial' are in the top right.

Takeaway offers by selected F&B tenants



Graphic for 'Encore!' promotion. It features logos for 'FESTIVAL WALK mapleiree' and 'deliveroo 戶戶送'. Text includes 'Encore! 反應熱烈 再度加推' and 'Up to 25% discount 低至七五折優惠'. The background is teal with illustrations of food and a delivery scooter.

Partnership with Deliveroo to offer discounts on delivery or takeaway orders from selected FW F&B outlets

# Update on China, Japan and Korea Properties



Gateway Plaza, Beijing



Sandhill Plaza, Shanghai



Japan Properties



The Pinnacle Gangnam, Seoul

	Gateway Plaza, Beijing	Sandhill Plaza, Shanghai	Japan Properties	The Pinnacle Gangnam, Seoul
<b>Occupancy</b> <i>(As of 31 March 2021)</i>	<b>92.9%</b> <i>Compared to 92.9% as of 31 December 2020</i>	<b>97.9%</b> <i>Compared to 97.4% as of 31 December 2020</i>	<b>97.8%<sup>1</sup></b> <i>Compared to 97.9% as of 31 December 2020</i>	<b>96.5%</b> <i>Compared to 97.5% as of 31 December 2020</i>
<b>Average Rental Reversion<sup>2</sup></b> <i>(For FY20/21)</i>	<b>-7%</b>	<b>+5%</b>	<b>+2%</b>	<b>n.m.<sup>3</sup></b>
<b>Updates</b> <i>(As of 31 March 2021)</i>	<ul style="list-style-type: none"> <li>Recorded a relatively high occupancy rate compared to Beijing office vacancy<sup>4</sup> of 17.2%.</li> <li>As of mid-April 2021, more than 80% of the office community returned to office.</li> </ul>	<ul style="list-style-type: none"> <li>Maintained high occupancy and positive average rental reversion.</li> <li>100% of the office community returned since April 2020.</li> </ul>	<ul style="list-style-type: none"> <li>Maintained high occupancy and positive average rental reversion.</li> <li>Most of the JP saw between 60% and 95% returning to offices as of mid-April 2021, except for three properties with less than 60%<sup>5</sup>.</li> </ul>	<ul style="list-style-type: none"> <li>Maintained a high occupancy level.</li> <li>As of mid-April 2021, approximately 90% of the office community returned to office.</li> </ul>

1. All Japan Properties except MBP registered full occupancy as of 31 March 2021. The occupancy rate for MBP was 93.9%.  
 2. Please refer to footnote 4 on slide 17 for definition on Average Rental Reversion.  
 3. n.m. – not meaningful. During the period from 30 October 2020 (date of completion of acquisition) to 31 March 2021, there was only one lease that expired and was renewed at a rental reversion of 16%.  
 4. Cushman & Wakefield, Beijing Marketbeat (Office), 1Q 2021  
 5. The state of emergency was declared for Tokyo, Saitama, Kanagawa and Chiba on 8 January 2021 and lifted on 21 March 2021. With the resurgence of cases in Japan in April 2021, the quasi-state of emergency restrictions was in place from 12 April 2021 for Tokyo, and from 20 April 2021 for Saitama, Chiba and Kanagawa.





# Enhancing Resilience

강남 더의원  
트피

강남 더의원



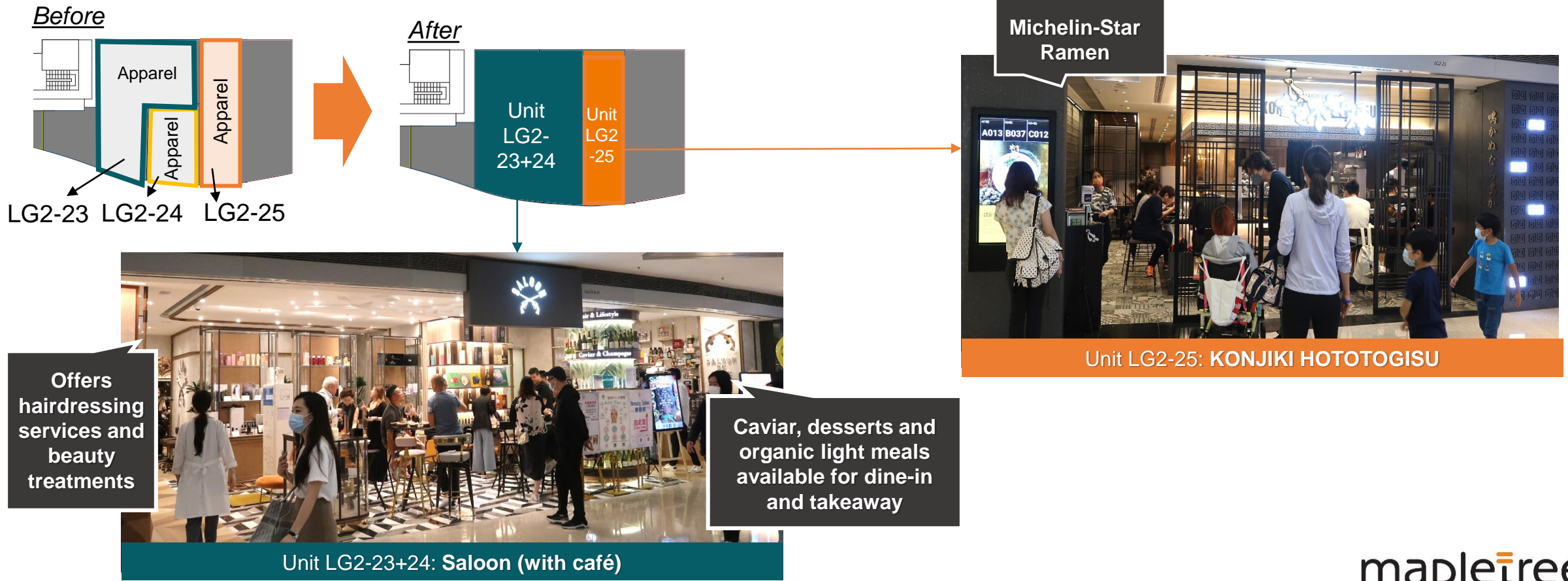
# Enhancing Resilience



## PROACTIVE ASSET MANAGEMENT – RETAIL

- ✓ Recruited more brands in resilient trades such as the food and beverage, lifestyle and services sectors.

### Conversion of apparel shops to introduce F&B and service offerings during FY20/21





# Enhancing Resilience



## PROACTIVE ASSET MANAGEMENT – RETAIL

- ✓ Strengthening Festival Walk mall's positioning as the preferred social gathering venue with 14 new F&B concepts introduced in FY20/21 including:



Moon Palace (*Guangdong & Sichuan cuisine*)



VA BENE ITALIANO (*Traditional Italian cuisine*)



Tonkichi (*Japanese fried pork cutlet restaurant*)



Toriten (*Traditional Japanese cuisine*)



hana-musubi (*Japanese rice balls*)



lhk Doux Cadeau  
(*Bird nest's desserts*)



Sweet Fashion House  
(*Patisserie*)

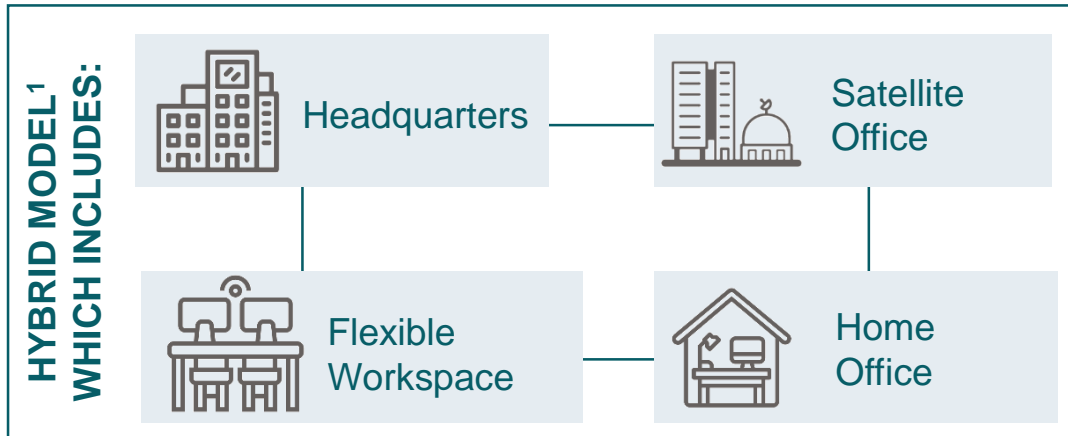
# Enhancing Resilience



## PROACTIVE ASSET MANAGEMENT – OFFICE

### ✓ Capitalise on opportunities to capture demand for office space

- Companies are reviewing their office strategies in consideration of changes in work styles, accelerated by COVID-19.
- As part of tenants' business continuity planning, a hybrid model may co-exist:

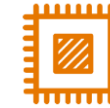


- The increased usage of decentralised spaces and satellite offices is expected to **benefit MNACT's office properties located in fringe office areas or suburban office markets (ie. SP and JP).**

- Favourable government policies such as the further opening up of financial markets, and the promotion of technology self-reliance and innovation-driven developments in China are expected to spur the growth of industries including:



TMT



Semi-conductors



Financial Services



Biomedical/  
Life Sciences

and support the demand for office space in China.

- The continued growth of the IT, gaming, biotech and pharmaceutical industries is expected to increase demand for offices in South Korea.

1. CBRE, The Future of Work, January 2021



# Enhancing Resilience



## ENSURING BUSINESS CONTINUITY

- ✓ Granted **rental reliefs of S\$50.5 million in FY20/21 to support our tenants** amid COVID-19.
- ✓ Executed **flexible leasing strategies to attract and retain tenants**, recording a high portfolio occupancy of 97.0%.
- ✓ Maintained **healthy liquidity position of S\$766.0 million**, adequately managing and meeting working capital and operating requirements, as well as maturing debt obligations (Slide 11).

- ✓ **Deployed technology solutions** such as disinfecting robots, UV disinfection devices on escalator handrails and non-contact temperature screening stations **to enhance precautionary measures at our properties.**



UV disinfection devices on the handrails of escalators located at high traffic areas within FW



## DIVERSIFYING THE PORTFOLIO

- ✓ **Expanded investment mandate to include South Korea**, which ranks as one of the top resilient economies<sup>1</sup> among Asia Pacific countries amid COVID-19.
- ✓ **Co-invested with the Sponsor in The Pinnacle Gangnam (“TPG”), an office building in Seoul, South Korea** at a total acquisition cost (based on MNACT’s 50% interest) of S\$276.4 million.
- ✓ Contribution from TPG acquired in Oct 2020, together with the full-year contribution from MBP and Omori acquired in Feb 2020, have **cushioned the impact of COVID-19 on MNACT’s profit** in FY20/21.



- ✓ **Continue to seek accretive acquisitions** to further diversify the portfolio and expand MNACT’s income stream.

1. According to the International Monetary Fund, South Korea's 2020 economic growth (by real GDP) was -1.1%, which is ranked fourth in Asia Pacific after Taiwan (+3%), Vietnam (+2.9%) and China (+2.3%).

# Enhancing Resilience

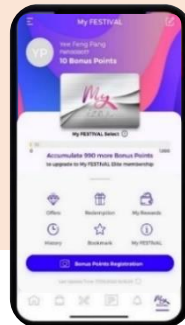
## DIGITALISATION INITIATIVES

- ✓ Launched a digital loyalty programme at FW mall to **increase touchpoints**.
  - Use of **data analytics** to better understand shoppers behavior and preferences to cater to their evolving needs.

### 'MyFestival' Loyalty Programme

*Integrated into an enhanced Festival Walk mobile app*

- ✓ Launched in September 2020
- ✓ Over **42,000 members** (as of 31 March 2021)
- ✓ Members can earn 'bonus points from spending at FW, which can be used to redeem e-coupons or gifts from selected shops



- ✓ Launched MBP's website which integrates **virtual reality technology** where viewers/potential tenants are able to 'view' the amenities and common areas, without being physically present on site.



## ALIGNING INTEREST WITH UNITHOLDERS

- ✓ **Waived entitlement to performance fee** until such time that the DPU exceeds the DPU achieved in FY19/20, prior to the full-year impact of COVID-19, in consideration of the impact of COVID-19 on MNACT's distribution to the Unitholders (Slide 37).



# Outlook





# Outlook

While a global economic recovery is underway, the pace of recovery will depend on the progress of vaccine deployment, a decline in global infection rates as well as geopolitical developments.

## Hong Kong SAR

- Low consumption demand will continue to weigh on retail sales, with prospects of a recovery dependent upon the effectiveness of the mass vaccination programme and the re-opening of the border<sup>1</sup>. Rental rates<sup>2</sup> are expected to drop further in 2021 as the pandemic takes its toll on the economy, before bouncing back in 2022 and 2023.

### Festival Walk

- Average renewal or re-let rental rate for FY21/22 is expected to be lower compared to FY20/21<sup>3</sup>.
- The Manager will remain focused on maintaining a high occupancy rate, and will work closely with our tenants on exciting marketing and promotional events to stimulate sales.
- While the restrictive COVID-19 measures, which limit capacity and operating hours, have been relaxed since 1 April 2021, the impact on the sales performance of our retail tenants remains to be seen and will be monitored. We remain committed to support our retail tenants with rental reliefs where necessary.
- The Manager will continue to enhance the mall's retail proposition as a lifestyle hub through our ongoing repositioning of tenant mix, initiatives to boost retail sales, various shopping and dining marketing programmes and further digitalisation initiatives.
- Recovery works resulting from the Festival Walk Incident<sup>4</sup>, which include the installation of permanent balustrades within the mall, are underway. These are being carried out progressively and expected to be completed within the second half of 2021.

## Beijing, China

- For the office market<sup>5</sup>, supply completions are set to surge while demand is expected to remain sluggish. Rents are expected to drop further in view of increasing competition in the market.
- **Gateway Plaza:** We will continue to focus on maintaining occupancy levels and retaining tenants.

1. CBRE, Hong Kong Retail, 4Q 2020.

2. Savills, Hong Kong Retail, 4Q 2020

3. For FY20/21, the average rental reversion at Festival Walk mall was negative 21%.

4. Please refer to MNACT's SGX-ST Announcement dated 4 December 2019 titled "Update on Festival Walk and Impact on MNACT".

5. JLL, Asia Property Digest, 4Q 2020.

# Outlook

## Shanghai, China

- Due to the lingering impact from COVID-19, some office tenants are expected to remain cost sensitive<sup>1</sup>.
- **Sandhill Plaza:** Rental performance FY21/22 is expected to remain resilient

## Greater Tokyo, Japan

- In Tokyo<sup>2</sup>, many corporations remain cautious about capital expenditures, leading to a decrease in new office openings or expansions.
- In line with office decentralisation plans that were put in place as a result of COVID-19, office buildings in non-core areas whose rental levels are lower, are expected to attract certain level of demand from companies looking to either cut costs or set up satellite offices.
- **Japan Properties:** The Manager will focus on tenant retention to maintain a high level of occupancy for the JP, which are located at the fringe of the city centre or suburban areas.

## Seoul, Korea

- For the office market<sup>3</sup>, despite lower office demand among some construction and international consumer companies, demand from the IT, gaming, biotech and pharmaceutical industries is expected to grow going forward.
- **The Pinnacle Gangnam:** The full-year contribution from TPG is expected to increase MNACT's income stream. Its average rental reversion rate is expected to remain healthy due to the high proportion of leases with rent escalation clauses and continued demand for expansion and relocation from office users.

## MNACT

- Our focus remains on active asset management and accretive acquisitions to achieve greater diversification of MNACT's portfolio, while keeping an active and prudent approach on capital management.

1. JLL, Asia Property Digest, 4Q 2020.  
2. CBRE, Japan Market Outlook 2021.  
3. Savills, Seoul Prime Office, 4Q 2020.

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# Thank You





mBAY POINT  
Makuhari

Fujitsu Makuhari  
Building

SII Makuhari  
Building

# Appendix



# Overview of Mapletree North Asia Commercial Trust (“MNACT”)

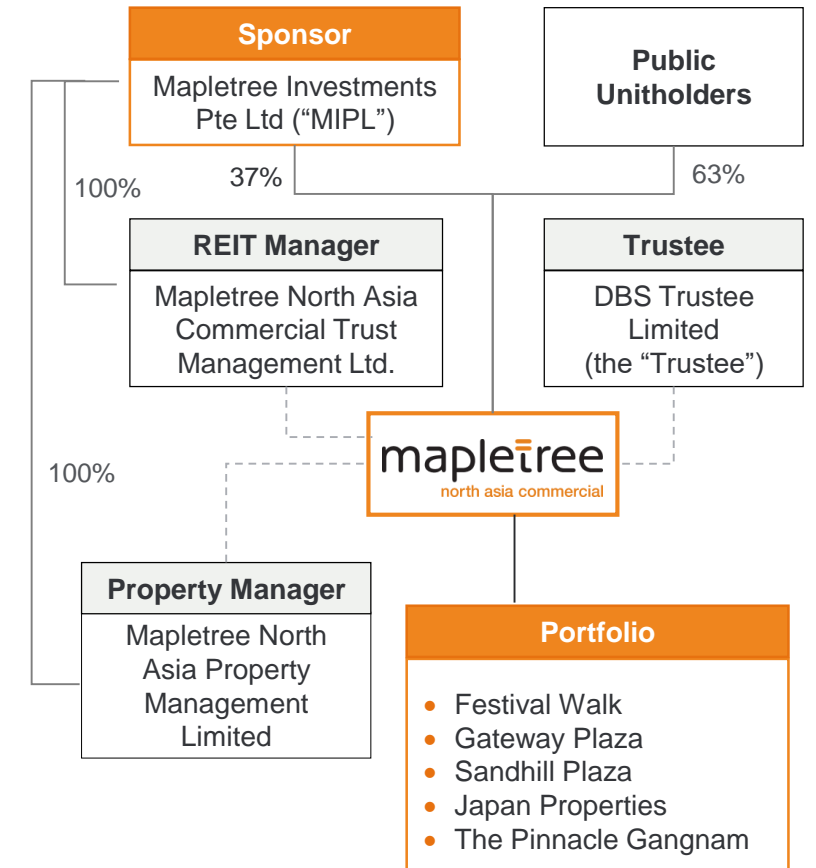
Singapore’s first commercial REIT with properties in China, in Hong Kong SAR and in Japan  
(listed since 7 March 2013)

## Investment Mandate

- To invest in a diversified portfolio of income-producing real estate used primarily for commercial purposes located in Greater China, Japan and South Korea<sup>1</sup>.
- Key markets include Tier-1 cities (Beijing, Shanghai, Guangzhou and Shenzhen) and key Tier-2 cities in China, in Hong Kong SAR, in Japan and in South Korea.



## Trust Structure



**S\$3.6b**  
Market Capitalisation<sup>2</sup>

**S\$7.9b**  
Assets under Management<sup>3</sup>

**37%**  
Unitholdings held by Sponsor<sup>4</sup>

1. Please refer to MNACT’s SGX-ST Announcement titled “Expansion of Investment Mandate” dated 25 September 2020.

2. Based on unit closing price of S\$1.06 on 31 March 2021

3. Includes MNACT’s 50.0% effective interest in The Pinnacle Gangnam, and based on exchange rates of S\$1= HK\$ 5.7897, S\$1 = RMB 4.8410, S\$1 = JPY 80.9448 and S\$1 = KRW 844.6659.

4. As of 31 March 2021.

# Diversified Portfolio of Quality Commercial Assets

## Festival Walk, Hong Kong SAR

One of the largest malls in Hong Kong SAR, and nestled in the local catchment area of Kowloon Tong.



- **Year of Acquisition:** 2013 (IPO)
- **Net Lettable Area:** 74,171 sqm  
*Retail (73%), Office (27%)*
- **Property Value<sup>1</sup>:** HK\$26,170m (S\$4,520m)
- **% Contribution to AUM<sup>1</sup>** 57%
- **Occupancy** (as of 31 Mar 2021) 99.9%

## Gateway Plaza, Beijing, China

A premier Grade-A office building, located in Lufthansa Area (Third Embassy Area) in Beijing.



- **Year of Acquisition:** 2013 (IPO)
- **Net Lettable Area:** 106,456 sq m  
*Office (89%), Podium (11%)*
- **Property Value<sup>1</sup>:** RMB6,460m (S\$1,334m)
- **% Contribution to AUM<sup>1</sup>** 17%
- **Occupancy** (as of 31 Mar 2021) 92.9%

## Sandhill Plaza, Shanghai, China

A premium business park development located in Zhangjiang Science City in Pudong New Area.



- **Year of Acquisition:** 2015
- **Net Lettable Area:** 63,284 sq m  
*Office (97%), Amenities (3%)*
- **Property Value<sup>1</sup>:** RMB2,424m (S\$501m)
- **% Contribution to AUM<sup>1</sup>** 6%
- **Occupancy** (as of 31 Mar 2021) 97.9%

## Japan Properties, Greater Tokyo

Eight Freehold Properties in Tokyo, Chiba and Yokohama



- **Year of Acquisition:** 2018 (6 assets) and 2020 (2 assets)
- **Net Lettable Area:** 240,039 sq m
- **Property Value<sup>1</sup>:** JPY107b (S\$ 1,319m)
- **% Contribution to AUM<sup>1</sup>** 17%
- **Occupancy** (as of 31 Mar 2021) 97.8%

## The Pinnacle Gangnam, Seoul

Freehold office building, located at Nonhyeon-dong, Gangnam-gu in Seoul.



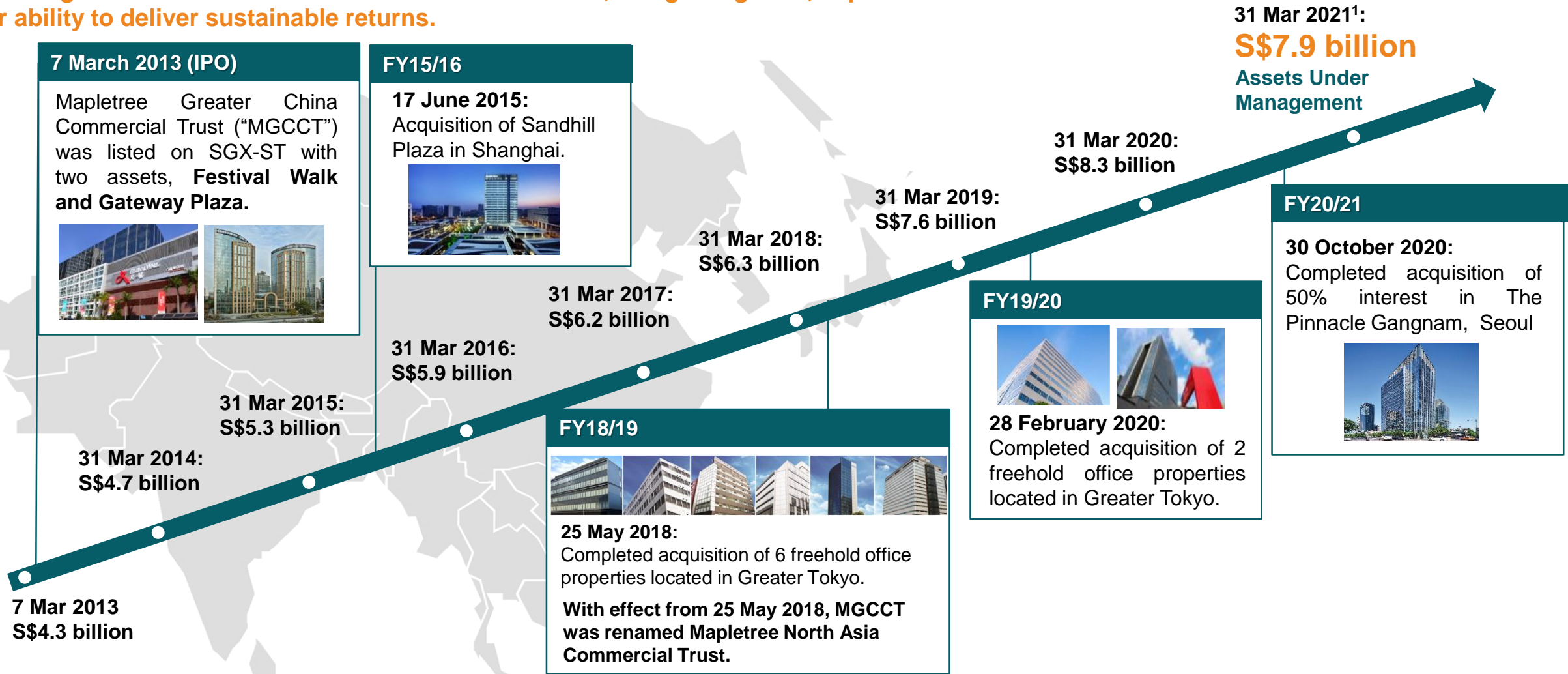
- **Year of Acquisition:** 2020
- **Net Lettable Area:** 24,639 sq m  
*– Based on 100% interest*
- **Property Value<sup>1</sup>:** KRW230b (S\$272m)  
*– 50.0% interest*
- **% Contribution to AUM<sup>1</sup>** 3%
- **Occupancy** (as of 31 Mar 2021) 96.5%

1. Based on valuations performed by independent valuers as of 31 March 2021, and exchange rates of S\$1= HK\$ 5.7897, S\$1 = RMB 4.8410, S\$1 = JPY 80.9448 and S\$1 = KRW 844.6659.



# Continue to Pursue Diversification of Portfolio to Reduce Geographical and Income Concentration

Investing in assets across diversified markets in China, Hong Kong SAR, Japan and South Korea enhances our ability to deliver sustainable returns.



1. The independent valuation of MNACT's 11 properties (FW, GW, SP and the eight JP) was S\$7.6 billion as of 31 March 2021, 8.1% lower compared to 31 March 2020. This was largely due to lower market rents assumed by the valuers for FW and GW as a result of the impact of COVID-19 on the properties' performance, as well as the net translation loss (against SGD) from the weaker HKD and JPY, partially offset by the stronger RMB. TPG was acquired on 30 October 2020. Including the valuation of MNACT's 50% effective interest in TPG of S\$272 million, MNACT's portfolio valuation amounted to \$7.9 billion.

# Strong Alignment with Unitholders

Management is incentivised to deliver sustainable and quality DPU growth.

- First S-REIT with no AUM-based fee structure
- Performance-based feature incentivises the Manager to grow DPU

## Management Fee Structure

<b>REIT Management Fee</b>	<ul style="list-style-type: none"> <li>▪ <b>Base Fee:</b> 10.0% of Distributable Income<sup>1</sup></li> <li>▪ <b>Performance Fee:</b> 25.0% of the difference in DPU in a financial year with the DPU in the preceding financial year<sup>2</sup> multiplied by the weighted average number of Units in issue for such financial year. The Performance Fee is payable if the DPU in respect of any financial year exceeds the DPU in the preceding financial year, notwithstanding that the DPU in such relevant financial year may be less than the DPU in the financial year prior to the preceding financial year.               <ul style="list-style-type: none"> <li>➤ <b>As announced on 25 September 2020<sup>3</sup>, the Manager will waive its entitlement to any performance fee as provided under the Trust Deed (“Performance Fee”) until such time that the DPU exceeds 7.124 cents (“Threshold DPU”), which was the DPU achieved in FY19/20, prior to the full year impact of COVID-19</b></li> <li>➤ <b>Upon MNACT’s DPU performance exceeding the Threshold DPU, the waiver will cease (and the Threshold DPU will no longer be applicable) in subsequent years, and the Manager will continue to be entitled to receive the Performance Fee in accordance with the Trust Deed.</b></li> </ul> </li> <li>▪ 100% paid in units since listing</li> </ul>
<b>Property Management Fee</b>	<ul style="list-style-type: none"> <li>▪ 2.0% of Gross Revenue</li> <li>▪ 2.0% of Net Property Income</li> <li>▪ PM fees relating to Festival Walk and Gateway Plaza: 100% paid in units since listing</li> <li>▪ PM fees relating to Sandhill Plaza, Japan Properties and The Pinnacle Gangnam: 100% paid in cash<sup>4</sup></li> </ul>
<b>Acquisition Fee</b>	<ul style="list-style-type: none"> <li>▪ 0.75% for acquisitions from Related Parties</li> <li>▪ 1.0% for all other acquisitions</li> </ul>

1. In relation to the Japan Properties, the asset management services are provided by the Japan Asset Manager. In view of the fees payable in cash to the Japan Asset Manager for the Japan Properties, the Manager has elected to waive the Base Fee (which it is otherwise entitled to under the Trust Deed) for as long as the Manager and the Japan Asset Manager are wholly-owned by Mapletree Investments Pte Ltd and the Japan Asset Manager continues to receive the Japan Asset Management Fee in respect of the Japan Properties.
2. Calculated before accounting for the performance fee in each year.
3. Please refer to MNACT’s SGX-ST announcement dated 25 September 2020 titled “A) Acquisition of 50.0% Interest in an Office Building Known as “The Pinnacle Gangnam” located In Seoul, Korea and B) Manager to Waive Entitlement to Performance Fees”.
4. For Sandhill Plaza, the Manager has elected to pay the Property Manager the Property Management Fee in cash from the date of acquisition on 17 June 2015. For six of the Japan Properties (MON, HNB, TSI, ASY, SMB and FJM) acquired on 25 May 2018 and two of the Japan Properties (Omori and MBP) acquired on 28 February 2020, the Property Management Fee is payable in cash to the Japan Property Manager from the date of their acquisitions. For The Pinnacle Gangnam, the Manager will elect to pay the Property Manager the Property Management Fee in cash.