mapletree
greater china commercial

mapletree
north asia commercial

SHAPING THE FUTURE

Annual Report **2017/2018**

CORPORATE PROFILE

Listed on the Singapore Exchange Securities Trading Limited ("SGX-ST") on 7 March 2013, Mapletree Greater China Commercial Trust ("MGCCT") is the first real estate investment trust ("REIT") that offers investors the opportunity to invest in best-in-class commercial properties situated in prime locations in Hong Kong[1] and China. To better align with investors' interest, MGCCT is also the first Singapore-listed REIT to introduce a management fee structure that is based on distributable income and distribution per unit ("DPU") growth, rather than assets under management ("AUM") and net property income ("NPI"). MGCCT is the fourth REIT sponsored by Mapletree Investments Pte Ltd ("MIPL" or the "Sponsor"), a leading real estate development, investment and capital management company headquartered in Singapore.

With effect from 25 May 2018, MGCCT has been renamed Mapletree North Asia Commercial Trust ("MNACT"), following the completion of acquisition[2] of an effective interest of 98.47% in a portfolio of six freehold office properties located in Tokyo, Chiba and Yokohama (the "Japan Portfolio").

With the acquisition of the Japan Portfolio, MGCCT, now renamed as MNACT, has a market capitalisation of approximately S$3.6 billion as of 25 May 2018. MNACT is managed by Mapletree North Asia Commercial Trust Management Ltd. ("MNACTM", or the Manager) (formerly known as Mapletree Greater China Commercial Trust Management Ltd. ("MGCCTM")), a wholly-owned subsidiary of MIPL.

MNACT consists of nine properties in Hong Kong, China and Japan:

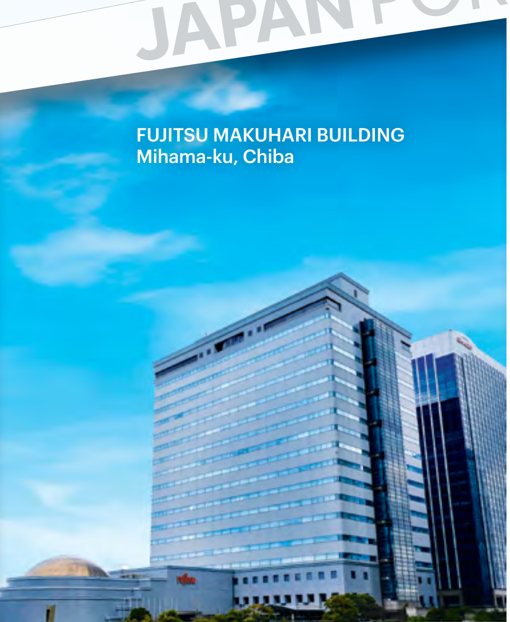
- Hong Kong: ***Festival Walk***, a landmark territorial retail mall with an office component;
- Beijing: ***Gateway Plaza***, a premier Grade-A office building with a podium area, in Beijing, China;
- Shanghai: ***Sandhill Plaza***, a premium quality business park development situated in Zhangjiang Hi-tech Park, Pudong, Shanghai, China; and
- Japan: three office buildings in Tokyo (***IXINAL Monzen-nakacho Building***, ***Higashi-nihonbashi 1-chome Building*** and ***TS Ikebukuro Building***); an office building in Yokohama (***ABAS Shin-Yokohama Building***); and two office buildings in Chiba (***SII Makuhari Building*** and ***Fujitsu Makuhari Building***).

As the acquisition of the Japan Portfolio was completed in May 2018, the financial and operations performance of the Japan Portfolio has not been included in this annual report. This annual report is therefore presented as the annual report of MGCCT, and references will be made to MGCCT (instead of MNACT).

1 Hong Kong refers to the Hong Kong Special Administrative Region ("SAR").

2 Please refer to MNACT's SGX-ST Announcement dated 28 March 2018 titled "Proposed Acquisition of a Portfolio of Six Freehold Office Properties in Greater Tokyo, Japan ("Proposed Acquisition")". The transaction was approved by Unitholders at the Extraordinary General Meeting held on 24 April 2018. Following the completion of the Proposed Acquisition on 25 May 2018, MGCCT was renamed "Mapletree North Asia Commercial Trust" and the Manager was renamed "Mapletree North Asia Commercial Trust Management Ltd.".

JAPAN PORTFOLIO



FUJITSU MAKUHARI BUILDING
Mihama-ku, Chiba

IXINAL MONZEN-NAKACHO BUILDING
Koto-ku, Tokyo

HIGASHI-NIHONBASHI 1-CHOME BUILDING
Chuo-ku, Tokyo

SHAPING THE FUTURE

Japan is one of the world's largest economies, supported by stable macro-economic fundamentals and improving business sentiments. The acquisition of the Japan Portfolio in Greater Tokyo heralds a new milestone for MNACT, building on the Manager's five-year track record of operating a portfolio of stable and high quality commercial assets.

The expansion into the attractive Greater Tokyo market provides a strategic addition of freehold office assets with attractive yield spread, and offers scalable acquisition opportunities. These are attributes that are presently not available in the Hong Kong and China markets.

Along with the recovery of the Hong Kong retail sector and the continued growth of the China economy, our focus on proactive investment, asset and capital management will allow us to further enhance the portfolio's value and shape the future of MNACT.

Any discrepancies in the figures and percentages within the tables and charts are due to rounding. Where applicable, these are rounded to one decimal place.

ACCESSIBILITY OF ANNUAL REPORTS

The Manager continues to print limited copies of MNACT's annual reports as part of the Manager's environmental conservation efforts. PDF versions of the annual reports are available for download from **www.mapletreenorthasiacommercialtrust.com**

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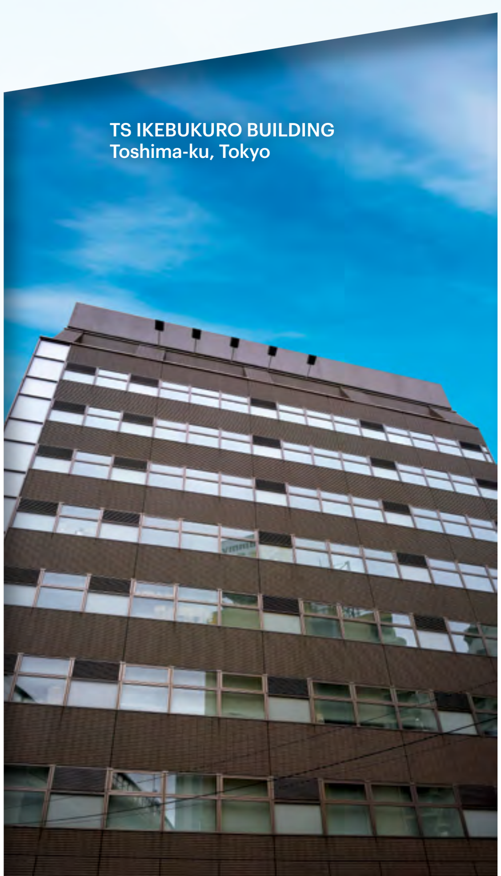
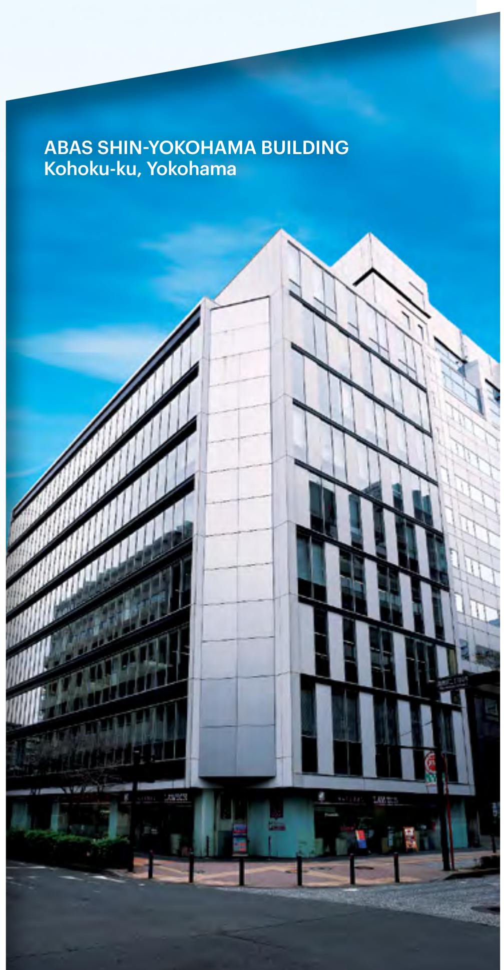
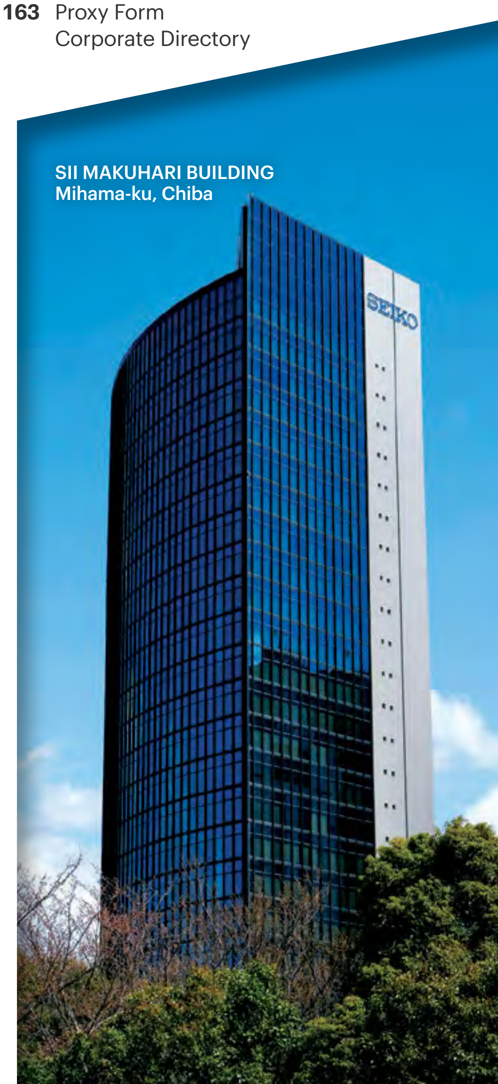


TS IKEBUKURO BUILDING
Toshima-ku, Tokyo



ABAS SHIN-YOKOHAMA BUILDING
Kohoku-ku, Yokohama



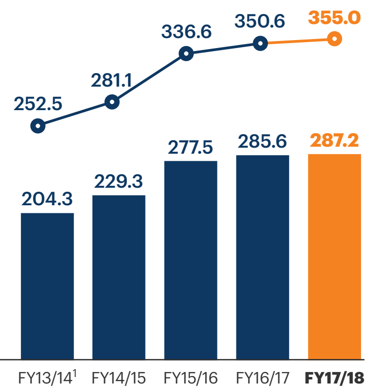
SII MAKUHARI BUILDING
Mihama-ku, Chiba

FINANCIAL HIGHLIGHTS

GROSS REVENUE & NET PROPERTY INCOME
(S$ million)

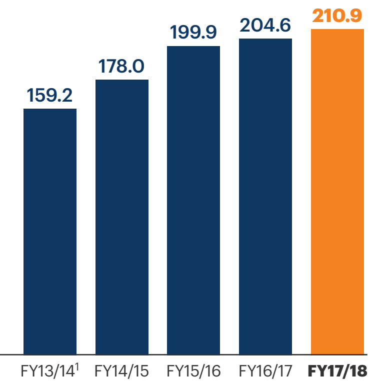
S$355.0m
FY17/18 Gross Revenue
▲ 1.3%
Year-on-Year

S$287.2m
FY17/18 Net Property Income
▲ 0.5%
Year-on-Year



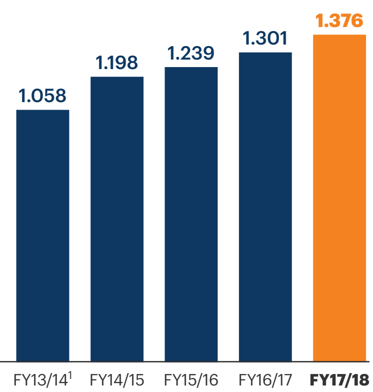
DISTRIBUTABLE INCOME
(S$ million)

S$210.9m
FY17/18
▲ 3.1%
Year-on-Year



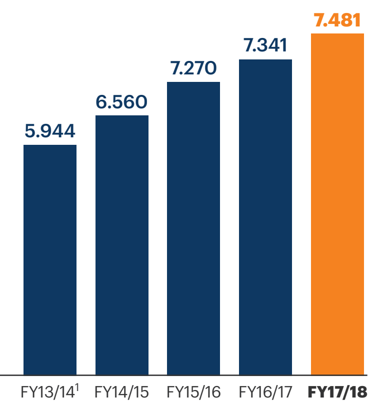
NET ASSET VALUE PER UNIT
(S$)

S$1.376
FY17/18
▲ 5.8%
Year-on-Year



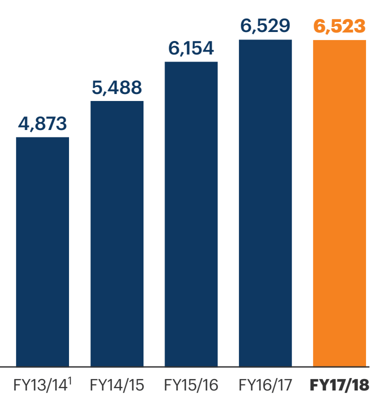
DISTRIBUTION PER UNIT (PAID)[2]
(cents)

7.481cents
FY17/18
▲ 1.9%
Year-on-Year



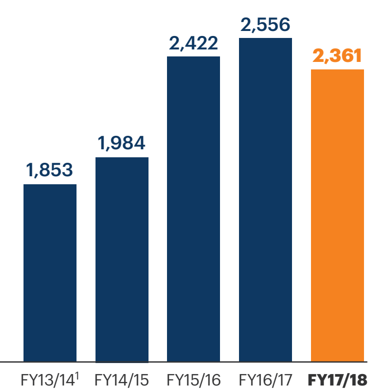
TOTAL ASSETS
(S$ million)

S$6,523m
FY17/18
▼ 0.1%
Year-on-Year



TOTAL BORROWINGS
(S$ million)

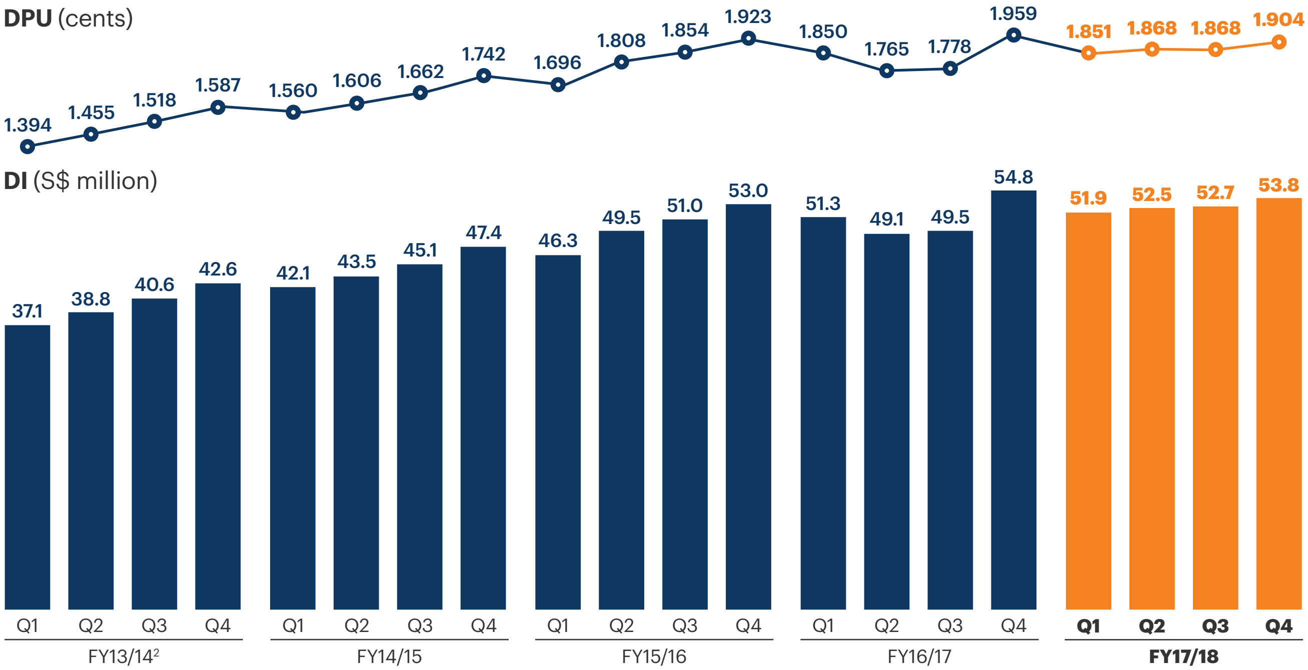
S$2,361m
FY17/18
▼ 7.6%
Year-on-Year



1 For a more meaningful comparison, the stub period from 7 to 31 March 2013 has been excluded.

2 Full-year DPU is the sum of the first-half and second-half DPU paid to the Unitholders for the financial year based on the number of issued units as at the end of the respective half-year periods. Full-year DPU, as shown in the full-year results announcements (FY16/17: 7.320 cents, FY15/16: 7.248 cents, FY14/15: 6.543 cents, FY13/14: 5.929 cents), was calculated based on the income available for distribution for the year over the number of issued units as at the end of the year.

QUARTERLY DISTRIBUTABLE INCOME ("DI") AND DPU[1] SINCE IPO



1 The DPU per quarter is calculated based on the income available for distribution for the quarter over the number of issued units as at the end of the quarter.
The reported number of units in issue as at the end of the first quarter and the third quarter does not include the payment of Manager's Base Fee and the Property Manager's Management Fees ("Fees") in units for the quarter. The payment of Fees in units are issued in the months of August and February for the first quarter and the third quarter respectively. These units issued in August and February are included in the computation of the DPU payable (on a semi-annual basis) for the first-half and second-half of the financial year respectively.

2 Quarter results for 1Q FY13/14 excludes the stub period from 7 to 31 March 2013. Distributable income for the period from 7 March to 30 June 2013 = S$46.1 million. Total DPU for the period from 7 March to 30 June 2013 = 1.7337 cents.

KEY FINANCIAL INDICATORS

	FY13/14	FY14/15	FY15/16	FY16/17	FY17/18
Distribution Yield[1] (%)	7.3	6.3	7.6	7.2	**6.5**
Interest Cover Ratio[2] (times)	4.6	5.0	3.9	3.6	**3.9**
Effective Interest Rate (% per annum)	1.81	1.79	2.43	2.72	**2.72**

	As of 31/03/14	As of 31/03/15	As of 31/03/16	As of 31/03/17	As of 31/03/18
Gearing Ratio[3] (%)	38.0	36.2	39.5	39.2	**36.2**
Average Term to Maturity for Debt (years)	3.00	2.75	3.01	3.73	**3.43**
Percentage of Debt with Fixed Interest Cost (%)	71	87	77	71	**78**
Unencumbered Assets as % of Total Assets (%)[4]	100	100	100	100	**100**

1 Percentage of full-year DPU paid over closing unit price for the financial year.

2 Interest cover ratio is calculated based on net income before net finance costs, foreign exchange gain and depreciation over net finance costs.

3 Gearing ratio is calculated based on total debt outstanding over total assets.

4 Excludes the Japan Portfolio as completion of the acquisition was in May 2018 (not within FY17/18).

LETTER TO UNITHOLDERS

MR. PAUL MA KAH WOH

Non-Executive Chairman and Director

MS. CINDY CHOW PEI PEI

Executive Director and Chief Executive Officer

DEAR UNITHOLDERS,

On behalf of the Board of Directors of the Manager, we are pleased to present MGCCT's Annual Report to Unitholders for the financial year from 1 April 2017 to 31 March 2018 ("FY17/18").

Since MGCCT's Initial Public Offering ("IPO") in March 2013, the Manager has consistently delivered stable returns to the Unitholders, building upon our key strategies of driving organic growth, maintaining high occupancies and delivering acquisition growth with the purchase of Sandhill Plaza in June 2015. Over the five-year period, the Manager has delivered a cumulative DPU[1] of 34.596 cents paid to Unitholders and a total return[2] of 60.9%.

MAINTAINED STEADY FINANCIAL PERFORMANCE IN FY17/18

MGCCT closed FY17/18 on a positive note, registering a steady year-on-year improvement in performance. Comparing FY17/18 with FY16/17, portfolio gross revenue of S$355.0 million and NPI of S$287.2 million were up 1.3% and 0.5% respectively. These results were largely supported by higher average rental rates from Festival Walk and Gateway Plaza, offset by higher property tax incurred at Gateway Plaza as a result of the change in the basis of assessment of property tax[3], and lower average rates of Hong Kong Dollar ("HKD") and Renminbi ("RMB") against SGD in FY17/18 compared to FY16/17.

Total DI and DPU to Unitholders increased 3.1% and 1.9% to S$210.9 million and 7.481 cents[4] respectively in FY17/18 compared to the previous financial year. The increase in DI and DPU was mainly due to higher NPI, realised exchange gains from the settlement of currency forward contracts as well as lower translated average cost of debt for FY17/18 compared to FY16/17. The DPU of 7.481 cents translates to a distribution yield of 6.5%, based on the closing unit price of S$1.150 on 29 March 2018 (last trading day).

As of 31 March 2018, MGCCT's appraised portfolio value[5] was S$6,292.0 million, 1.1% higher than S$6,226.3 million as of 31 March 2017. Net Asset Value[6] ("NAV") per Unit also increased from S$1.301 as of 31 March 2017 to S$1.376 as of 31 March 2018.

1 Sum of first-half and second-half DPU paid for the period from FY13/14 (excluding the stub period from 7 to 31 March 2013) to FY17/18. It does not include the Advanced Distribution of 0.764 cents (refer to SGX-ST Announcement dated 7 May 2018 titled "Details of Cumulative Distribution in Connection with the Private Placement by MGCCT").

2 Sum of unit price appreciation and total distribution yield since IPO. Unit price appreciation is based on the opening IPO price of S$0.930 on 7 March 2013 and the closing unit price of S$1.150 on 29 March 2018, and total distribution yield is based on the sum of the first-half and second-half DPU paid for the period from FY13/14 (excluding the stub period) to FY17/18 of 34.596 cents over the opening IPO price of S$0.930.

3 The revised property tax is assessed at a tax rate of 12% of revenue with effect from 1 July 2016 while it was previously assessed at a tax rate of 1.2% of 70% of the cost of property.

4 Full-year DPU of 7.481 cents is the sum of the first-half and second-half DPU paid to the Unitholders for the financial year based on the number of issued units as at the end of the respective half-year periods.

5 Valuation on each property was carried out by CBRE Limited as of 31 March 2018 and Colliers International (Hong Kong) Limited as of 31 March 2017.

6 After taking into account distribution payments to Unitholders on 29 May 2017 and 25 May 2018, NAV per unit would be S$1.264 and S$1.338 respectively.

Festival Walk – A Lifestyle Retail Destination

At Festival Walk, demand for retail space from existing and new tenants remained resilient, resulting in full occupancy and an average rental reversion[1] of 11% for all retail leases that expired in FY17/18. The office space was also fully occupied, with renewal and replacement leases registering an average rental reversion of 11%. However, due to the weaker average rate of HKD against SGD during FY17/18 compared to FY16/17, gross revenue and NPI declined by 0.4% and 0.3% respectively.

Providing shopping experiences focused on lifestyle, entertainment and food & beverages ("F&B"), Festival Walk introduced new dining and retail concepts as well as refreshed its tenant mix across diverse sectors during the year. In addition, the mall organised a variety of engaging events including festive openings by celebrities, movie-themed roadshows, product launches, car shows and fashion showcases. These, along with improved retail sentiments, helped to boost retail sales and footfall, which increased by 7.4% and 3.2% respectively in FY17/18 compared to FY16/17.

Improved Contribution from Gateway Plaza

Proactive leasing efforts at Gateway Plaza yielded results during FY17/18. While the city-wide vacancy rate[2] in Beijing increased to 7.6% in the fourth quarter of 2017, compared to 5.6% a year ago, Gateway Plaza maintained a high occupancy rate of 96.5% as at 31 March 2018 and registered an average rental reversion of 8% for leases which expired in FY17/18. Gross revenue and NPI for FY17/18 rose 7.1% and 3.5% respectively compared to the same period last year mainly due to higher average rental rate and improved average occupancy level, partially offset by a weaker average rate of RMB.

Consistent Performance by Sandhill Plaza

As of 31 March 2018, the business park property achieved full occupancy. All leases with expiries in FY17/18 were renewed or re-let at an average rental reversion of 15%. While the average rental rate during FY17/18 was higher, the average occupancy rate for the full year was lower. Coupled with a weaker average rate of RMB, FY17/18 gross revenue and NPI were lower by 0.4% and 0.6% respectively as compared to FY16/17.

7.481 cents

FULL-YEAR DPU (PAID)
FY17/18

Distribution yield of 6.5% based on closing unit price of S$1.150 on 29 March 2018 (last trading day)

Festival Walk

PRUDENT CAPITAL MANAGEMENT

The Manager remains prudent in its capital management strategy. Most of the refinancing requirements for FY18/19 were completed ahead of maturity, with approximately HK$500 million remaining and to be refinanced by March 2019. As of 31 March 2018, the gearing ratio was 36.2%, an improvement from 39.2% as of 31 March 2017, while the average term to maturity for debt was at 3.43 years. Moody's Investors Service[3] maintained its 'Baa1' rating with a stable outlook for MGCCT.

To mitigate the impact of interest rate increases, interest cost for approximately 78% of MGCCT's debt has been fixed as at 31 March 2018. For FY17/18, the effective interest rate was maintained at 2.72% per annum. About 73% of the expected distributable income for the period from 1 April 2018 to 30 September 2018 ("1H FY18/19") has been hedged into SGD, mitigating foreign currency exposure.

1 Rental reversion for each of the three assets is computed based on the weighted average effective base rental rate for expired leases vs. the weighted average effective base rental rate of the contracted leases that were renewed or re-let over the lease term.

2 Savills World Research, Beijing Office (January 2018 and February 2017).

3 Rating review was published in December 2017.

LETTER TO UNITHOLDERS

Expansion of MGCCT's portfolio with the addition of six assets in Tokyo, Yokohama and Chiba (from left to right): IXINAL Monzen-nakacho Building, Higashi-nihonbashi 1-chome Building, TS Ikebukuro Building, ABAS Shin-Yokohama Building, SII Makuhari Building and Fujitsu Makuhari Building.

SHAPING THE FUTURE

Since its IPO in March 2013, MGCCT's investment mandate is to principally invest, directly or indirectly, in a diversified portfolio of income-producing real estate in the Greater China region. However, opportunities for acquiring accretive assets in Hong Kong and China were limited, as price expectations for assets remained high, boosted by ample liquidity from both domestic and foreign capital in these markets, resulting in compressed yields. In January 2018, the Manager had announced that MGCCT's investment mandate would be expanded to include Japan. The Manager is of the view that broadening the mandate beyond Greater China into Japan will allow MGCCT to better diversify its portfolio through entry into a market that provides attractive commercial real estate acquisition opportunities, with largely freehold land tenure and a relatively higher yield spread against the local cost of funds. These attributes are presently not available in MGCCT's existing markets. Japan, one of the largest office property markets in Asia Pacific, also offers a deep and scalable commercial real estate investment market.

In March 2018, the Manager announced the Proposed Acquisition of a 98.47% effective interest in six freehold commercial properties located in Tokyo, Chiba and Yokohama from MJOF Pte. Ltd[1] for a Total Acquisition Cost[2] of approximately JPY62,307.7 million (about S$770.5 million). For the Japan Portfolio, the Agreed Portfolio Value of JPY63,304.0 million (approximately S$782.8 million) as of 1 March 2018 was arrived at on a willing-buyer and willing-seller basis after taking into account the independent valuations of the Portfolio commissioned by the Trustee[3] and the Manager. It was also at a discount of approximately 1.0% to the valuation[4] conducted by Morii Appraisal & Investment Consulting, Inc. ("MAIC") (commissioned by the Trustee) and approximately 1.1% to the average of the two valuations[4] conducted by CBRE K.K., Valuation & Advisory Services ("CBRE") and Savills Japan Co., Ltd ("Savills") (both commissioned by the Manager).

The six buildings are located in well-established commercial hubs and have good building specifications. At a high occupancy rate[5] of 99.9%, the Japan Portfolio is underpinned by leases with a long weighted average lease expiry ("WALE")[6] of 5.8 years and a quality tenant base of 21 tenants. Through the Proposed Acquisition, MGCCT would gain immediate access into a new market with a sizeable portfolio, and benefit from tenant, sector, and geographical diversification.

The transaction was subsequently approved by Unitholders at the Extraordinary General Meeting held on 24 April 2018. Following the completion of the Proposed Acquisition on 25 May 2018, MGCCT was renamed "Mapletree North Asia Commercial Trust".

All capitalised terms relating to the Proposed Acquisition have the meanings found in the Glossary on pages 60 to 68 of the Circular of MGCCT dated 6 April 2018. Unless otherwise stated, all conversions of Japanese Yen ("JPY") amounts into SGD in this letter shall be based on exchange rate JPY80.87 = S$1.00.

1 MJOF Pte. Ltd. ("MJOF") is a private real estate closed-end fund which is managed by Mapletree Investments Japan Kabushiki Kaisha ("MIJ"), an indirect wholly-owned subsidiary of the Sponsor. The Sponsor holds an approximate 36.0% stake in MJOF.

2 Total Acquisition Cost comprises a) the Aggregate Consideration of approximately JPY60,926.0 million (approximately S$753.4 million); b) the acquisition fee of approximately S$5.8 million (payable in units), which represents 0.75% of 98.47% of the Agreed Portfolio Value; and c) the estimated professional and other fees and expenses of approximately S$11.3 million incurred or to be incurred by MGCCT in connection with the Proposed Acquisition, the Equity Fund Raising and the loans to be obtained in relation to the Proposed Acquisition.

3 DBS Trustee Limited, in its capacity as trustee of MGCCT.

4 In arriving at the valuations, MAIC, CBRE and Savills relied on the discounted cash flow method.

5 Based on net lettable area and committed leases as of 31 December 2017.

6 Based on monthly gross rental income ("GRI") and committed leases as of 31 December 2017.

SUSTAINABILITY REPORTING

We believe that responsible corporates can contribute towards a sustainable future through incorporating environmental, social and governance ("ESG") practices in their business operations. MGCCT's second sustainability report, prepared in accordance to the Global Reporting Initiative's 2016 Standards, communicates our approach towards sustainability. To measure MGCCT's performance, we have incorporated targets for each material ESG factor for FY18/19, in accordance with SGX-ST's sustainability reporting requirements.

OUTLOOK

According to the International Monetary Fund's latest report[1], the global economy is expected to continue to grow in 2018. However, downside risks could impact economic performance. Hong Kong's[2] strengthening economy and increasing tourist arrivals are expected to continue to drive retail sales growth. For Festival Walk, gross revenues in HKD are expected to grow moderately in FY18/19, with positive rental reversions.

In Beijing[3], while the city-wide vacancy rate is expected to increase as a result of upcoming new office supply, average occupancy level in the Lufthansa Area, where Gateway Plaza is located, is expected to remain healthy due to limited new supply. Average rental reversion for leases expiring in FY18/19 at Gateway Plaza is expected to grow modestly. Sandhill Plaza in Shanghai is expected to continue to benefit from a healthy average rental reversion for its leases expiring in FY18/19, in view of the stable demand for business park spaces in Shanghai[4].

For Tokyo[5], office demand is expected to remain firm in 2018 on the back of improved corporate profits. For the Japan Portfolio, 1.2% of the leases by monthly GRI[6] will be up for renewal in FY18/19. The revenue contribution from the portfolio is expected to remain stable for the next financial year.

ACKNOWLEDGEMENTS

We would like to take this opportunity to thank our Unitholders, tenants, shoppers and business partners for their support and trust in MGCCT and the Manager. We would also like to express our deep appreciation to our Board of Directors for their invaluable guidance and stewardship. To our management and employees, we commend you for your dedication and look forward to your continued commitment.

With the acquisition of the Japan Portfolio and our continued focus in the Greater China region, the next five years herald a new beginning for MGCCT, under a new name – "Mapletree North Asia Commercial Trust". While there is more to do, the Manager[7] will stay focused on active asset and capital management of the enlarged portfolio. At the same time, we will remain alert for accretive acquisition opportunities to reshape the future of Mapletree North Asia Commercial Trust and deliver sustainable value to our Unitholders.

MR. PAUL MA KAH WOH
Non-Executive Chairman and Director

MS. CINDY CHOW PEI PEI
Executive Director and Chief Executive Officer

1 International Monetary Fund, "World Economic Outlook Update" (April 2018).
2 Colliers International, Hong Kong Retail (1Q 2018).
3 Savills World Research, Beijing Office (January 2018).
4 Colliers International, Shanghai Business Parks (February 2018).
5 CBRE 2018 Asia Pacific Real Estate Market Outlook (Japan).
6 Based on monthly GRI of the Japan Portfolio as at 31 December 2017.
7 The Manager was renamed "Mapletree North Asia Commercial Trust Management Ltd." from 25 May 2018.

致单位信托持有人之信函

尊敬的单位信托持有人

我们在此谨代表丰树大中华商业信托管理有限公司董事会，向单位信托持有人提交MGCCT 2017年4月1日至2018年3月31日（"17/18财政年度"）的年度报告。

自MGCCT于2013年3月首次公开上市后，我们一直专注于内生增长和保持高出租率，并于2015年6月通过收购展想广场为资产组合带来收购增长，从而为单位信托持有人实现稳健的回报。在过去5个财政年度，我们已派发给单位信托持有人的每单位可派发收入[1]累计达到34.596分，总回报率[2]高达60.9%。

17/18财政年度保持稳健的财务表现

MGCCT于17/18财政年度表现可嘉，与去年同期相比，稳中有升。在17/18财政年度，资产组合总营收达3.550亿新元，而净房地产收入则达2.872亿新元，与16/17财政年度相比，分别上升了1.3%及0.5%。这主要归因于又一城和佳程广场所取得的较高平均租金。不过，因房产税[3]评估依据被调整而引致佳程广场较高的房产税额，而且港元和人民币对新元于17/18财政年度的平均汇率比16/17财政年度低，抵消了部分上升幅度。

17/18财政年度的可派发总收入和已派发给单位信托持有人的每单位可派发收入分别比上一财年增长了3.1%和1.9%，达2.109亿新元和7.481分[4]。这主要归因于较高的净房地产收入、远期外汇合约结算所带来的交易收益。与此同时，相较于16/17财政年度，17/18财政年度所达到的平均换算债务成本比前者低。按2018年3月29日（最后交易日）1.150新元的闭市价格计算，每单位可派发收入7.481分折合的派息率达6.5%。

截至2018年3月31日，MGCCT的资产组合估值[5]为62.920亿新元，比截至2017年3月31日的62.263亿新元高1.1%。每单位净资产值[6]也从截至2017年3月31日的1.301新元增加至截至2018年3月31日的1.376新元。

又一城 - 生活时尚的零售商场

现有和新租户对又一城的零售租赁空间需求依然强劲，致该商场在17/18财政年度满租，而平均租金调升率[7]为11%。其办公楼也满租，续签租赁和改签给新租户租赁的平均租金调升率同为11%。然而，17/18财政年度港元对新元平均汇率比16/17财政年度疲弱，导致总营收与净房地产收入分别下调了0.4%和0.3%。

以生活时尚、娱乐和餐饮购物体验为主的又一城在本年度相继推出了新颖的餐饮和零售概念，并持续更新多元化的租户组合。此外，商场还举办了一系列精彩活动，包括艺人参与的佳节开幕典礼、电影主题路演、产品发布会、汽车展览和服装展示。这些活动连同向好的零售市道，成功带动租户销售额和客流量比去年同期分别上涨了7.4%和3.2%。

佳程广场业绩增长

佳程广场所实施的积极租赁措施带来17/18财政年度的业绩增长。对比去年同期的5.6%，北京全城的办公楼空置率[8]于2017年第4季度上升至7.6%。而截至2018年3月31日，佳程广场却保持96.5%的高出租率，且17/18财政年度内到期租约的平均租金调升率达8%。尽管受较疲弱的人民币平均汇率影响，总营收与净房地产收入在本财政年度因更高的平均租金和出租率而分别提升7.1%和3.5%。

展想广场表现如一

截至2018年3月31日，我们的商业园物业取得满租。17/18财政年度所续约或改签给新租户的租约达到15%的平均租金调升率。本财政年度的平均租金虽较高，但全年的平均出租率却有所下降。加之人民币平均汇率疲弱，17/18财政年度的总营收和净房地产收入与前一财政年度相比，分别下调了0.4%和0.6%。

审慎的资本管理

经理人继续执行一贯的审慎资本管理策略。18/19财政年度大多数的再融资都在到期前提早完成，而剩余的约5亿港元将于2019年3月进行再融资。截至2018年3月31日，资债比率为36.2%，比截至2017年3月31日的39.2%有所改善，而债务平均到期期限为3.43年。穆迪投资者服务公司[9]也维持对MGCCT的"Baa1"评级及"稳定"的前景展望。

为了减轻利率增长的影响，截至2018年3月31日，MGCCT约78%债务的利息成本已被固定。17/18财政年度的实际利率继续维持在2.72%。2018年4月1日至9月30日（18/19财政年度上半年度）73%的预期可派发收入已进行套期保值转为新元，以减小汇率风险。

塑造未来

自2013年3月上市以来，MGCCT的投资授权就是主要在大中华区直接或间接地投资于能盈利的多元化房地产组合。然而，国内外资本现金流充裕和资产的市场期望值居高不下，令在香港和中国内地的增值资产收购机会有限，收益率也被压低。鉴于此，经理人在2018年1月宣布将MGCCT的投资授权扩展至日本。

1 13/14财政年度(不包括汇报期末段—2013年3月7日至31日)至17/18财政年度的上半年及下半年已派发每单位可派发收入的总和。不包括0.764分的预期可派发收入(请参阅MGCCT于2018年5月7日的新加坡证券交易所通告"Details of Cumulative Distribution in Connection with the Private Placement by MGCCT")。

2 上市后单位价格升值和总派发收益合计。单位价格升值是按2013年3月7日0.930新元的上市价和2018年3月29日1.150新元的闭市价计算，而总派发收益是按13/14财政年度(不包括汇报期末段)至17/18财政年度上半年及下半年已派发的每单位可派发收入的总和34.596分，除以上市价0.930新元。

3 调整后的房产税自2016年7月1日起生效，以收入之12%为税率依据，而以往则以房产原值之70%的1.2%为税率依据。

4 全年每单位可派发收入为7.481分，是指本财政年度上半年和下半年已派发给单位信托持有人的每单位可派发收入的总和；而派发数额分别按截止半年期末的已发行单位数计算。

5 由世邦魏理仕有限公司于2018年3月31日和高力国际(香港)有限公司于2017年3月31日对每项物业进行的估值。

6 扣除2017年5月29日和2018年5月25日给单位信托持有人的派发收入后，每单位净资产值分别为1.264新元和1.338新元。

7 三大资产的租金调升率都是根据过期租约的加权平均有效基本租金，与已续约或改签给新租户租约的加权平均有效基本租金计算的。

8 第一太平戴维斯世界研究，《北京办公楼市场》(2018年1月和2017年2月)。

9 评级调查发布于2017年12月。

我们认为将投资开拓至大中华以外的日本能让MGCCT进入一个提供可观的商业房地产收购机会的市场，籍此使投资组合进一步多样化。日本的房地产多数为永久地契，而且与当地的资金成本相比，收益率相对较高。这些优势都是MGCCT目前投资的市场所欠缺的。作为亚太区最大的办公楼地产市场之一，日本也为我们提供了一个深入和具扩展潜力的商业房地产投资市场。

我们于2018年3月宣布以大约623.077亿日元（约7.705亿新元）的总收购价[1]向MJOF私人有限公司[2]收购坐落于东京、千叶和横滨的六栋永久产权商业房地产98.47%的有效股权。日本资产组合的协议价值是在自愿买卖的基础上并考量了由信托受托人[3]和经理人所委托完成的独立估值后取得的公平市场价格，于2018年3月1日，价值为633.040亿日元（约7.828亿新元）。与莫里评估与投资咨询公司（由信托受托人委托）所作出的估值[4]相比，其折价约为1.0%，与世邦魏理仕K.K.评估与投资咨询公司（世邦魏理仕）和第一太平戴维斯日本公司（第一太平戴维斯）（两间公司均由经理人委托）所作出的两项平均估值[4]相比，折价则约为1.1%。

这六栋大厦均坐落于成熟的商业中心区，而且建筑规格良好。建基于5.8年的长加权平均租期[5]和21家优质租户群，日本资产组合保持99.9%的高出租率[6]。通过该项目的收购，MGCCT将籍此颇具规模的资产组合而即时进入新市场，并受益于租户、行业和地域差异化的优势。

交易随后于2018年4月24日的特别股东大会获单位信托持有人批准。MGCCT已在提议收购项目于2018年5月25日完成之际，更名为"丰树北亚商业信托"。

可持续发展报告

我们坚信有社会责任感的企业能将环境、社会和企业管治各方面的优良实践贯穿于业务营运中，以履行企业社会责任，为创造一个可持续发展的未来作出贡献。按照全球报告倡议组织("Global Reporting Initiative") 2016年标准，MGCCT的第二份可持续发展报告充分展示了我们对可持续发展的信念。为了更准确地衡量MGCCT在这方面的表现，我们已根据新加坡证券交易所可持续发展报告的要求，为各关键的环境、社会和企业管治要素，设立18/19财政年度绩效目标。

前景展望

根据国际货币基金组织最新的报告[7]显示，全球经济将在2018年持续增长。然而，突如其来的负面风险也将影响经济表现。香港[8]的经济日趋强劲，入境旅客人数也持续增加，预计将继续推动零售业的增长。又一城以港元计算的总营收预计将在18/19财政年度因正面的租金调升率而稳中有升。

另一方面，北京[9]全城的空置率预料将因新的办公楼供应而有所上升。反观佳程广场所处的燕莎区，预计将在新供应量有限的情况下继续保持理想的平均出租率。18/19财政年度到期租约的平均租金调升率预计将适度增长。同时，鉴于上海租赁市场对商业园空间的稳定需求[10]，上海的展想广场预料将持续受益于18/19财政年度到期租约正常合理的平均租金调升率。

纵观东京市场[11]，办公楼需求预测将随企业利润的增加而继续保持平稳。根据月度总租金收入[12]计算，日本资产组合中仅1.2%的租赁需在18/19财政年度续约。资产组合的收入贡献预计将在下个财政年度保持稳健。

致谢

我们要籍此机会答谢我们的单位信托持有人、租户、购物者和商业伙伴对MGCCT和经理人的支持与信任。我们也想对董事会所给予的宝贵指导和管理表达由衷的谢意。对于我们管理层和员工，我们赞扬诸位的奉献精神，并期待你们持之以恒的辛勤付出。

随着日本资产组合的收购和对大中华区的持续关注，已更名为"丰树北亚商业信托"的MGCCT未来5年前景必将与以前有所不同。开启新航程后，经理人[13]仍将继续专注以积极的资产和资本管理策略来管理扩大的资产组合。同时，我们也会继续密切关注市场，积极把握增值机会，为丰树北亚商业信托打造一个辉煌的前程，并向我们的单位信托持有人提供可持续的价值。

马家和先生
非执行主席兼董事

周佩佩女士
执行董事兼总裁

所有与收购协议相关的词语的定义都能在通知的第60至68页词汇表中查询（请参阅MGCCT于2018年4月6日所发布的新加坡证券交易所通告）。除非另有说明，这封信函中所有日元对新元的兑换都将根据80.87日元=1.00新元的汇率计算。

1 总收购价包括a) 609.260亿日元（约7.534亿新元）的总收购价；b) 约580万新元的收购费（以信托单位支付），为98.47%协议资产组合价值之0.75%；以及c) MGCCT因提议收购项目、股权融资和相关贷款已经或即将引致的0.1130亿新元的估计专业和其他费用开销。
2 MJOF私人有限公司("MJOF")是项由Mapletree Investments Japan Kabushiki Kaisha所管理的私人房地产封闭式基金，并为保荐人的间接全资附属公司。保荐人持有MJOF 36.0%的股权。
3 星展银行受托人有限公司，担任丰树大中华商业信托受托人。
4 莫里评估与投资咨询公司、世邦魏理仕和第一太平戴维斯均使用现金流折现法来计算估值。
5 根据截至2017年12月31日的月度总租金收入和锁定租赁计算。
6 根据截至2017年12月31日的净可出租面积和锁定租赁计算。
7 国际货币基金组织，《世界经济前景展望》（2018年4月）。
8 高力国际，《香港零售市场》（2018年第一季度）。
9 第一太平戴维斯世界研究，《北京办公楼市场》（2018年1月）。
10 高力国际，《上海商业园市场》（2018年2月）。
11 《世邦魏理仕2018年亚太房地产市场展望（日本）》。
12 根据日本资产组合截至2017年12月31日的月度总租金收入计算。
13 经理人从2018年5月25日起已更名为"丰树北亚商业信托管理有限公司"。

YEAR IN BRIEF
FY17/18

2017

June

Festival Walk was recognised with 10 awards comprising *'Innovation in Consumer Events (Gold)'*, three Silver and six Bronze awards at the Asia Pacific Stevie Awards held in Toyko, Japan.

July

MGCCT's 4th Annual General Meeting was held on 19 July 2017.

MGCCT was accorded *'Best Investor Relations (Bronze)'* under the REITs & Business Trusts category at the Singapore Corporate Awards.

Festival Walk was awarded *'Best Exhibition Event (Gold)'* at the Marketing Events Awards 2017.

September

Festival Walk was conferred the *'Best Engagement – Mass Community (Silver)'* award at the PR Awards 2017.

October

Festival Walk was recognised with another ten awards comprising four Gold, four Silver and two Bronze at the International Business Awards held in Barcelona, Spain.

December

At the 2017 Brand Awards organised by Smart Parents, Festival Walk was conferred the *'Mall's Cartoon Character Themed Events Award'*.

2018

January

The Manager announced that the investment mandate of MGCCT will be expanded to include Japan, effective from 15 February 2018.

March

The Manager announced the proposed acquisition of an effective interest of 98.47% in a portfolio of six freehold office properties located in Greater Tokyo, Japan.

STRATEGY

Vision

To be a leading commercial REIT, by portfolio value and returns, comprising quality assets in North Asia[1]

Mission

- To deliver regular and stable returns to Unitholders and to achieve long-term sustainable growth in DPU
- To be the landlord of choice for our tenants and be committed to the delivery of quality products and services
- To acquire high-quality assets that are yield accretive

Investment Mandate

- To invest in a diversified portfolio of income-producing real estate in Greater China and Japan[1]
- For commercial purposes (including real estate used predominantly for retail and/or office purposes), as well as real estate-related assets
- Key markets include:
  - Hong Kong and first-tier cities in China (Beijing, Shanghai, Guangzhou and Shenzhen)
  - Major urban centres along Beijing-Tianjin corridor, Shanghai-Suzhou-Hangzhou-Nanjing corridor and the Pearl River Delta (including Guangzhou, Shenzhen and Foshan)
  - Main growth centres and beneficiaries of the "go-west" policies (Chengdu, Chongqing, Wuhan and Xi'an)
  - Japan[1]

1 Please refer to MGCCT's SGX-ST Announcement dated 16 January 2018 titled "Expansion of Investment Mandate" and SGX-ST Announcement dated 28 March 2018 titled "Proposed Acquisition of a Portfolio of Six Freehold Office Properties in Greater Tokyo, Japan". Following the completion of the Proposed Acquisition on 25 May 2018, MGCCT was renamed "Mapletree North Asia Commercial Trust" and the Manager was renamed "Mapletree North Asia Commercial Trust Management Ltd."

Key Strategies Adopted by the Manager

Active Asset Management


Festival Walk

Strategic Objectives

- Achieve growth in revenue and NPI
- Maintain high occupancy levels
- Drive organic growth
- Build strong relationships with tenants

Plans in Action

- Actively manage leases to achieve an optimal tenant mix and positioning
- Introduce first-of-its kind retail concepts and align tenant mix with current market trends
- Implement innovative marketing concepts to improve shopper traffic and consumption
- Improve operational efficiency and reduce operating costs without compromising safety and quality
- Explore ways to leverage on technology
- Enhance tenant experience through consistent delivery of quality property and customer service

Refer to Property Portfolio Summary & Review
pages 22-35

Active Asset Enhancement

Value-creating Acquisition Growth

Proactive & Prudent Capital and Risk Management


Gateway Plaza


Sandhill Plaza


Gateway Plaza

Active Asset Enhancement

- Increase property value through asset enhancement initiatives ("AEIs") to support and enhance organic growth
- Convert under-utilised space into leasable space

- Offer better amenities and improved facilities
- Optimise or increase leasable area to enhance rental revenue potential
- Enhance the quality of assets through regular preventive maintenance
- Incorporate energy-efficient and eco-friendly technologies and/or initiatives

Refer to Property Portfolio Summary & Review **pages 22-35**, and Sustainability Report **pages 79-100**

Value-creating Acquisition Growth

- Acquire good quality income-producing commercial properties that are aligned with our investment strategy

- Adopt a disciplined approach and focus on acquisitions that meet the following criteria, including:
  - Yield and DPU accretion
  - Asset enhancement potential
  - High building and facilities specifications
  - Attractive tenant mix and occupancy level
- Leverage on the Sponsor's experience in Greater China and Japan, and the Sponsor's right of first refusal to MGCCT

Refer to Letter to Unitholders **pages 4-9**

Proactive & Prudent Capital and Risk Management

- Maintain a strong balance sheet and credit rating
- Ensure sufficient liquidity for working capital and acquisition needs
- Implement risk management strategies

- Actively monitor, manage and balance the cost of debt and debt maturity profile
- Diversify sources of funding in debt and equity capital markets
- Proactively monitor and undertake hedging strategies to minimise interest rate and foreign currency risks
- Regularly review processes and controls, and monitor key risks

Refer to Financial Review and Capital Management **pages 16-21**, Risk Management **pages 58-60**, and Financial Statements **pages 101-155**

UNIT PRICE PERFORMANCE

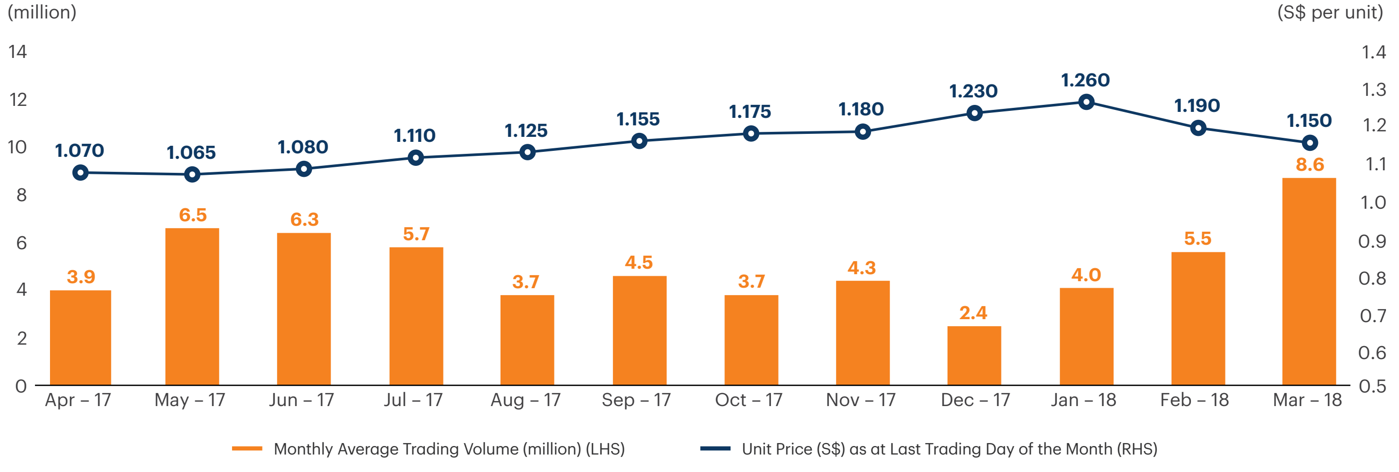
Global financial markets remained volatile during FY17/18. While stronger economic growth in the region and a spike in technology-related stocks led to indices including the Hang Seng Index ("HSI") recording record highs, there were also geopolitical and trade tensions as well as concerns over interest rate increases by the US Federal Reserve. The HSI, FTSE ST Real Estate Investment Trusts ("FTSE SREIT") Index and FTSE Straits Times Index ("FTSE STI") ended the year higher by 24.8%, 8.3% and 8.0% respectively compared to FY16/17.

For MGCCT, its unit price closed at S$1.150 on 29 March 2018 (last trading day), 12.7% above the closing price of S$1.020 on 31 March 2017, reflecting the positive regional macro-economic conditions and recovery in the Hong Kong retail market.

MGCCT's average daily trading volume for the financial year was 4.9 million units. The average unit price over the course of FY17/18 was S$1.144, with a low of S$1.020 on 3 April 2017 and a high of S$1.280 on 10 January 2018.

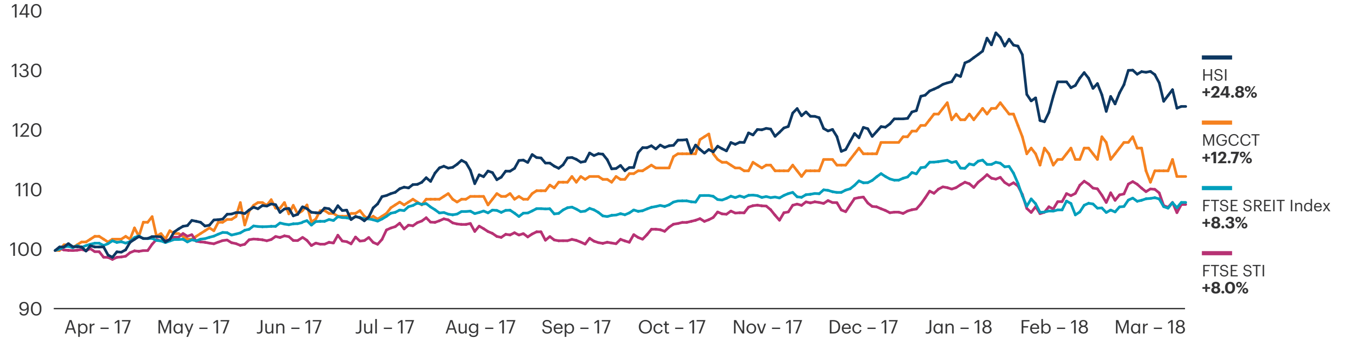
The FY17/18 DPU of 7.481 cents to Unitholders translates to an attractive yield of 6.5% as of 31 March 2018, higher than the yields of FTSE SREIT Index and HSI at 5.3% and 3.4% respectively. This is also 4.2 percentage points above the 10-year Singapore government bond yield of 2.3%. Since its public listing on 7 March 2013, MGCCT has delivered a cumulative total return of 60.9%, comprising unit price appreciation of 23.7% and total distribution yield of 37.2%.

MONTHLY TRADING PERFORMANCE IN FY17/18



TRADING PERFORMANCE VS MAJOR INDICES IN FY17/18

(1 April 2017 to 31 March 2018)
Rebased opening prices on 1 April 2017 to 100



FIVE-YEAR TRADING PERFORMANCE

	FY13/14	FY14/15	FY15/16	FY16/17	FY17/18
Opening Unit Price (S$)	0.930[1]	0.815	1.040	0.955	**1.020**
Closing Unit Price (S$)	0.815	1.040	0.955	1.020	**1.150**
Highest Unit Price (S$)	1.145[2]	1.060	1.095	1.135	**1.280**
Average Unit Price (S$)	0.922[2]	0.935	0.964	1.008	**1.144**
Lowest Unit Price (S$)	0.790[2]	0.815	0.810	0.925	**1.020**
Total Trading Volume (million units)	1,625.9[2]	1,015.8	1,310.3	1,244.6	**1,285.0**
Average Daily Trading Volume (million units)	5.9[2]	3.9	5.0	4.8	**4.9**
Market Capitalisation (S$ million)[3]	2,187.7	2,829.9	2,633.5	2,851.3	**3,250.2**

Source: Bloomberg

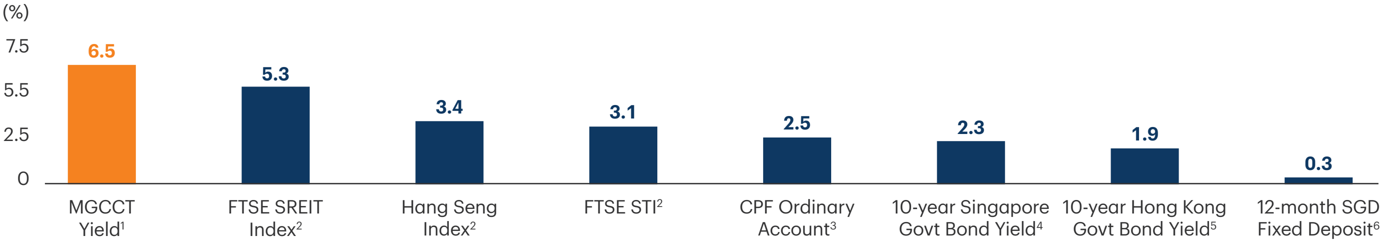
1 IPO price on 7 March 2013.

2 Period is from 12 March 2013 to 31 March 2014 and excludes the first few days of trading to remove the IPO effect.

3 Based on the closing unit price on the last trading day and number of issued units as at year-end for each respective financial year.

MGCCT OFFERS A HIGHER RETURN VS OTHER COMPARABLE INSTRUMENTS

(As of 31 March 2018)



1 Based on actual DPU paid to Unitholders of 7.481 cents (sum of first-half and second-half DPU) for FY17/18 over closing unit price of $1.150 on 29 March 2018.

2 Trailing 12-month gross dividend yield of FTSE SREIT Index, Hang Seng Index and FTSE STI as of 29 March 2018, Bloomberg.

3 Prevailing interest rate on Central Provident Fund ("CPF") Ordinary Account Savings from CPF Board, January to March 2018.

4 Singapore Government Bond Yield from Monetary Authority of Singapore as of 31 March 2018.

5 Hong Kong Government Bond Yield from Hong Kong Government Bond Programme website as of 31 March 2018.

6 12-month SGD fixed deposit savings rate from Monetary Authority of Singapore as of 31 March 2018.

DELIVERED HEALTHY RETURNS TO UNITHOLDERS

	1 April 2017 to 31 March 2018 (1-Year)	1 April 2015 to 31 March 2018 (3-Year)	Listing on 7 March 2013 to 31 March 2018
Total Return (%)	**20.0**[1]	**31.8**[2]	**60.9**[3]
Unit Price Appreciation (%)	12.7	10.6	23.7
Total Distribution Yield (%)	7.3	21.2	37.2

1 Sum of unit price appreciation and total distribution yield for FY17/18. Unit price appreciation is based on the opening unit price of S$1.020 on 1 April 2017 and the closing unit price of S$1.150 on 29 March 2018, and total distribution yield is based on the sum of first-half and second-half DPU paid for FY17/18 of 7.481 cents over the opening unit price.

2 Sum of unit price appreciation and total distribution yield for the period. Unit price appreciation is based on the opening unit price of S$1.040 on 1 April 2015 and the closing unit price of S$1.150 on 29 March 2018, and total distribution yield is based on the sum of first-half and second-half DPU paid for the period from FY15/16 to FY17/18 of 22.092 cents over the opening unit price.

3 Sum of unit price appreciation and total distribution yield for the period. Unit price appreciation is based on the opening IPO price of S$0.930 on 7 March 2013 and the closing unit price of S$1.150 on 29 March 2018, and total distribution yield is based on the sum of first-half and second-half DPU paid for the period from FY13/14 (excluding the stub period) to FY17/18 of 34.596 cents over the opening IPO price.

CONSTITUENT OF SELECTED INDICES

- BI Singapore REIT Competitive Peers
- Bloomberg Asia Real Estate Investment Trust Index
- FTSE EPRA/NAREIT Global REITs Index
- FTSE Straits Times Mid-Cap Index
- FTSE Straits Times REIT Index
- MSCI Pacific ex Japan SMID Cap Index
- MSCI Singapore Small Cap Index
- MSCI Singapore SMID Cap Index
- SGX S-REIT Index
- SGX S-REIT 20 Index
- SGX Real Estate 20 Index
- SGX APAC ex Japan Dividend Leaders REIT Index
- S&P Asia Pacific BMI Index
- S&P Developed Property Index
- S&P Developed REIT Index
- S&P Dev exUS MdSmCp USD
- S&P Global Ex U.S. Property U.S. Dollar Index
- S&P Global REIT USD Index
- S&P Singapore BMI Index

FINANCIAL REVIEW
AND CAPITAL MANAGEMENT

OVERVIEW OF STATEMENT OF TOTAL RETURN AND DISTRIBUTION STATEMENT

	FY17/18 (S$'000)	FY16/17 (S$'000)	Variance % Positive/(Negative)
Gross Revenue[1]	355,030	350,629	1.3
Property Operating Expenses	(67,880)	(65,049)	(4.4)
Net Property Income	**287,150**	**285,580**	**0.5**
Manager's Management Fees			
- Base Fee	(21,092)	(20,463)	(3.1)
- Performance Fee	(956)	(490)	(95.1)
Finance Costs (Net)	(67,691)	(73,037)	7.3
Net Foreign Exchange Gain	5,317	6,980	(23.9)
Trustee's Fee	(651)	(641)	(1.6)
Other Trust Expenses	(1,469)	(1,395)	(5.3)
Total Non-operating Expenses	**(86,542)**	**(89,046)**	**2.8**
Net Change in Fair Value of Investment Properties	417,122	218,882	90.6
Net Change in Fair Value of Financial Derivatives	522	(2,837)	NM
Income Tax Expenses	(43,911)	(40,080)	(9.6)
Total Return for the Year	**574,341**	**372,499**	**54.2**
Distribution Adjustments[2]	(363,419)	(167,872)	NM
Income Available for Distribution to Unitholders	**210,922**	**204,627**	**3.1**

NM – Not Meaningful

1 Gross revenue is presented net of Value Added Tax ("VAT") applicable to China properties from May 2016 onwards (previously, Business Tax) as VAT is a tax collected on behalf of the relevant tax authorities.

2 Distribution adjustments mainly include the Manager's management fees and Property Manager's ("Mapletree Greater China Property Management Limited") management fees which are payable in the form of Units, financing fees on borrowings, foreign exchange gain on capital item, as well as change in the fair value of financial derivatives and investment properties (net of deferred tax).

GROSS REVENUE

MGCCT achieved gross revenue of S$355.0 million from 1 April 2017 to 31 March 2018 ("FY17/18"). The increase of 1.3% compared to the same period last year ("FY16/17") was mainly due to higher rental income from Festival Walk and Gateway Plaza, partially offset by the lower average rate of Hong Kong Dollar ("HKD") and Renminbi ("RMB") against Singapore Dollar ("SGD") during FY17/18. The respective contributions from Festival Walk, Gateway Plaza and Sandhill Plaza to the portfolio gross revenue in FY17/18 were consistent with those in FY16/17, at 69% (FY16/17: 70%), 24% (FY16/17: 23%) and 7% (FY16/17: 7%).

PROPERTY OPERATING EXPENSES

Property operating expenses for FY17/18 was 4.4% higher at S$67.9 million, compared to FY16/17, largely due to increased property tax[1] incurred by Gateway Plaza as a result of the change in the basis of assessment of property tax, as well as a corresponding increase in property tax due to higher revenue.

NET PROPERTY INCOME

NPI was S$287.2 million in FY17/18, which was 0.5% higher compared to S$285.6 million in FY16/17. The percentage contribution by asset to portfolio NPI in FY17/18 remained the same as FY16/17, with Festival Walk, Gateway Plaza and Sandhill Plaza accounting for 69%, 23% and 8% respectively.

FINANCE COSTS (NET) AND FOREIGN EXCHANGE GAIN (NET)

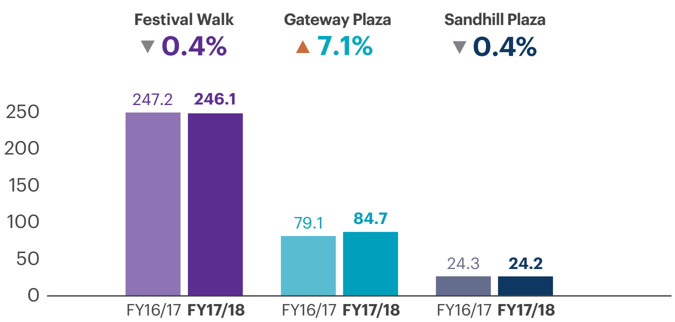
Finance costs (net) for FY17/18 decreased 7.3% or S$5.3 million to S$67.7 million compared to last year mainly due to lower financing fees (S$3.5 million) as there were less refinancing activities, the refinancing of certain bank debts resulting in a lower average cost of debt post-refinancing (S$2.5 million) and a lower average rate of HKD against SGD (S$1.8 million). The decrease in interest costs was offset by the effect of rising interest rate on floating rate debt (S$2.6 million).

The net foreign exchange gain of S$5.3 million in FY17/18 (FY16/17: S$7.0 million) was mainly due to exchange gain

1 The revised property tax is assessed at a tax rate of 12% of revenue with effect from 1 July 2016 while it was previously assessed at a tax rate of 1.2% of 70% of the cost of property.

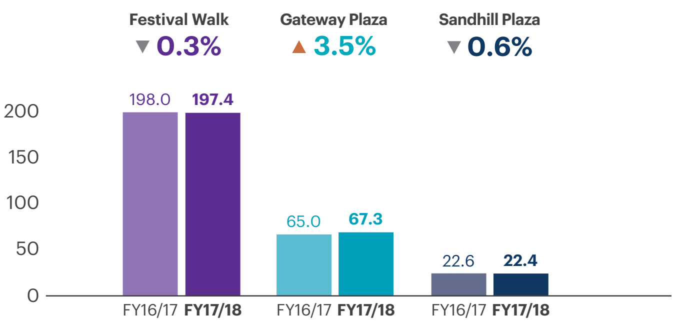
GROSS REVENUE BY ASSET

(S$ million)



NPI BY ASSET

(S$ million)



of S$3.2 million (FY16/17: S$6.9 million) from the partial settlement of inter-company loans, which are capital in nature and not distributable, as well as realised exchange gain of S$1.6 million (FY16/17: S$0.2 million) from the settlement of currency forward contracts undertaken to hedge HKD and RMB income.

NET CHANGE IN FAIR VALUE OF INVESTMENT PROPERTIES AND NET CHANGE IN FAIR VALUE OF FINANCIAL DERIVATIVES

CBRE Limited has performed an independent valuation of the investment properties as at 31 March 2018 and the net change in fair value of investment properties of S$417.1 million (FY16/17: S$218.9 million) represents the total fair value gain recognised for the three properties. Festival Walk, Gateway Plaza and Sandhill Plaza contributed S$338.4 million (FY16/17: S$161.7 million), S$65.9 million (FY16/17: S$38.9 million) and S$12.8 million (FY16/17: S$18.3 million) respectively. The fair value gain is unrealised and has no impact on the distribution to Unitholders.

Net change in fair value of financial derivatives of S$0.5 million in FY17/18 (FY16/17: S$2.8 million) relates to the mark-to-market movement of currency forward contracts entered into to hedge foreign currency exposures for future HKD and RMB distributable income. As these contracts are not due to be settled, they will not have an impact on current year income available for distribution to Unitholders. These forward contracts are entered into to limit the impact of currency volatility on future distributable income streams.

INCOME AVAILABLE FOR DISTRIBUTION AND DPU

Consequently, income available for distribution to Unitholders for FY17/18 was S$210.9 million, 3.1% higher than last financial year. The Manager continues to pay out 100.0% of the income available for distribution to Unitholders in FY17/18.

During FY17/18, MGCCT issued 30,886,272 new units, in respect of the payment of management fees to the Manager and the Property Manager. This brings the total number of units in issue as of 31 March 2018 to 2,826,267,943.

DPU[1] paid for FY17/18 was 7.481 cents, 1.9% more compared to the DPU paid for FY16/17 of 7.341 cents.

1 Full-year DPU is the sum of the first-half and second-half DPU paid to the Unitholders for the financial year based on the number of issued units as at the end of the respective half-year periods.

UNITS ISSUED IN FY17/18

Type of Fees[1]	For Period	Issued Date	Number of Units	Issued Price[2] (S$)
Base Fee & Property Manager's Fees	1 January to 31 March 2017	29 May 2017	8,640,728	0.9955
Performance Fee	1 April 2016 to 31 March 2017	29 May 2017	491,749	0.9955
Base Fee & Property Manager's Fees	1 April to 30 June 2017	24 August 2017	7,651,344	1.0837
Base Fee & Property Manager's Fees	1 July to 30 September 2017	20 November 2017	7,238,706	1.1475
Base Fee & Property Manager's Fees	1 October to 31 December 2017	23 February 2018	6,863,745	1.2112
		Total:	**30,886,272**	

1 The Property Manager's Management Fees relate only to Festival Walk and Gateway Plaza. For Sandhill Plaza, the Manager has elected to pay the Property Manager's Management Fees in cash. Base Fee and Performance Fee are payable to the Manager.

2 The issued prices were determined based on the volume weighted average price ("VWAP") for all trades done on SGX-ST in the ordinary course of trading for the last 10 business days of the relevant quarter on which the fees were accrued.

FINANCIAL REVIEW
AND CAPITAL MANAGEMENT

SEMI-ANNUAL DISTRIBUTIONS

	Period	Payment Date	Distributable Income for the Period S$'000	Number of Issued Units as at End Period[1]	DPU (Paid) cents
FY17/18	**1 April to 30 September 2017 ("1H FY17/18")**	**20 November 2017**	**104,445**	**2,812,165,492**	**3.714**
	1 October 2017 to 31 March 2018 ("2H FY17/18")	**25 May 2018**	**106,477**	**2,826,267,943**	**3.767[2]**
FY16/17	1 April to 30 September 2016 ("1H FY16/17")	25 November 2016	100,327	2,779,439,018	3.610
	1 October 2016 to 31 March 2017 ("2H FY16/17")	29 May 2017	104,300	2,795,381,671	3.731

1 The number of issued units at the end of the period. There were no convertibles, treasury units and subsidiary holdings as of 31 March 2018 and 31 March 2017.

2 In addition to the 3.767 cents for 2H FY17/18 distribution, Unitholders received the Advanced Distribution of 0.764 cents for the period from 1 April 2018 to 7 May 2018, which was the day immediately prior to the date on which the New Units were issued pursuant to the Private Placement (refer to SGX-ST announcement dated 25 April 2018 titled "Launch of Private Placement to Raise Gross Proceeds of Approximately S$325.0 million" and SGX-ST announcement dated 7 May 2018 titled "Details of Cumulative Distribution in Connection with the Private Placement by MGCCT"). The Advanced Distribution was paid on 25 May 2018.

ANALYSIS OF QUARTERLY DPU[1]

(cents)	1Q	2Q	3Q	4Q
FY17/18	**1.851**	**1.868**	**1.868**	**1.904**
FY16/17	1.850	1.765	1.778	1.959
% Change Year-on-year	0.1	5.8	5.1	(2.8)

1 The DPU per quarter is calculated based on the income available for distribution for the quarter over the number of issued units as at the end of the quarter.

The reported number of units in issue as at the end of the first quarter and the third quarter does not include the payment of Manager's Base Fee and the Property Manager's Management Fees ("Fees") in units for the quarter. The payment of Fees in units are issued in the months of August and February for the first quarter and the third quarter respectively. These units issued in August and February are included in the computation of the DPU payable (on a semi-annual basis) for the first-half and second-half of the financial year respectively.

First quarter FY17/18 DPU was 0.1% higher compared to the same quarter a year ago mainly due to higher average rental rates from all three properties, and a lower Value Added Tax[1] ("VAT") rate at Gateway Plaza in 1Q FY17/18 compared to a higher VAT rate accrued in 1Q FY16/17. This was partially offset by higher property tax incurred by Gateway Plaza as a result of the change in the basis of assessment of property tax that was effective from 1 July 2016 (refer to footnote 1 on page 16).

2Q FY17/18 DPU saw an increase of 5.8% mainly due to higher average rental rates from Festival Walk and Gateway Plaza, and lower accrued revenue for Gateway Plaza in 2Q FY16/17 due to the uncertainty in the applicable VAT[1] rate then.

While NPI for 3Q FY17/18 was comparable to 3Q FY16/17, DPU for the quarter rose 5.1% mainly due to the lower translated average cost of debt (post re-financing) and the realised exchange gain from the settlement of currency forward contracts undertaken to hedge the HKD & RMB income.

4Q FY17/18 DPU declined by 2.8% mainly due to the reversal[1] in 4Q FY16/17 of VAT payable previously assumed at a higher rate for Gateway Plaza and a weaker average rate of HKD, partially offset by revenue growth from Festival Walk and Gateway Plaza, the lower translated average cost of debt (post re-financing) and the realised exchange gain from the settlement of currency forward contracts undertaken to hedge the HKD & RMB income.

DISTRIBUTION POLICY FROM FY18/19

Commencing from the financial quarter ending 30 June 2018, MGCCT has changed its distribution policy[2] to make distributions on a quarterly basis. MGCCT made its final semi-annual distribution to Unitholders on 25 May 2018 for the period from 1 October 2017 to 31 March 2018 before commencing with the quarterly distributions.

VALUATION OF PROPERTIES

As of 31 March 2018, MGCCT's properties were valued at S$6,292.0 million by CBRE Limited, 1.1% or S$65.7 million higher compared to 31 March 2017. The increased portfolio value was mainly due to fair valuation gain for all three properties of S$417.1 million and net translation loss of S$356.4 million from weaker HKD against SGD, offset by stronger RMB against SGD. DBS Trustee Limited, in its capacity as trustee of MGCCT, had appointed CBRE Limited as the valuer.

1 The VAT regime applicable to the real estate industry in China was implemented on 1 May 2016 (replacing the previous Business Tax regime). A higher VAT rate was assumed for Gateway Plaza from the first quarter to the third quarter of FY16/17 until clarification on the applicable VAT rate and implementation process was obtained from the local authorities in March 2017, which resulted in the reversal of VAT payable in the fourth quarter of FY16/17.

2 Please refer to MGCCT's SGX-ST Announcement dated 25 April 2018 "Change from Semi-annual Distribution to Quarterly Distribution".

VALUATION OF PROPERTIES

($ million)	Valuation (Local Currency/S$) As of 31 March 2018[1]	Valuation (Local Currency/S$) As of 31 March 2017[2]	Valuation Cap Rate (Gross) As of 31 March 2018	Valuation Cap Rate (Gross) As of 31 March 2017
Festival Walk	HK$26,840 **S$4,514**	HK$24,870 S$4,549	**4.25%**	4.50%
Gateway Plaza	RMB6,442 **S$1,340**	RMB6,120 S$1,258	**6.25%**	6.50%
Sandhill Plaza	RMB2,103 **S$438**	RMB2,040 S$419	**5.50%**	5.75%
Portfolio	**S$6,292**	S$6,226		

1 Valuation methodologies used as of 31 March 2018 by CBRE Limited include: Income Capitalisation Analysis, Discounted Cash Flow Analysis and Direct Comparison Analysis (for Gateway Plaza and Sandhill Plaza). Based on exchange rates S$1 = HK$5.9457 and S$1 = RMB4.8065.

2 Based on exchange rates S$1 = HK$5.4669 and S$1 = RMB4.8655.

NET ASSETS AND NAV

Total Group assets as of 31 March 2018 decreased by 0.1% or S$6.2 million compared to 31 March 2017, as a result of the decreases in cash balances by S$56.9 million mainly due to distribution payments to Unitholders, net repayment of bank loans, interest payments and full repayment of S$54.4 million to a related party from cash amount previously released from the People's Republic of China courts to HK Gateway Plaza Company Limited relating to the resolution of the Litigation Action[1]. These cash payments were partially offset by net cash from operating activities.

There was also the decrease of S$45.8 million in trade and other receivables following the collection of accrued rentals from the tenants of Gateway Plaza after clarification from the local tax authorities on the applicable VAT rate and implementation process was obtained in March 2017. The decrease in total Group assets was partially offset by an increase in the value of investment properties of S$65.7 million.

Total Group liabilities was 8.9% or S$258.6 million lower mainly due to a decrease in borrowings of S$195.1 million arising from the weaker HKD against SGD and net repayment of bank loans. There was also a decrease in trade and other payables of S$59.4 million mainly from the full repayment of S$54.4 million to a related party relating to the Litigation Action[1]. The decreases were offset by an increase in deferred

STATEMENT OF FINANCIAL POSITION HIGHLIGHTS

	As of 31 March 2018 (S$ million)	As of 31 March 2017 (S$ million)	Variance %
Total Assets	**6,522.7**	6,528.9	(0.1)
Total Liabilities	**2,634.0**	2,892.6	(8.9)
Net Assets Attributable to Unitholders	**3,888.8**	3,636.3	6.9
NAV per Unit (S$)	**1.376**	1.301	5.8

tax liabilities of S$21.1 million, mainly arising from the fair value gain on investment properties.

Correspondingly, net assets attributable to Unitholders increased by 6.9% over the previous financial year, to S$3,888.8 million, and NAV per Unit was higher at $1.376[2] as at 31 March 2018.

During the financial year, Beijing Mapletree Huaxin Management Consultancy Co. Ltd, a subsidiary of the Sponsor, was contracted to carry out project management[3] for the corridor and toilet refurbishment works[4] at Gateway Plaza at an estimated project management fee of RMB982,716 (approximately S$201,604). The estimated project management fee represents approximately 3% of the total construction costs of the project, which is within market norms and reasonable range as assessed by an independent quantity surveyor, Arcadis Consultancy (Shanghai) Co., Ltd. The fee and disclosure are in accordance with the Manager's undertaking as disclosed in the MGCCT IPO prospectus.

CASH FLOWS AND LIQUIDITY

As of 31 March 2018, cash and bank balances of MGCCT Group stood at S$178.0 million, compared with S$234.9 million as of 31 March 2017. Net cash provided by operating activities for FY17/18 was higher at S$306.4 million compared with S$226.8 million for FY16/17, mainly due to the collection of accrued rentals from the tenants of Gateway Plaza after clarification from the local tax authorities on the applicable VAT rate and implementation process was obtained in March 2017.

Net cash used in investing activities mainly comprised payments for additions to investment properties and plant and equipment, offset by interest income received. Net cash used in investing activities for FY17/18 was S$4.7 million, compared to S$7.0 million last financial year.

1 Details of the Litigation Action can be found on pages 53-55 and 237 of MGCCT's IPO Prospectus dated 27 February 2013.

2 After taking into account distribution payments to Unitholders on 29 May 2017 and 25 May 2018, NAV per Unit would be S$1.264 and S$1.338 respectively.

3 The project management fee will be paid out from Gateway Plaza's property management reserve fund.

4 The corridor and toilet refurbishment works are expected to be completed in FY20/21.

FINANCIAL REVIEW
AND CAPITAL MANAGEMENT

Net cash used in financing activities in FY17/18 was about S$304.1 million, mainly comprising distribution payments to Unitholders, net repayment of bank loans and interest payments, compared to about S$198.9 million in FY16/17.

CAPITAL MANAGEMENT

The Manager continues to adopt a proactive capital management strategy and a disciplined approach to address funding requirements, mitigate exposure to interest rate and foreign exchange volatilities, as well as diversify sources of funding.

As of 31 March 2018, MGCCT's borrowings was HK$13,998 million, comprising bank debt of HK$9,878 million and HK$4,120 million equivalent of fixed-rate notes issued. All borrowings continue to be unsecured and bear minimal financial covenants. In addition, MGCCT has an untapped balance of approximately US$964 million from its Euro Medium Term Securities Programme ("MTN Programme") established on 31 May 2013 as well as available committed bank facilities of approximately HK$856 million.

The financial position of MGCCT remained healthy. Aggregate gearing ratio was lowered by 3 percentage points to 36.2% as of 31 March 2018, compared with 39.2% as of 31 March 2017 largely due to lower translated borrowings. The gearing ratio is below the Monetary Authority of Singapore's ("MAS") regulatory limit of 45% and less than the Manager's target aggregate leverage limit of not more than 42.0%. As of 31 March 2018, average term to maturity for debt was 3.43 years.

For FY17/18, MGCCT's effective interest rate was maintained at 2.72% per annum compared to FY16/17, despite the effects of higher interest rates on the floating rate debt. Interest cover ratio increased from 3.6 times for FY16/17 to 3.9 times for FY17/18.

Moody's Investors Service reaffirmed MGCCT's 'Baa1' issuer rating with a stable outlook on 21 December 2017. The rating was maintained on 2 April 2018 following MGCCT's announcement[1] on the Proposed Acquisition of the Japan Portfolio, reflecting the improvement in MGCCT's post-acquisition operating profile given the geographical and income diversification benefits of expanding into the mature Japanese commercial real estate market.

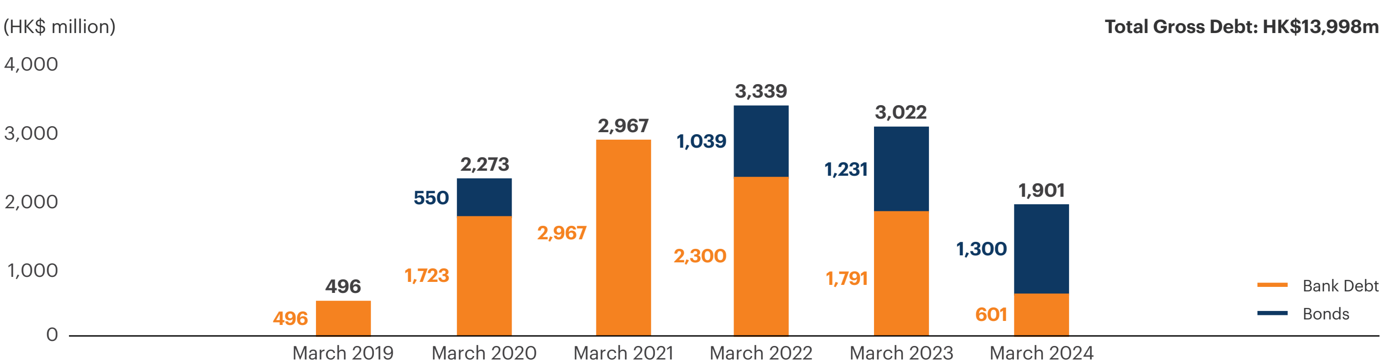
During the financial year, MGCCT and its subsidiaries entered into five loan facility agreements[2]. As a result of MGCCT's proactive refinancing efforts, about HK$500 million of the debt due in March 2018, HK$1,576 million and RMB235.2 million of the debt due in March 2019, and HK$225 million of debt maturing in FY20/21 were refinanced during the financial year, ahead of their maturities, with only less than HK$500 million refinancing requirement due in March 2019.

1 Please refer to MGCCT's SGX-ST Announcement dated 28 March 2018 titled "Proposed Acquisition of a Portfolio of Six Freehold Office Properties in Greater Tokyo, Japan ("Proposed Acquisition")".

2 Please refer to MGCCT's SGX-ST Announcements dated 31 May 2017, 29 September 2017, 17 October 2017, 19 October 2017 and 8 December 2017 on MGCCT's disclosures pursuant to Rule 704(31) of the Listing Manual of the SGX-ST.

WELL-STAGGERED DEBT MATURITY PROFILE

(As of 31 March 2018)



% of total debt maturing	3	16	21	24	22	14

KEY FINANCIAL INDICATORS

	As of 31 March 2018	As of 31 March 2017
Total Debt Outstanding (HK$ million)	**13,998**	14,133
Gearing Ratio[1] (%)	**36.2**	39.2
Average Term to Maturity for Debt (years)	**3.43**	3.73
Unencumbered Assets as % of Total Assets[2] (%)	**100**	100
MGCCT Corporate Rating by Moody's	**Baa1 Stable**	Baa1 Stable
	FY17/18	**FY16/17**
Interest Cover Ratio[3] (times)	**3.9**	3.6
Effective Interest Rate (% per annum)	**2.72**	2.72

1 Gearing ratio is calculated based on total debt outstanding over total assets.

2 Excludes the Japan Portfolio as completion of acquisition was in May 2018 (not within FY17/18).

3 Interest cover ratio is calculated based on net income before net finance costs, foreign exchange gain and depreciation over net finance costs. The gearing ratio and interest cover ratio are within the financial covenants stipulated in the unsecured debt facility agreements.

INTEREST RATE AND FOREIGN CURRENCY RISK MANAGEMENT

Almost all of the borrowings are denominated in HKD, providing a natural hedge up to the corresponding amount of borrowings for MGCCT's property in Hong Kong (Festival Walk). Only a small percentage of total borrowings is denominated in RMB. As of 31 March 2018, interest cost on 78% of borrowings was fixed using interest rate swaps, cross currency interest rate swaps and fixed-rate notes, providing certainty of interest costs and limiting MGCCT's exposure to rising interest rates.

To manage foreign currency exposure, the Manager uses currency forwards to hedge expected portfolio distributable income. As of 31 March 2018, about 73% of the expected distributable income for the period from 1 April 2018 to 30 September 2018 ("1H FY18/19") has been hedged into SGD. The Manager will continue to actively monitor the markets and progressively hedge to provide greater certainty over future distributions as appropriate.

ACCOUNTING POLICIES

The financial statements have been prepared in accordance with the Statement of Recommended Accounting Practice 7 ("RAP 7") "Reporting Framework for Unit Trusts" issued by the Institute of Singapore Chartered Accountants, the applicable requirements of the Code on Collective Investment Schemes issued by the Monetary Authority of Singapore and the provisions of the Trust Deed[1]. RAP 7 requires that accounting policies adopted should generally comply with the recognition and measurement principles of Singapore Financial Reporting Standards.

SENSITIVITY ANALYSIS

As of 31 March 2018, interest cost on 78% of the total debt was fixed, minimising exposure to interest rate volatility. It is estimated that an increase of 50 basis points in interest rate is expected to result in a reduction in FY17/18 DPU by about 0.082 cents. MGCCT has a gearing ratio of 36.2% as of 31 March 2018. A 1.0% increase in portfolio valuation would decrease gearing by approximately 0.3 percentage point.

MGCCT's total return for FY17/18 will decrease or increase by S$3.0 million[2] if the average rate of HKD against SGD strengthened or weakened by 5%. In the case of RMB, total return will decrease or increase by $0.7 million[2].

1 MGCCT (now known as MNACT) is a REIT established in Singapore and constituted by the Trust Deed. A copy of the Trust Deed can be inspected at the registered office of the Manager, which is located at 10 Pasir Panjang Road, #13-01 Mapletree Business City, Singapore 117438, subject to prior appointment.

2 The foreign currency sensitivity analysis is performed using the similar methodology of FRS 107 disclosed in the financial statements page 145. This analysis includes financial assets and liabilities (but does not include investment properties), as well as "mark-to-market" losses/gains on currency forwards.

PROPERTY PORTFOLIO SUMMARY AND REVIEW[1]

MGCCT's existing portfolio comprises three prime commercial properties located in Hong Kong, Beijing and Shanghai, covering a net lettable area of approximately 2.6 million square feet. All three assets enjoy excellent connectivity with convenient access to major roads, expressways and subway lines. The portfolio's tenant base operates across a wide variety of trade sectors, providing good diversification.

S$355.0m

GROSS REVENUE
FY17/18

S$287.2m

NPI
FY17/18

S$6,292.0m

MARKET VALUATION
As of 31 March 2018[2]

98.5%

OCCUPANCY RATE
As of 31 March 2018

GROSS FLOOR AREA
3,256,667 sq ft[3]

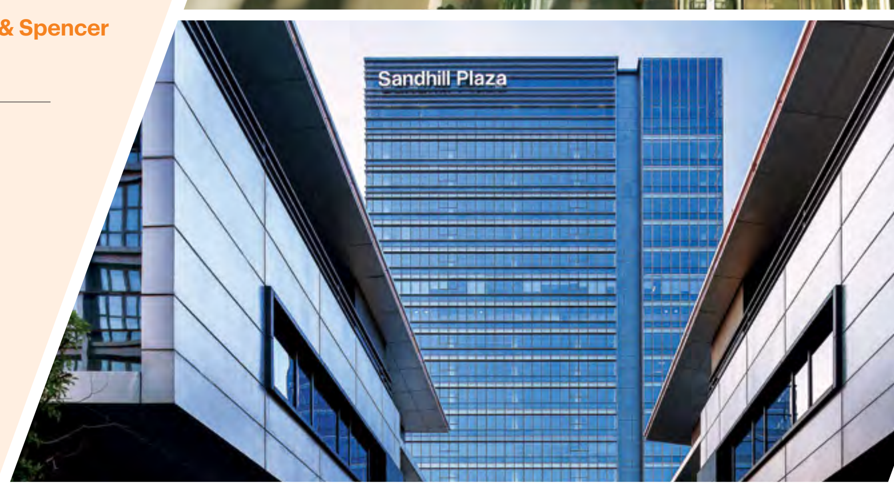
LETTABLE AREA
2,625,438 sq ft
Office: 1,897,448 sq ft
Retail: 727,990 sq ft

WALE BY MONTHLY GRI[4]
2.6 years

NUMBER OF TENANTS
355

NUMBER OF LEASES
445

TOP TENANTS[5] BY MONTHLY GRI[4]
- Apple
- Arup
- Bank of China
- BMW
- China Fortune Land Development ("CFLD")
- Festival Grand
- H&M
- I.T
- Marks & Spencer
- TaSTe



1 All portfolio information and numbers presented in this section are as of 31 March 2018 unless otherwise specified.

2 Based on independent valuation on each property carried out by CBRE Limited as of 31 March 2018.

3 Square feet ("sq ft").

4 Based on committed leases.

5 Top 10 tenants by GRI for the month of March 2018.

Hong Kong, Beijing and Shanghai
Retail and Office

FESTIVAL WALK 又一城

Festival Walk is a premier one-stop shopping, dining and lifestyle destination that offers over 200 local and international brands, as well as more than 30 F&B outlets over seven retail levels. Situated in the upscale residential area of Kowloon Tong, Festival Walk is directly linked to the Kowloon Tong MTR station and enjoys excellent connectivity between the underground Kwun Tong line and the overland East Rail Line which links Hong Kong directly to the Shenzhen border. The mall is located close to two universities and neighbouring schools, and easily accessible by bus and road networks. The mall has an annual footfall of more than 40.0 million shoppers, well-supported by commuters passing through the busy transportation node, as well as an established residential catchment. Key retail tenants include the Apple store, H&M, I.T, Marks & Spencer, MUJI, TaSTe supermarket and UNIQLO. The mall also features a large multiplex cinema 'Festival Grand', 'FoodFest' food court and one of Hong Kong's largest ice skating rinks, the 'Glacier'. Above the retail levels, Festival Walk's four-storey office block houses tenants including Arup and Prudential, who are attracted to the close proximity to amenities.

GATEWAY PLAZA 佳程广场

Strategically located in the well-established Lufthansa commercial hub within the Third Ring Road in Beijing, Gateway Plaza is a Grade-A office building which is home to a diverse group of well-known multinationals and local companies including BASF, BMW, CFLD and Doosan. It occupies a vantage position, well-linked by major train, bus and road networks and is located next to the Airport Expressway with direct access to the Beijing Capital International Airport. The building's podium area offers amenities, including Bank of China, Nanyang Commercial Bank, an eye clinic, as well as a good selection of F&B outlets.

SANDHILL PLAZA 展想广场

Acquired in June 2015, Sandhill Plaza is a premium quality business park development in the mature area of Zhangjiang Hi-tech Park, part of Shanghai's Free Trade Zone. Located adjacent to the Middle Ring Expressway, it is within a 30-minute drive to Pudong International Airport, Lujiazui Central Business District and People's Square in Puxi, as well as within a 5-minute walk to Metro Line 2 Guanglan Road Station. Combining an easily accessible location, a wide range of amenities, as well as a modern interior, the business park development is a choice location for leading foreign and local corporations including Analog Devices, Axalta, Borouge, Disney, DowDuPont, Pixelworks and Spreadtrum.

PROPERTY PORTFOLIO
SUMMARY AND REVIEW

PORTFOLIO REVIEW

During FY17/18, the Manager continued to drive organic growth of the portfolio through proactive asset management, which resulted in a high occupancy of 98.5%, a healthy average rental reversion for each asset and a portfolio WALE of approximately 2.6 years.

Portfolio Occupancy

MGCCT's portfolio occupancy was at 98.5% as of 31 March 2018, compared to 98.6% a year ago. In particular, Festival Walk and Sandhill Plaza both maintained full occupancy as of 31 March 2018 compared to a year ago. For Gateway Plaza, as there was softer demand for both new and renewal spaces during FY17/18, occupancy was slightly lower at 96.5% as of 31 March 2018 compared to 96.9% as of 31 March 2017.

As of 31 March (%)	2018	2017	2016	2015	2014
Festival Walk	**100.0**	100.0	100.0	100.0	100.0
Gateway Plaza	**96.5**	96.9	96.8	98.0	97.5
Sandhill Plaza[1]	**100.0**	100.0	100.0	n.a.	n.a.
Portfolio	**98.5**	98.6	98.6	98.8	98.5

1 Acquired in June 2015.

Favourable Portfolio Lease Expiry Profile

The Manager actively manages its office and retail leases across the properties, and these are typically structured with three-year lease terms, consistent with the market practice in Hong Kong and China. Of the three assets, Festival Walk's leases comprise base rent and turnover rent[1] which is pegged to tenants' sales. However, the contribution from turnover rent, which is subject to retail sales performances of the tenants, is low at approximately 2.5% of the portfolio's gross revenue in FY17/18. The key contribution comes from base rent which is less subject to retail sales volatility, thus ensuring income stability from Festival Walk.

As of 31 March 2018, about 97% of leases at Festival Walk (including both retail and office leases), 26% of leases at Gateway Plaza and about 4% of leases at Sandhill Plaza have step-up structures in the base rent, which contribute to the portfolio's stable and growing income streams. There have been no income support payments for MGCCT since IPO.

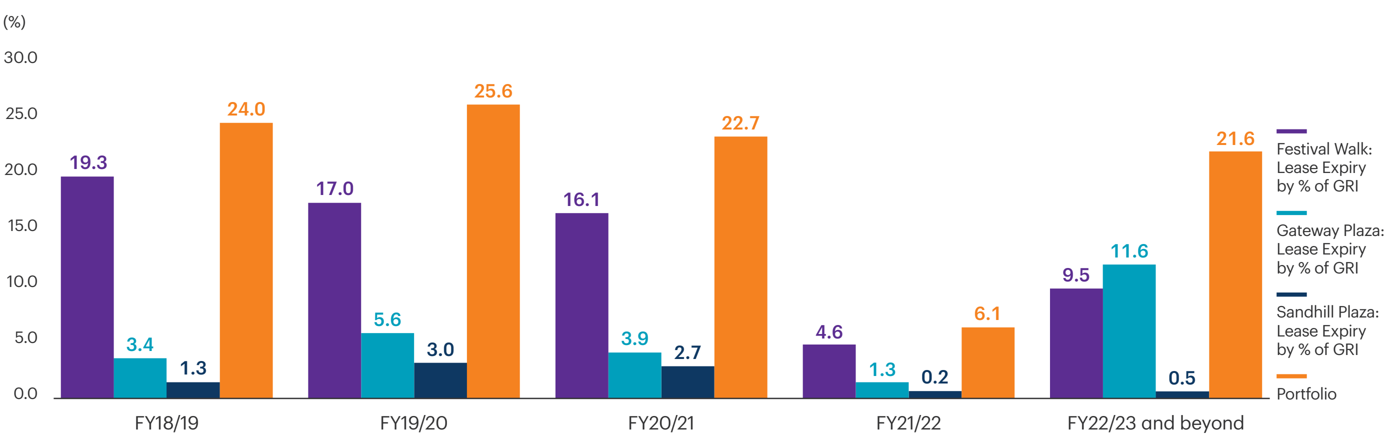
The portfolio lease expiry profile remains well spread out as at 31 March 2018, with no more than 25.6% of the leases by GRI due for renewal in any one year. Based on committed leases, the portfolio WALE by GRI was at 2.6 years, with a WALE of 2.4 years, 3.5 years and 2.0 years for Festival Walk, Gateway Plaza and Sandhill Plaza respectively. Of the 24.0% leases expiring in FY18/19, approximately 4.6% has been committed for renewal or re-let as of 31 March 2018.

For new and renewed leases that commenced in FY17/18, the WALE based on the date of commencement of the leases was 4.0 years and accounted for 37.6% of the portfolio GRI for the month of March 2018.

1 Of the leases contributing to turnover rent in FY17/18, all are from Festival Walk except one food & beverage lease at Sandhill Plaza which contributed less than 0.1% to the portfolio's gross revenue.

PORTFOLIO LEASE EXPIRY PROFILE BY PERCENTAGE OF MONTHLY GRI

(As of 31 March 2018)



No. of leases	FY18/19	FY19/20	FY20/21	FY21/22	FY22/23 and beyond
	113	140	142	29	21

MGCCT'S TOP 10 TENANTS BY MONTHLY GRI
(As of 31 March 2018)

	Building	Tenant	Sector	Trade Sector	% of Monthly GRI
1	Gateway Plaza	BMW	Office	Automobile	8.8
2	Festival Walk	Arup	Office	Professional & Business Services	4.2
3	Gateway Plaza	CFLD	Office	Financial Institution/Insurance/Banking/Real Estate	3.7
4	Festival Walk	TaSTe	Retail	Departmental Store & Supermarket	3.4
5	Festival Walk	Festival Grand	Retail	Leisure & Entertainment	2.2
6	Festival Walk	Apple	Retail	Houseware, Electronics & Furnishings	2.0
7	Festival Walk	I.T	Retail	Apparel & Fashion Accessories	1.9
8	Gateway Plaza	Bank of China	Retail	Financial Institution/Insurance/Banking/Real Estate	1.6
9	Festival Walk	Marks & Spencer	Retail	Departmental Store & Supermarket	1.2
10	Festival Walk	H&M	Retail	Apparel & Fashion Accessories	1.1

Strong and Diverse Tenant Base

MGCCT's top 10 tenants accounted for 30.1% of the monthly portfolio GRI for the month of March 2018, with the remaining contributed by 345 local and international tenants. During the year, the top two tenants of the portfolio, namely BMW and Arup, renewed their tenancies at Gateway Plaza and Festival Walk respectively. They contributed 8.8% and 4.2% respectively to the portfolio's GRI in March 2018.

The tenants come from a wide range of key trade sectors. No single trade sector accounted for more than 20.0% of the portfolio's GRI in March 2018. In line with enhancing tenant mix at Festival Walk and leasing to new tenants at Gateway Plaza and Sandhill Plaza during FY17/18, the top two trade sectors in the portfolio by monthly GRI also saw slight changes. While Apparel & Fashion Accessories remained the dominant trade sector, it accounted for 20.0% of the monthly portfolio GRI, slightly lower than 21.9% in March 2017. Correspondingly, the contribution from Financial Institution/Insurance/Banking/Real Estate sector increased moderately to 11.2%, from 10.0% a year ago.

MGCCT TRADE MIX BY MONTHLY GRI
(As of 31 March 2018)

- 20.0% Apparel & Fashion Accessories
- 11.2% Financial Institution/Insurance/Banking/Real Estate
- 10.5% Food & Beverages
- 8.8% Automobile
- 6.9% Leisure & Entertainment
- 6.7% Machinery/Equipment/Manufacturing
- 6.6% Professional & Business Services
- 6.2% Departmental Store & Supermarket
- 6.1% Personal Cosmetics
- 5.2% Services
- 4.4% Houseware, Electronics & Furnishings
- 3.0% Luxury Jewellery, Watches & Accessories
- 2.2% Information Technology
- 1.0% Pharmaceutical/Medical
- 0.5% Natural Resources
- 0.1% Renewable Energy
- 0.6% Others

Address: 80 Tat Chee Avenue, Kowloon Tong

AT A GLANCE

S$246.1m

GROSS REVENUE
FY17/18

S$197.4m

NPI
FY17/18

HK$26,840m
(S$4,514m)

MARKET VALUATION
Local Currency (S$)[1]
As of 31 March 2018

100.0%

OCCUPANCY RATE
As of 31 March 2018

GROSS FLOOR AREA
1,208,754 sq ft
Office: 228,665 sq ft (19%)
Retail: 980,089 sq ft (81%)

LETTABLE AREA
798,372 sq ft
Office: 213,982 sq ft (27%)
Retail: 584,390 sq ft (73%)

NUMBER OF CAR PARK LOTS
830

BUILDING COMPLETION DATE
November 1998

DATE OF PURCHASE[2]
7 March 2013

GOVERNMENT LEASE TERM/ LAND USE RIGHT EXPIRY
30 June 2047

PURCHASE PRICE[3]
HK$20,700m
(S$3,296m)

1 Based on exchange rate: S$1 = HK$5.9457.
2 Acquired by MGCCT on 7 March 2013 (listing date).
3 Purchase price as of 7 March 2013 (listing date). Based on exchange rate: S$1 = HK$6.2803.
4 Rental reversion is computed based on the weighted average effective base rental rate for expired leases vs. the weighted average effective base rental rate of the contracted leases that were renewed or re-let over the lease term.

FESTIVAL WALK'S TENANT MIX BY GRI
(As of 31 March 2018)

30.1% Apparel & Fashion Accessories

15.4% Food & Beverages

10.0% Leisure & Entertainment

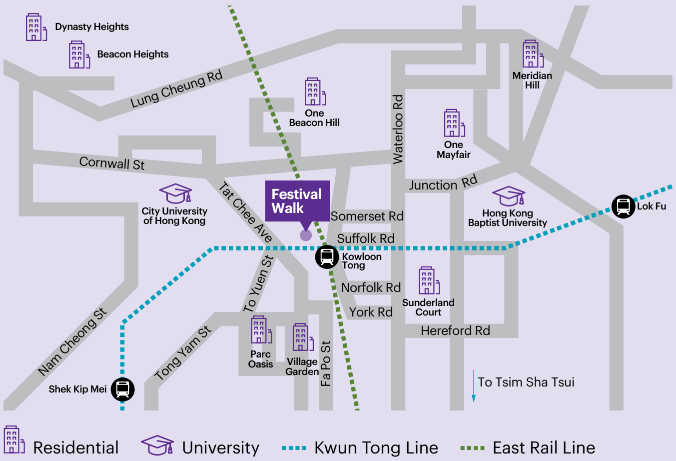
9.4% Departmental Store & Supermarket

9.2% Personal Cosmetics

PROPERTY PORTFOLIO

FESTIVAL WALK

HONG KONG



Comprises a four-storey office tower atop a seven-storey territorial retail mall and three underground car park levels

IMPROVED RETAIL SALES AND FOOTFALL AT FESTIVAL WALK IN FY17/18

Festival Walk remained fully occupied as of 31 March 2018. A total of 97 leases which expired in the year were renewed or re-let at an average rental reversion of 11%. For the retail leases, tenant retention rate was 87% in FY17/18. Benefiting from improved retail sentiments, retail sales rose 7.4% to HK$5,212 million while footfall increased 3.2% to 41.7 million compared to FY16/17.

NUMBER OF TENANTS
191

NUMBER OF LEASES
270

RENTAL REVERSION[4]
FY17/18
+11% Office
+11% Retail

RETAIL SALES
FY17/18
HK$5,212m

FOOTFALL
FY17/18
41.7m

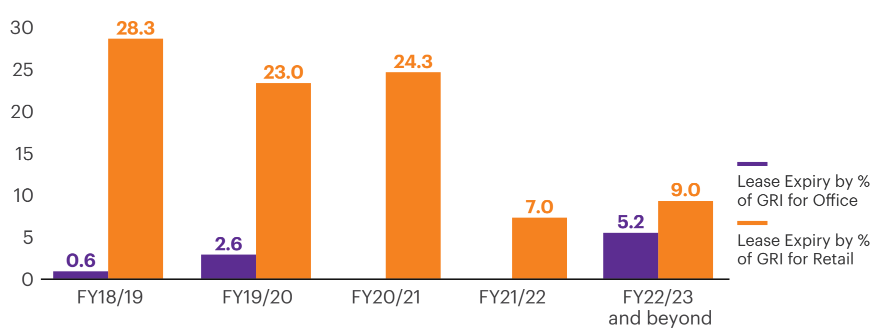
WALE BY MONTHLY GRI
Overall: 2.4 years
Office: 4.3 years
Retail: 2.2 years

TOP TENANTS BY MONTHLY GRI

RETAIL
- Apple
- Festival Grand
- H&M
- I.T
- LOG-ON
- Marks & Spencer
- TaSTe
- UNIQLO

OFFICE
- Arup
- Prudential

FESTIVAL WALK'S LEASE EXPIRY PROFILE BY MONTHLY GRI
(As of 31 March 2018)
(%)



No. of leases					Total number of leases
79	82	83	15	11	270

7.0% Services

6.5% Houseware, Electronics & Furnishings

6.3% Professional & Business Services

4.5% Luxury Jewellery, Watches & Accessories

1.6% Financial Institution/ Insurance/ Banking/ Real Estate

NEW BRANDS & CONCEPTS

The Manager continuously refreshes its brand offerings to delight and surprise our shoppers, providing a complete shopping, dining and entertainment experience. The year began with the grand opening of a mini-anchor, MUJI store, in April 2017. New brands were added in the apparel, footwear, cosmetics, leisure & entertainment and jewellery categories during the year. The range of F&B choices also expanded with the launch of new dining concepts at the mall.

As the mall was fully occupied throughout the year, suitable shop spaces were also identified for subdivision to meet leasing demand. Brands including APM Monaco, Daniel Wellington, Go Wild, Les Nereides, Rayban and SoleRoom took up pop-up store spaces during the year, offering a wider selection for the shoppers.

On-Yasai and Gyu-Kaku

MUJI

Mad for Garlic

Chow Tai Fook

MICHAEL KORS

COS

Fila

Dr. Kong

La Prairie

TeaWood Café


Pacific Coffee (re-location)

A-1 BAKERY and Châteraisé


Ibility

PROPERTY PORTFOLIO
FESTIVAL WALK

EXCITING ACTIVITIES GALORE

EVENTS AND PROMOTIONS

To attract high footfall and encourage shopper spending, Festival Walk hosted a series of exciting events and promotions throughout the year. These include movie premieres and festive celebrations featuring celebrities, movie-themed exhibitions, product launches by tenants, car shows as well as beauty product roadshows. The mall's ice skating rink, 'Glacier', also held skating performances and competitions, as well as workshops for families and children, enhancing Festival Walk's appeal as a lifestyle destination.

Kick-off of the mall's Christmas celebrations by Louis Koo, a popular Hong Kong celebrity.

Launch of the new *'IN JOY • ENJOY'* thematic ad campaign.

'The Adventurers' Gala Movie Premiere, featuring Shu Qi and Andy Lau, received much fanfare and media attention.

(Left and right) The opening of Bookazine was a fun-filled event for family and kids.

The second movie premiere within a month for Andy Lau at Festival Walk was for *'Chasing The Dragon'*, which also featured Donnie Yen as the co-star.


The popular *'Disney Cars 3 Racing Mania'* exhibition showcased life-sized movie props, interactive games, vending machines and a pop-up store.

Star appearances at FANCL's beauty roadshow attracted much media attention.


Shoppers were treated to performances as part of the Chinese New Year celebrations.


An evening of ice skating performances in celebration of Christmas.


The 60th Festival of Sport Ice Skating Competition was held at the 'Glacier'.


Car shows are a mainstay at the mall.

A galore of electronic gadgets at Lenovo's roadshow.


The world's largest LEGO® ship at Dream Cruise's *'World Dream LEGO® Ship Exhibition'* was an eye-opener for shoppers.

Address: 18 Xiaguangli, East 3rd Ring Road North, Lufthansa Area

AT A GLANCE

S$84.7m

GROSS REVENUE
FY17/18

S$67.3m

NPI
FY17/18

RMB6,442m
(S$1,340m)

MARKET VALUATION
Local Currency (S$)[1]
As of 31 March 2018

96.5%

OCCUPANCY RATE
As of 31 March 2018

GROSS FLOOR AREA[2]
106,456 sq m
Office: 94,715 sq m (89%)
Podium: 11,741 sq m (11%)

LETTABLE AREA
106,456 sq m
Office: 94,715 sq m (89%)
Podium: 11,741 sq m (11%)

NUMBER OF CAR PARK LOTS
692

BUILDING COMPLETION DATE
August 2005

DATE OF PURCHASE[3]
7 March 2013

GOVERNMENT LEASE TERM/ LAND USE RIGHT EXPIRY
25 February 2053

PURCHASE PRICE[4]
RMB5,150m
(S$1,013m)

1 Based on exchange rate: S$1 = RMB4.8065.
2 Square metres (sq m) is the standard convention for area in China.
3 Acquired by MGCCT on 7 March 2013 (listing date).
4 Purchase price as of 7 March 2013 (listing date). Based on exchange rate: S$1 = RMB5.0839.

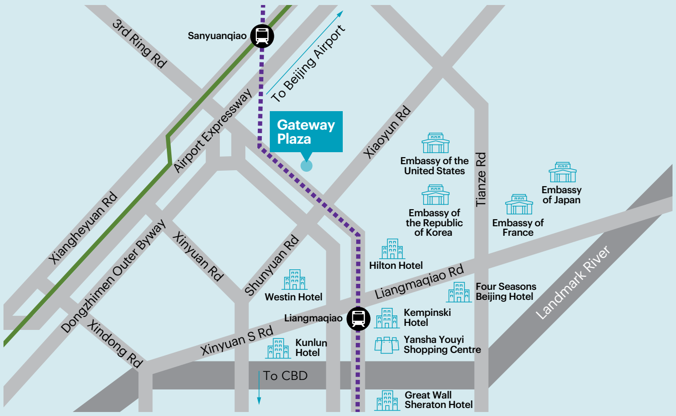
GATEWAY PLAZA'S TENANT MIX BY GRI
(As of 31 March 2018)

- 36.9% Financial Institution/ Insurance/Banking/ Real Estate
- 34.2% Automobile
- 9.3% Professional & Business Services
- 8.0% Machinery/ Equipment/ Manufacturing
- 3.6% Pharmaceutical/ Medical

PROPERTY PORTFOLIO

GATEWAY PLAZA

BEIJING



A premier Grade-A office building, consisting of two 25-storey towers connected by a three-storey podium area and three underground floors

RESILIENT PERFORMANCE AT GATEWAY PLAZA

Gateway Plaza maintained a high occupancy level of 96.5% as of 31 March 2018, supported by demand for office space mainly from domestic companies. A total of 28 office and podium leases with expiries in the year were renewed or re-let at an average rental reversion of 8%. Tenant retention rate was 78% for leases that expired in FY17/18. In addition to retaining one of its anchor tenants, who had renewed the leases for another five years, Gateway Plaza also attracted new domestic tenants from the growing financial services and information technology sectors.

NUMBER OF TENANTS
97

NUMBER OF LEASES
98

RENTAL REVERSION[1]
FY17/18
+8%

WALE BY MONTHLY GRI
Overall: 3.5 years
Office: 3.1 years
Podium: 6.1 years

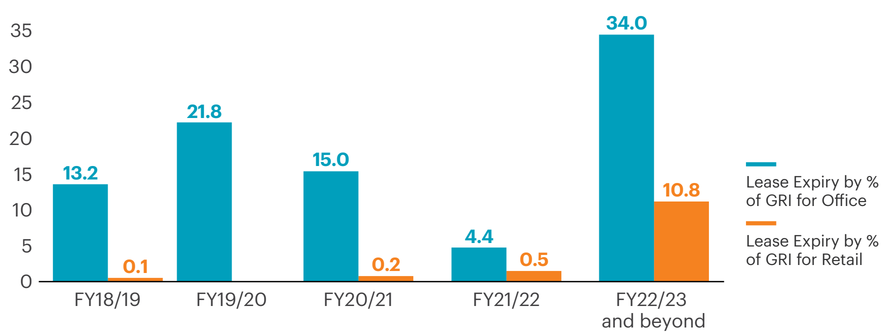
1 Rental reversion is computed based on the weighted average effective base rental rate for expired leases vs. the weighted average effective base rental rate of the contracted leases that were renewed or re-let over the lease term.

TOP TENANTS BY MONTHLY GRI

OFFICE
- BASF
- BMW
- CFLD
- Changjiu Group
- Doosan
- SBC Business Service
- SPX
- Xingya

PODIUM
- Bank of China
- Nanyang Commercial Bank

GATEWAY PLAZA'S LEASE EXPIRY PROFILE BY MONTHLY GRI
(As of 31 March 2018)
(%)



	FY18/19	FY19/20	FY20/21	FY21/22	FY22/23 and beyond	Total number of leases
No. of leases	21	28	30	10	9	98

2.2% Information Technology
2.0% Services
2.0% Natural Resources
0.7% Food & Beverages
0.2% Leisure & Entertainment
0.9% Others

Address: 2290 Zuchongzhi Road, Zhangjiang Hi-tech Park, Pudong New Area

AT A GLANCE

S$24.2m

GROSS REVENUE
FY17/18

S$22.4m

NPI
FY17/18

RMB2,103m
(S$438m)

MARKET VALUATION
Local Currency (S$)[1]
As of 31 March 2018

100.0%

OCCUPANCY RATE
As of 31 March 2018

GROSS FLOOR AREA
83,801 sq m

LETTABLE AREA
63,284 sq m
Office: 61,684 sq m (97%)
Amenities: 1,600 sq m (3%)

NUMBER OF CAR PARK LOTS
460

BUILDING COMPLETION DATE
December 2012

DATE OF PURCHASE
17 June 2015

GOVERNMENT LEASE TERM/ LAND USE RIGHT EXPIRY
3 February 2060

PURCHASE PRICE[2]
RMB1,862m
(S$407m)

1 Based on exchange rate: S$1 = RMB4.8065.
2 As of acquisition date of 17 June 2015. Based on exchange rates: S$1 = RMB4.5749.

SANDHILL PLAZA'S TENANT MIX BY GRI
(As of 31 March 2018)

- 59.9% Machinery/ Equipment/ Manufacturing
- 21.5% Information Technology
- 7.3% Financial Institution/ Insurance/Banking/ Real Estate
- 3.2% Culture
- 2.9% Leisure & Entertainment

PROPERTY PORTFOLIO

SANDHILL PLAZA

SHANGHAI

A premium business park development comprising one 20-storey tower, seven blocks of 3-storey buildings[1] and two basement levels of car park

STEADY CONTRIBUTION FROM SANDHILL PLAZA

Registering full occupancy as of 31 March 2018, Sandhill Plaza delivered a healthy average rental reversion of 15% for all the 18 leases which expired in FY17/18. Tenant retention rate was 50% for leases that expired in FY17/18. New tenants were mainly from the manufacturing, information technology and financial services sectors.

NUMBER OF TENANTS
67

NUMBER OF LEASES
77

RENTAL REVERSION[2]
FY17/18
+15%

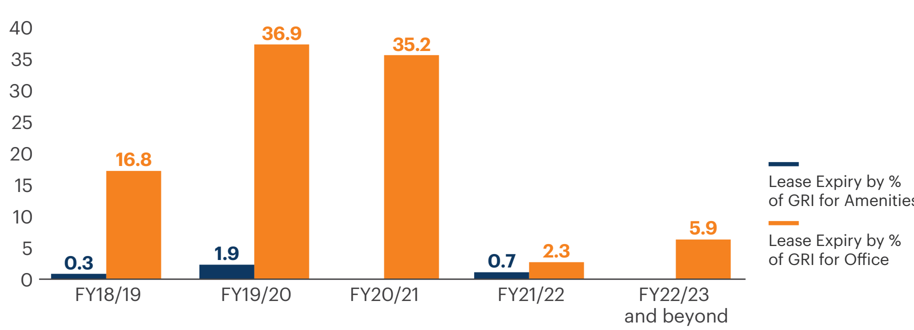
WALE BY MONTHLY GRI
Overall: 2.0 years
Office: 2.0 years
Amenities: 1.9 years

TOP TENANTS BY MONTHLY GRI

- Analog Devices
- Axalta
- Borouge
- Disney
- DowDuPont
- Hexagon
- Huaxingtong
- Pixelworks
- Spreadtrum
- Xinweilai

SANDHILL PLAZA'S LEASE EXPIRY PROFILE BY MONTHLY GRI

(As of 31 March 2018)
(%)



No. of leases					Total number of leases
13	30	29	4	1	77

1 There are eight blocks of low-rise (three-storey) buildings within the subject premises, of which one block is separately owned by a third party and does not form part of the acquisition.

2 Rental reversion is computed based on the weighted average effective base rental rate for expired leases vs. the weighted average effective base rental rate of the contracted leases that were renewed or re-let over the lease term.

1.4% Food & Beverages

1.3% Renewable Energy

0.9% Houseware, Electronics & Furnishings

0.5% Pharmaceutical/ Medical

1.1% Others

INDEPENDENT MARKET RESEARCH
BY COLLIERS INTERNATIONAL (HONG KONG) LIMITED

HONG KONG[1]

HONG KONG ECONOMY

According to the Census and Statistics Department, Hong Kong's Gross Domestic Product ("GDP") expanded by 3.8% in 2017, faster than the 2.1% growth in 2016, supported by a broad-based global economic upswing and robust domestic consumption. The unemployment rate also reached a 19-year low of 3.1% in 2017. 01

For 2018, Hong Kong's GDP is predicted to grow by 3% to 4% attributed to the still buoyant global economic climate, near full employment and resilient domestic demand. From 2018 to 2022, its economy is forecasted to grow at an average of 3% per annum, compared to the previous five-year (2013-2017) average of 2.8% per annum, according to the Census and Statistics Department. 01

HONG KONG RETAIL MARKET

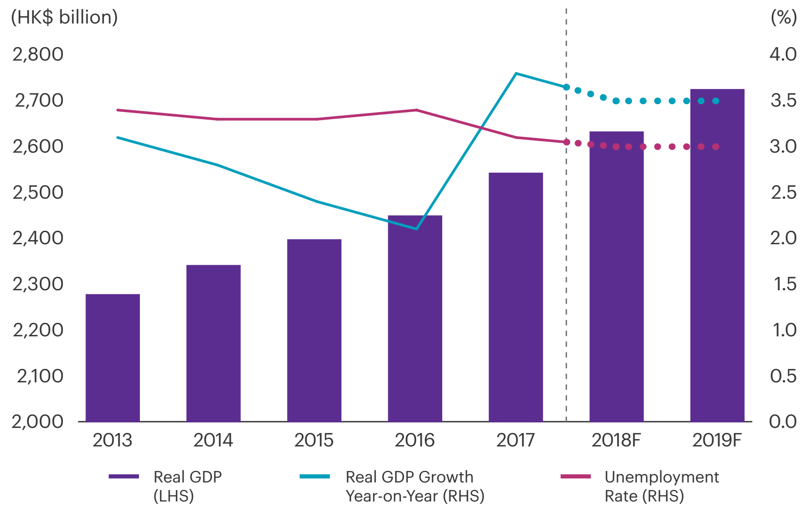
Existing Supply and Vacancy

As of end 2017, there was 160.9 million sq ft of gross floor area ("GFA") of retail stock space, of which shopping malls accounted for 54.9 million sq ft or 34.1%. Approximately 14.3 million sq ft of shopping mall space is concentrated within the core retail areas of Central, Causeway Bay/ Wanchai, Tsim Sha Tsui, and Mong Kok, while approximately another 10.7 million sq ft are located in three main key decentralised retail locations, namely Kowloon East, Sha Tin and Island East (collectively known as "seven key retail districts"). Festival Walk is located within the seven key retail districts, namely in Kowloon Tong, the eastern part of Kowloon.

Shopping malls spanning a total of 2.7 million sq ft (GFA) were completed in 2017 and these were largely concentrated in Tsim Sha Tsui, Yuen Long and Tseung Kwan O. Within the seven key retail districts, about 175,000 sq ft of retail space was added in 2017. However, none was situated in the vicinity of Festival Walk. Average vacancy rate of shopping centres in the seven key retail districts improved from 7.7% in 2016 to to 7.0% in 2017. 02

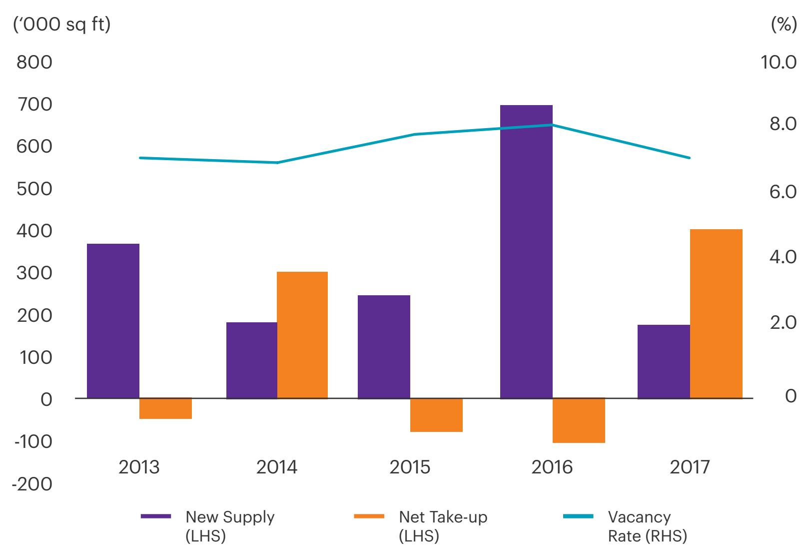
1 The figures relating to stock, new supply, net take-up are detailed as "internal floor area" unless otherwise stated, which is defined as the area of all enclosed space of the unit measured to the internal face of enclosing external and/or party walls. Net take-up refers to the change in occupied stock.

01 HONG KONG REAL GDP, REAL GDP GROWTH AND UNEMPLOYMENT RATE, 2013 – 2019F



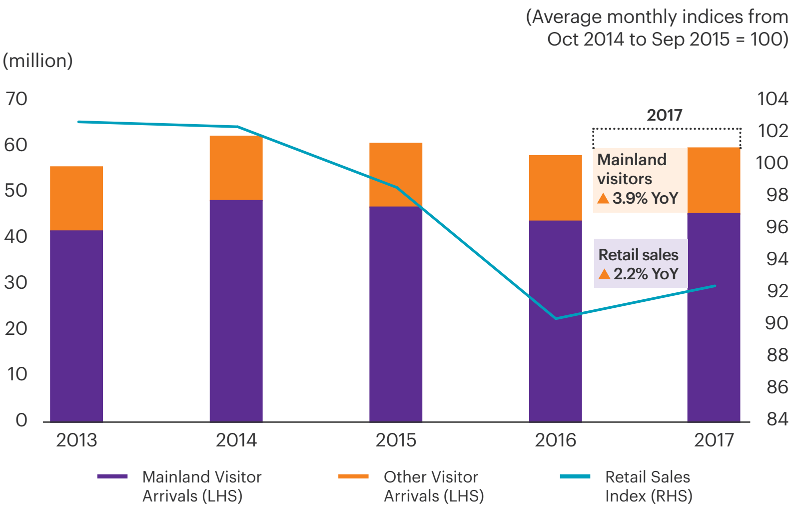
Source: Census and Statistics Department
Note: Figures for 2018 to 2019 are based on forecasts

02 NEW SUPPLY, NET TAKE-UP AND VACANCY RATES OF SHOPPING MALLS IN THE SEVEN KEY RETAIL DISTRICTS, 2013 – 2017



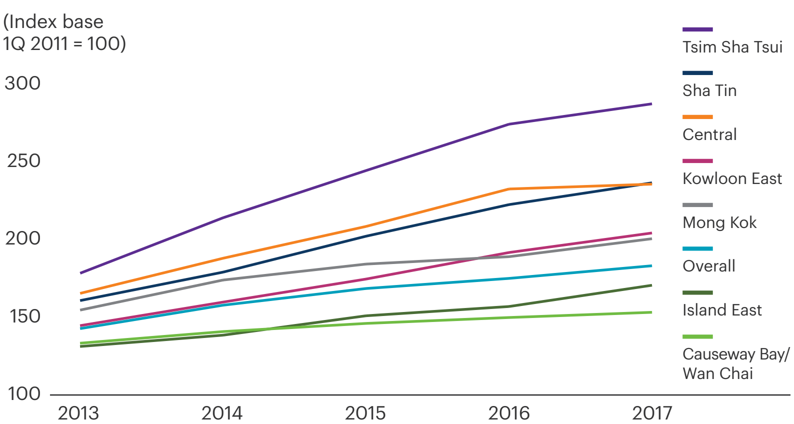
Source: Rating and Valuation Department, Colliers International

03 HONG KONG VISITOR ARRIVALS AND RETAIL SALES INDEX, 2013 – 2017



Source: Census and Statistics Department, Hong Kong Tourism Board

04 HONG KONG SHOPPING MALL RENTAL INDEX OF THE SEVEN KEY RETAIL DISTRICTS, 2013 – 2017



Source: Colliers International

Potential Supply

There are plans for approximately 4.4 million sq ft (GFA) of shopping mall space to be added in Hong Kong between 2018 and 2022. These include large-scale developments (of over 200,000 sq ft) in Causeway Bay/Wan Chai, Kowloon (Nam Cheong and Kai Tak) and the New Territories (Yuen Long, Tai Wai, Tsuen Wan and Tseung Kwan O).

Demand

Hong Kong's retail market ended 2017 on a positive note with retail sales growing 2.2% year-on-year ("YoY") to HK$446.1 billion, compared to a decline of 8.1% YoY in 2016. The jewellery, watches and luxury items sector was one of the top contributors in sales, registering a 5.2% increase in 2017 compared to 2016. Sales of food, alcoholic drinks and tobacco grew 3.2% while food and beverage sales receipts was up 5.0% in 2017, compared to a year ago. Sales in the clothing and footwear category and supermarket category were relatively stable. **03**

Steady economic growth, a healthy employment rate, improving visitor arrivals and strong stock market performance were major drivers leading to the turnaround in retail sales in the second half of 2017, after the sharp decline in sales between 2014 and 2016. Annual volume of inbound visitors increased by 3.2% YoY to 58.4 million in 2017, led by a 3.9% growth in Mainland Chinese tourist arrivals.

Rents

Overall shopping mall rents in 2017 improved 4.3% YoY, supported by a steadily growing economy, healthy domestic consumption and recovery of inbound tourism. In Kowloon East, rental growth for shopping malls recorded 6.2% YoY. Comparing 1Q 2018 to 4Q 2017, overall rents for shopping malls increased by 1.6% quarter-on-quarter ("QoQ"), while retail rents in Kowloon East were 1.3% higher QoQ. **04**

Key Retail Trends in 2017 & 2018

With online shopping on the rise, some retail brands in Hong Kong have been investing more in their e-commerce operations and adopting in-store digitisation tools to integrate online and offline channels. While e-commerce has changed the retail landscape, it cannot replace the experience provided by physical stores or shopping malls. Shopping malls are still lifestyle destinations offering a mix of shopping, entertainment and leisure experiences. Although Hong Kong's online retail revenue increased by 12% to HK$29.0 billion in 2017 from HK$25.9 billion in 2016, online retail revenue of HK$29.0 billion in 2017 was only 6.5% of the total Hong Kong retail revenue, according to Statista.

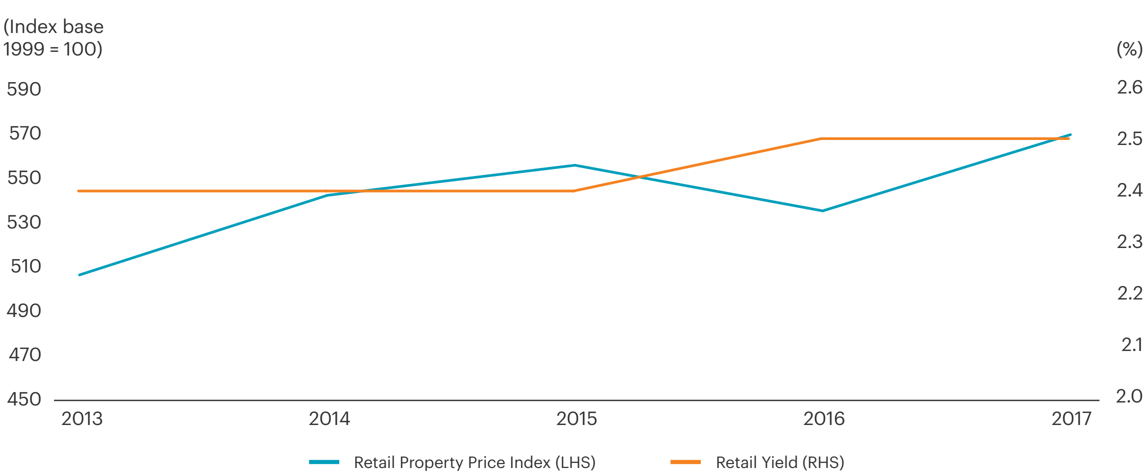
Retail Yields

The average yield of retail properties reached a tight level of around 2.5% in 2017, while the overall average retail property price increased by 6.4% YoY. This was due to strong investors' interest for retail malls in decentralised locations targeting local demand. In 1Q 2018, average retail yield compressed further to 2.4%, while overall retail property price increased 2.2% QoQ. 05

Outlook

With the growing number of technological initiatives, a sustained strong employment market, and continuing recovery in inbound tourism and retail sales, the retail market is expected to gain further momentum in 2018. Shopping malls with the ability to integrate new retail concepts with technology to understand customer preferences and provide excellent shopping experiences will offer greater value-added propositions and therefore be able to enhance their rents and capital values.

05 HONG KONG RETAIL PROPERTY PRICE INDEX AND RETAIL YIELD, 2013 – 2017



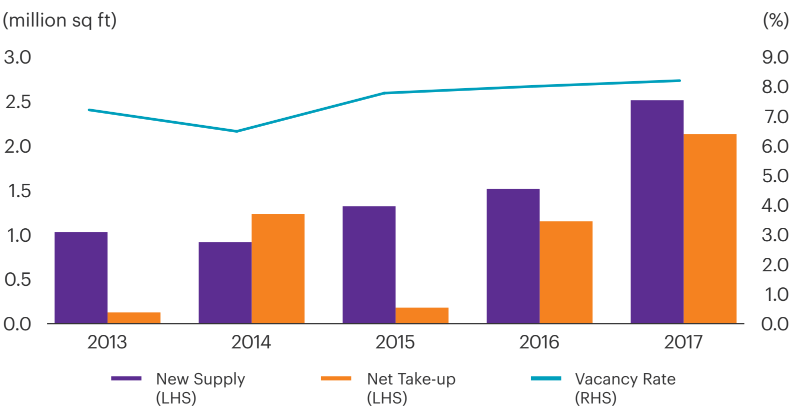
Source: Rating and Valuation Department, Colliers International

HONG KONG OFFICE MARKET

Existing Supply and Demand

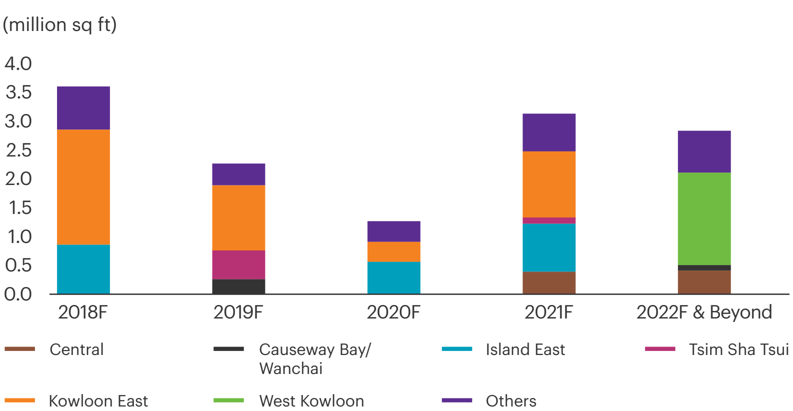
While the Central district, the core business district ("CBD") in Hong Kong, used to be where most large banking, legal and financial services companies as well as Asian headquarters of multinationals ("MNCs") were located, relocation out of CBD to other key business clusters (such as Causeway Bay/Wanchai, Island East, Tsim Sha Tsui, West Kowloon and Kowloon East) has continued to grow in 2017. At the same time, there are increasingly more mainland China based companies taking up office space in the CBD area.

06 HONG KONG OVERALL GRADE-A OFFICE NEW SUPPLY, NET TAKE-UP AND VACANCY RATES, 2013 – 2017



Source: Colliers International

07 POTENTIAL NEW SUPPLY OF GRADE-A OFFICES IN HONG KONG, 2018 – 2022



Source: Colliers International

As of end-2017, total Grade-A office stock reached 81.7 million sq ft (GFA), of which 2.5 million sq ft (or 3.1% of the total office stock) were newly completed Grade-A office supply. Most of the new Grade-A office developments were located outside of the CBD, with about 19.2% of the new supply or approximately 479,000 sq ft in Kowloon East, also known as the second CBD ("CBD2") of Hong Kong. 06

Overall net take-up in office space increased from 1.2 million sq ft in 2016 to 2.2 million sq ft in 2017, largely driven by mainland China based firms seeking to establish their offices in the core districts (CBD and Causeway Bay/Wanchai). With office rents in these core districts reaching new record highs, MNCs have become increasingly attracted to decentralised office locations, which offer more affordable and wider range of attractive office specifications. Despite stronger office demand in the core districts, the sizable volume of new supply led to a slight increase in the overall Grade-A office vacancy rate to 8.2% by end 2017, compared to 8.0% a year ago. It is noteworthy to mention the new supply in Kowloon East did not pose a significant impact on office demand in Festival Walk, as it is mainly a retail complex with a small office component, and is well-located atop a major MTR interchange. 06

Potential Supply

Approximately 13.1 million sq ft (GFA) of new Grade-A office space is in the pipeline between 2018 and 2022, of which about 35.4% (4.7 million sq ft) will be concentrated in Kowloon East. With the ongoing trend of decentralisation from CBD to cheaper decentralised office areas, Colliers estimates that the percentage of total Grade-A office space in Kowloon East will increase from 17.1% in 2017 to about 19.5% in 2022, roughly on par with Central. The new supply in Kowloon East includes Mapletree Investments' Mapletree Bay Point (about 660,300 sq ft of GFA) due for completion in the first half of 2018. 07

Rents

Despite a higher overall vacancy rate, overall Grade-A office rents increased by 2.4% YoY to HK$73.7 per sq ft per month (effective rent based on net floor area) in 2017 mainly driven by sustained demand from mainland Chinese firms. For Kowloon East, rents in 2017 experienced a mild growth of 0.6% YoY to HK$34.7 per sq ft per month (effective rent based on net floor area). While there is a steady stream of tenant relocations from the more expensive Central office areas, further growth in rentals in Kowloon East was offset by the increasing new supply in the area. In 1Q 2018, overall Grade-A office rents increased 1.8% QoQ to HK$75.0 per sq ft per month, supported by the continuing relocation trend. For Kowloon East, office rents in 1Q 2018 saw a steady growth of 0.7% QoQ to HK$34.9 per sq ft per month, driven by a net take-up of space. 08

Key Office Trends

Co-working space providers have emerged as a key occupier in 2017, particularly in non-core and fringe CBD areas, providing an economical option for the start-up community as well as MNCs and small medium enterprises ("SMEs") looking for more flexible office space options. As the footprint of co-working space providers expands further, non-core areas and fringe CBD are expected to be the major beneficiaries.

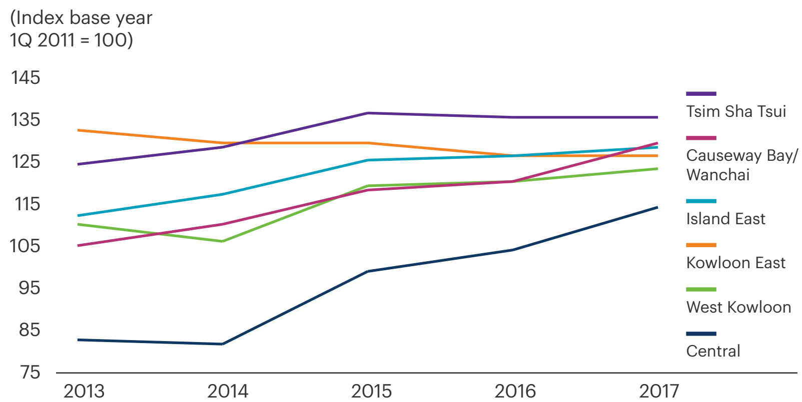
Office Yields and Office Prices

In 2017, the overall Hong Kong office investment market recorded a strong year with record price breaking transactions and robust investment activities from mainland Chinese companies and local investors/developers. As such, Grade-A office prices accelerated by 15.6% YoY to HK$26,122 per sq ft (based on net floor area) in 2017 while the average Grade-A office yield compressed to 2.6%, from 3.0% a year ago. In 1Q 2018, overall Grade-A office prices further increased by 8.6% QoQ to HK$28,368 per sq ft, underpinned by record transactions in Central, while the average Grade-A office yield compressed to 2.4%. 09

Outlook

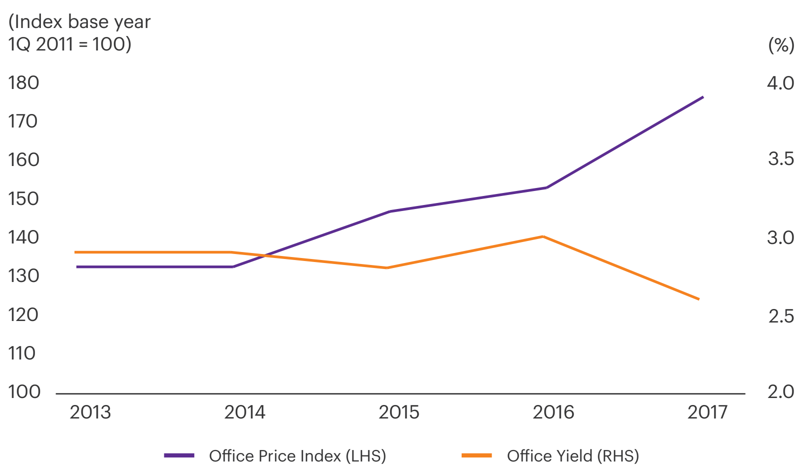
Amid increasing new office supply, Colliers is of the view that overall Grade-A office rents are likely to grow at a moderate pace in 2018. The non-core office market will continue to appeal to value conscious tenants and thus, should benefit from a demand pickup. For Kowloon East, with additional new supply over the coming years, vacancy rate is expected to increase slightly and rents will continue to be competitive. As the CBD2 initiative continues to garner stronger interest in the long run, Kowloon East is expected to transform into another important core business district outside of the Central district.

08 HONG KONG GRADE-A OFFICE RENTAL INDEX BY DISTRICT, 2013 – 2017



Source: Colliers International

09 HONG KONG GRADE-A OFFICE PRICE INDEX AND OFFICE YIELD, 2013 – 2017



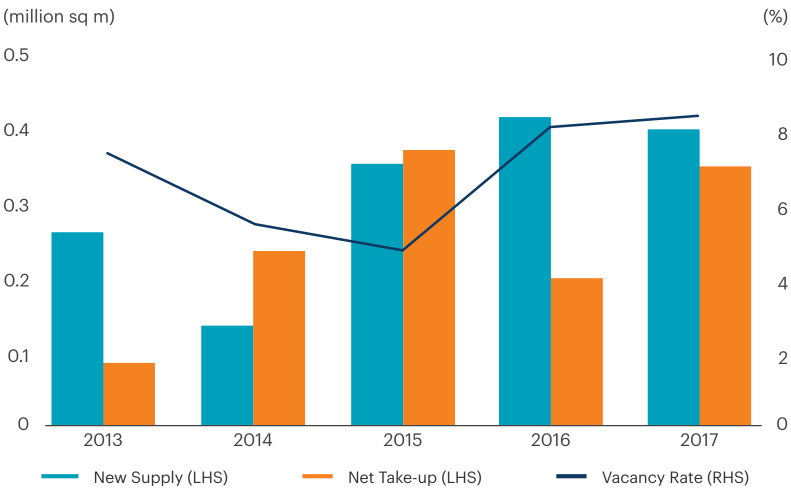
Source: Colliers International

CHINA

CHINA ECONOMY

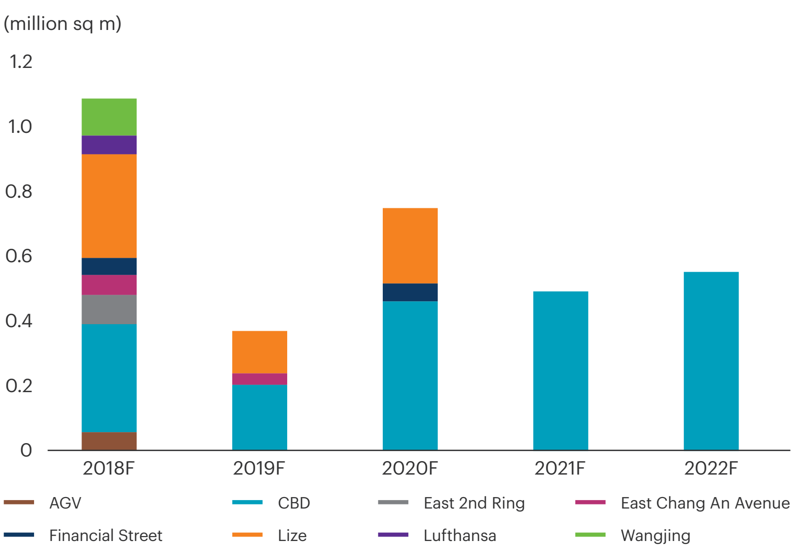
According to the National Bureau of Statistics, China's economy grew at 6.9% in 2017, higher than 2016's growth of 6.7%, as the economy continues its transition from a tertiary-driven to a consumption-oriented model. GDP growth is expected to moderate to 6.5% in 2018, according to the report delivered at the 13th National People's Congress in March 2018.

10 BEIJING GRADE-A OFFICE MARKET NEW SUPPLY, NET TAKE-UP AND VACANCY RATE, 2013 – 2017



Source: Colliers International

11 BEIJING GRADE-A OFFICE MARKET FUTURE SUPPLY, 2018 – 2022



Source: Colliers International

BEIJING OFFICE MARKET

Existing Supply, Demand and Vacancy

As at end of 2017, there were close to 6.37 million sq m Grade-A office space in Beijing, a 6.5% or 390,500 sq m increase from 2016. Beijing Grade-A office market can be divided into nine submarkets, including Central Business District ("CBD") (34.0% of the total stock), Lufthansa (where Gateway Plaza is located) (15.0%), Financial Street (13.2%), Asian Games Village ("AGV") (9.3%), Zhongguancun ("ZGC") (9.2%), East Chang An Avenue (9.1%), Wangjing (7.6%), East 2nd Ring (2.6%) and Lize (less than 1%). Of the eight newly completed projects in 2017 amounting to approximately 390,500 sq m of space, AGV accounted for 45.5% (by GFA), followed by East Chang An Avenue (19.8%), CBD (15.4%), Lufthansa (10.1%) and Wangjing (9.2%). Only one office project of 40,000 sq m (GFA) was completed in Lufthansa during 2017. 10

Demand for Beijing's Grade-A office space in 2017 was largely driven by established domestic firms, across all sectors from finance to technology. The market also witnessed more consolidation and relocation activities in the pharmaceutical and energy sectors, while MNCs remained sensitive to high rental costs. As the domestic corporations extended their footprint, this had resulted in a 77.1% YoY increase in the annual net take-up to 341,000 sq m in 2017. Though demand was higher, the additional new supply in Beijing edged up the average vacancy rate to 8.3% as of end-2017, compared to 8.0% a year ago. 10

Potential Supply

Colliers estimates that the total projected Beijing Grade-A office space from 2018 to 2022 will increase by approximately 3.12 million sq m (GFA), with more than 30% scheduled for completion in 2018. The new supply for the next five years (2018-2022) will be distributed among CBD (63.6%), Lize (21.1%), Wangjing (3.4%), Financial Street (3.1%), East Chang An Avenue (2.8%), East 2nd Ring (2.7%), AGV (1.7%), Lufthansa (1.6%) and ZGC (less than 1%). One new office project of approximately 51,000 sq m is expected to be completed in 2018 at the Lufthansa area. To date, no other new projects are scheduled in this area beyond 2018. 11

Tenant Mix

As at end-2017, 46.8% of the Grade-A office tenants in Beijing are from the financial sector, reflecting Beijing's status as an important financial centre. The other two key sectors are professional services (13.0%) and information technology ("IT") (12.0%). 12

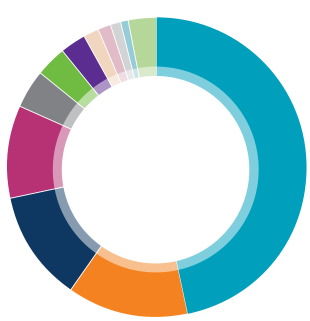
Key Office Trends

The rising popularity of co-working space in Beijing in recent years could be attributed to two reasons. First, as the capital of China, Beijing is the hub for innovation with a large number of start-ups, which are attracted to flexible co-working space. Furthermore, the local government offers tax benefits to operators in several districts including Haidian District.

Rents

Overall average rent in Beijing saw a mild growth of 0.4% YoY in 2017 to RMB331.8 per sq m (psm) per month due to competitive rents offered by the new buildings as well as weaker demand from MNCs. Despite the slight increase, office rents in Beijing remain the highest in Mainland China. The average rent in Lufthansa increased by 1.3% YoY to RMB295.2 psm per month by end-2017, supported by steady demand and limited new supply. In 1Q 2018, the overall average rent in Beijing was down slightly by 0.1% QoQ to RMB331.5 psm per month as a result of competitive rents offered by new projects. For Lufthansa, the average rent increased by 0.7% QoQ to RMB297.3 psm per month. 13

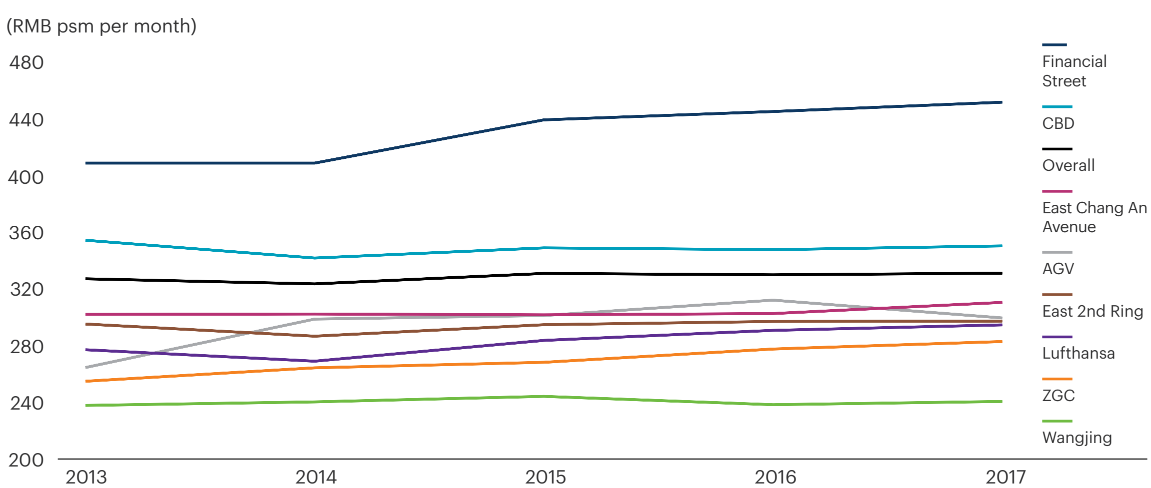
12 BEIJING GRADE-A OFFICE MARKET DEMAND DRIVERS (GFA BY INDUSTRY), AS OF END-2017



Financial Services	46.8%
Professional Services	13.0%
IT	12.0%
Real Estate	9.9%
Service	4.4%
Energy	3.3%
Media	2.6%
Pharmaceutical	1.8%
Manufacturing	1.3%
Automobile	1.1%
Trade	1.0%
Others	2.8%

Source: Colliers International

13 BEIJING GRADE-A OFFICE MARKET RENT BY SUBMARKET, 2013 - 2017



Source: Colliers International

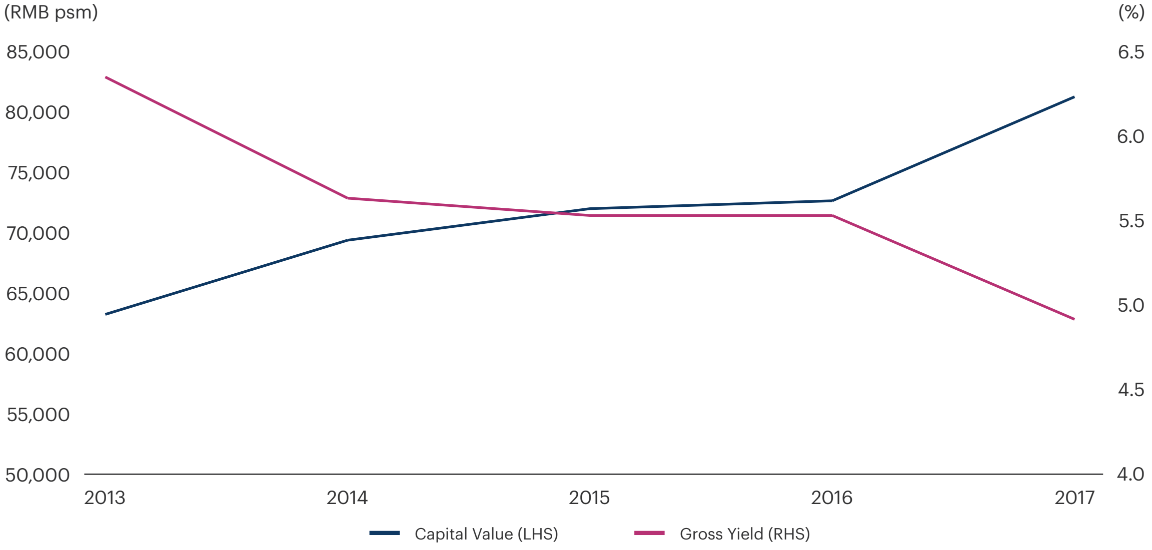
Capital Values and Gross Yields

Domestic and overseas investors continued to show strong interest in Beijing office market for self-use and/or investment purposes. With limited Grade-A office stock available for sale, growth in capital values exceeded rental growth and increased by 11.7% YoY to RMB80,600 psm while gross yield continued to compress in 2017, edging down to 4.9% as of end-2017 from 5.5% a year ago. In 1Q 2018, capital values grew by 0.5% QoQ to almost RMB81,003 psm while gross yield stood at 4.9%. 14

Outlook

Rapid growth of domestic tenants in the tertiary industry, especially finance and IT industries, will continue to drive leasing demand for quality office space. However, MNCs remain cost sensitive and is likely to continue downsizing or consolidating office spaces. Tenant mix is expected to become more diversified with companies from varied industries, such as media, flexible working space, and fintech coming onstream in the medium term. With about 1.3 million sq m of new Grade-A office supply in the next two years, overall occupancy rates and average rents could face downward pressure. Landlords in some submarkets are expected to offer discounts to retain current tenants or attract potential tenants. Supply is expected to peak in 2018 and the Lufthansa area will likely see increased competition for tenants from new building completions.

14 BEIJING GRADE-A OFFICE MARKET CAPITAL VALUE AND GROSS YIELD, 2013 - 2017



Source: Colliers International

SHANGHAI BUSINESS PARK MARKET

Existing Supply, Demand and Vacancy

The business parks in Zhangjiang, Caohejing and Lujiazui ("LJZ") Software Park are the most established in Shanghai, as these offer clear planning, centralised management and mature amenities. Jinqiao, Linkong and Caohejing ("CHJ") Pujiang are emerging submarkets with less developed infrastructure and facilities. The total stock of Shanghai's Grade-A offices in the above six key business park submarkets increased by 24.9% or about 945,000 sq m year-on-year to 4.7 million sq m by end-2017. The business parks in Zhangjiang are the largest, accounting for 30% of the total stock, followed by Caohejing (23%), Jinqiao (18%), Linkong (16%), CHJ Pujiang (9%) and LJZ Software Park (4%). Of the new 945,000 sq m added in 2017, three new Grade-A properties with a combined GFA of 607,095 sq m were completed in Zhangjiang. 15

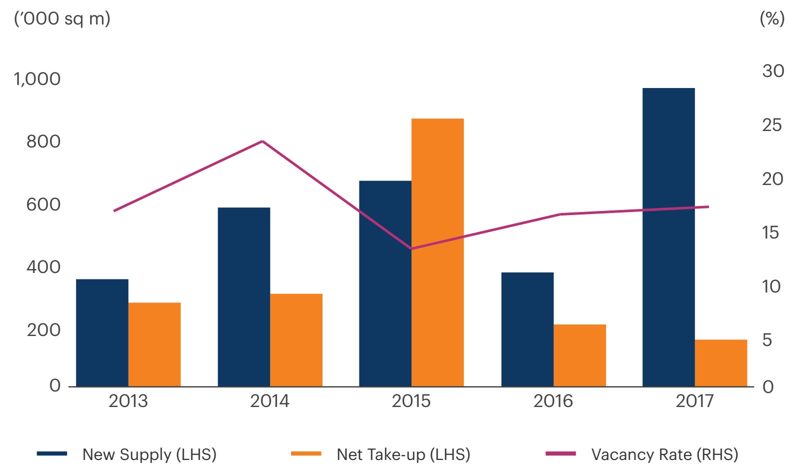
Despite a substantial increase in supply, vacancy rate in Shanghai's business park market increased slightly from 15.9% as of end-2016 to 16.6% as of end-2017, due to a net take-up of about 143,700 sq m in 2017 from the tertiary industry, especially from the financial and technology sectors.

The business park tenants were drawn to rental savings, increasingly convenient transport connections, improved building specifications and a conducive business environment. In 2017, more leasing transactions were seen in the central zone of Zhangjiang ahead of the scheduled completion of the extension of Metro Line 13 in 2018. In addition to new tenants, existing tenants also took the opportunity to consolidate their offices or establish their offices as headquarters. 15

Potential Supply

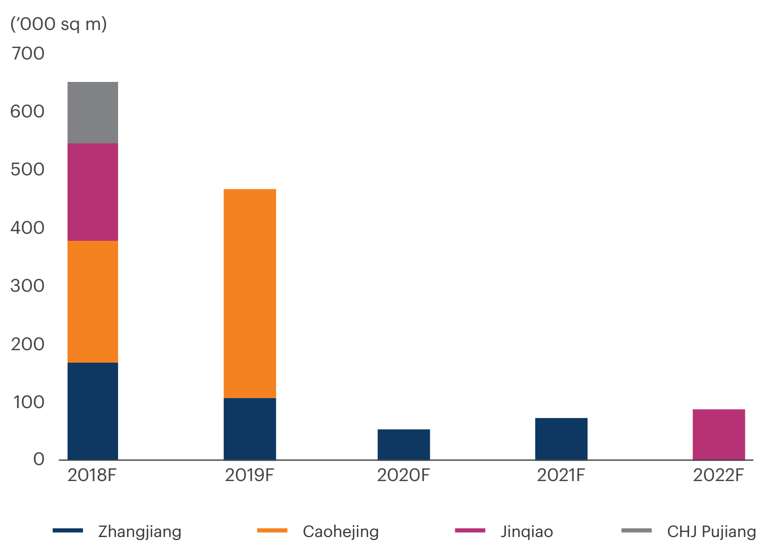
Colliers estimates that over the next five years (2018-2022), the total projected Grade-A office supply in these six parks will increase by approximately 1.3 million sq m, bringing the total stock to nearly 6.1 million sq m by end-2022.

15 NEW SUPPLY, NET TAKE-UP AND VACANCY RATE IN SHANGHAI'S KEY BUSINESS PARKS, 2013 – 2017



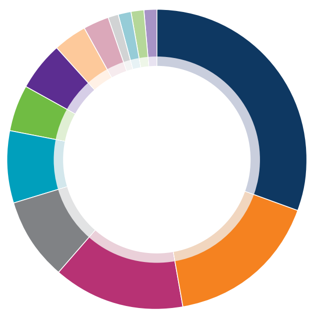
Source: Colliers International

16 POTENTIAL GRADE-A OFFICE SUPPLY IN SHANGHAI'S KEY BUSINESS PARKS, 2018 – 2022



Source: Colliers International

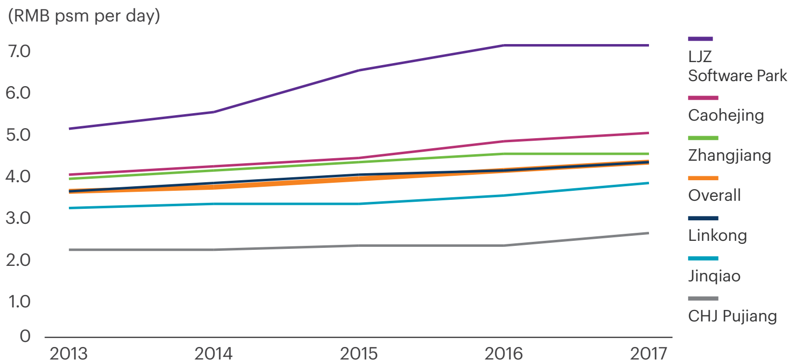
17 SHANGHAI GRADE-A BUSINESS PARK PROPERTY MARKET DEMAND DRIVERS (GFA BY INDUSTRY), AS OF END-2017



Technology	30.8%
IT	16.7%
Trading	14.1%
Financial Services	9.0%
Manufacturing	7.7%
Chemical	5.1%
Professional Services	5.1%
Real Estate	3.8%
Logistics	2.6%
Biomedical	1.3%
Incubator	1.3%
Insurance	1.3%
Media	1.3%

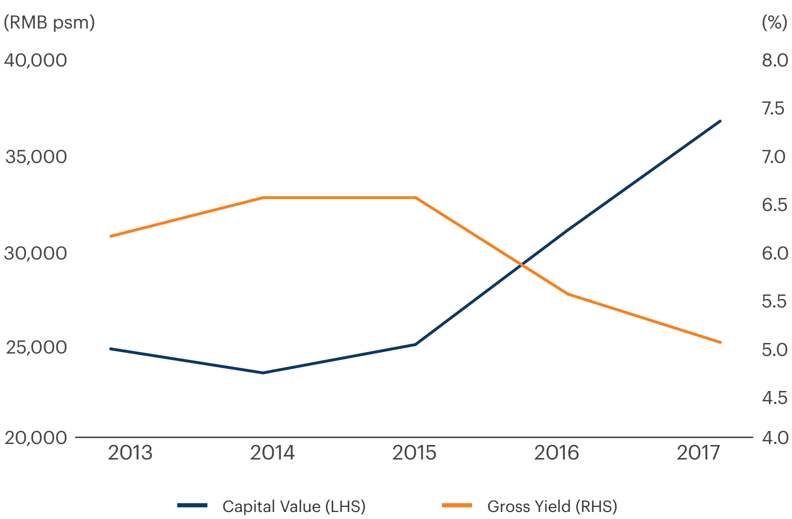
Source: Colliers International

18 SHANGHAI GRADE-A BUSINESS PARK RENT BY SUBMARKET, 2013 – 2017



Source: Colliers International

19 CAPITAL VALUE AND GROSS YIELD IN SHANGHAI'S KEY BUSINESS PARKS, 2013 – 2017



Source: Colliers International

The majority of the potential supply in these six parks by GFA will be in Caohejing (43%) and Zhangjiang (30%). Notably, a significant portion of the new supply in Zhangjiang will be located in the Central and the South zones (note that Sandhill Plaza is located in the North zone), where there are plans for improvements to the infrastructure and amenities in order to attract further business park or office developments to these locations. 16

Tenant Mix

Key driver of demand for Grade-A office space in Shanghai's key business parks was from the Technology, Media and Telecom ("TMT") sector, accounting for nearly half of the total occupied area as of end-2017. Traditional sectors such as Trading, Financial Services and Manufacturing accounted for 14.1%, 9.0% and 7.7% of space respectively as of end-2017. 17

Rent

Overall average rent for the six submarkets increased 3.7% to RMB4.2 psm per day as of end-2017. This represents a discount of 57% compared to Grade-A office space in the city's central business districts (RMB10.21 psm per day). In Zhangjiang, average rent of Grade-A office properties was RMB4.4 psm per day as of end-2017. For 1Q 2018, the average rent for the six submarkets increased by 0.9% QoQ to RMB4.4 psm per day. In Zhangjiang, the average rent increased 1.8% QoQ to RMB4.5 psm per day, supported by low vacancies of some Grade-A buildings and sustained demand. 18

Capital Value and Gross Yield

Capital values increased 18.3% YoY to an average of RMB36,466 psm for Shanghai's Grade-A business park properties as at end-2017. Amid positive investment sentiment from both foreign and domestic investors, average gross yield compressed to about 5.0% as of end 2017, as compared to 5.5% as of end 2016. In 1Q 2018, gross yield was stable at 5.0% while capital values increased by 0.9% QoQ. Over the remaining three quarters of 2018, average yield is however expected to compress. 19

Outlook

With about 649,000 sq m of new supply scheduled to enter Shanghai's business park market in 2018, the pace of rental growth may moderate to around 4% per annum in 2018. However, with continued demand for business park space, positive economic fundamentals and limited new supply in 2020, Colliers believes that the absorption of new space will further improve from 2019 to 2020, while vacancy rate will gradually decrease and rental growth is expected to remain steady at around 3% to 5% per annum. Demand for high-quality Grade-A office space in business parks is likely to remain supported by the growing TMT industries. Properties with good accessibility and professional management will be well positioned to enjoy high occupancy rates and stable tenant mix, thus supporting an above-average rental growth.

> **"With continued demand for business park space (in Shanghai), positive economic fundamentals and limited new supply in 2020, Colliers believes that the absorption of new space will further improve from 2019 to 2020, while vacancy rate will gradually decrease."**

LIMITATIONS ON THE REPORT

The projections or otherwise incorporated within this research report are projections only and may prove to be inaccurate. Accordingly, such market projections should be interpreted as an indicative assessment of potentialities only, as opposed to certainties.

Projections and forecasts are based on assumptions of variable factors, which, in turn, are extremely sensitive to changes in the market and economic contexts. For this reason, the figures mentioned in this report were not computed under any known or guaranteed conditions. Rather, these are projections and forecasts drawn from reliable sources of data and information and made in the best judgment and professional integrity of Colliers International. Notwithstanding this, Colliers International advises that it will not accept any responsibilities in the face of any claims that might result from any error, omission or recommendations, viewpoints, judgments and information provided.

We draw your attention to the fact that there will be a number of variables within acceptable market parameters that could be pertinent to this research and the projections adopted are representative of only one of these acceptable parameters.

All statements of fact in the report which are used as the basis of our analyses, opinions, and conclusions are taken to be true and correct to the best of our knowledge and belief. We do not make any representation or warranty, express or implied, as to the accuracy or completeness of all such information.

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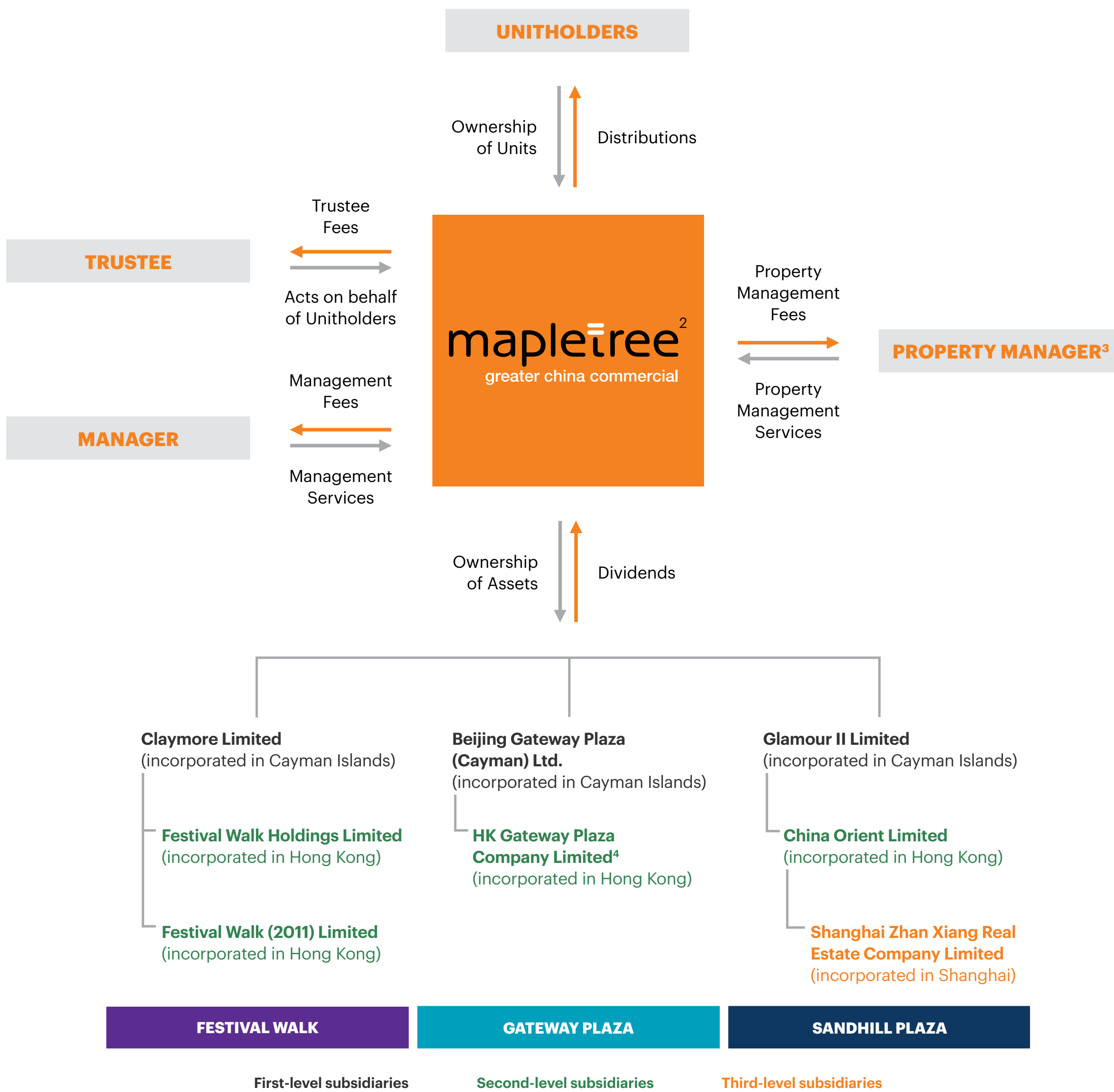
These projections were prepared as at 21 April 2018 and may change in the future due to changes in market conditions. Any and all use of the report, without updating, after this period accepts fully the risks associated with market movements.

For and on behalf of **Colliers International (Hong Kong) Limited**

VINCENT CHEUNG
Deputy Managing Director
Valuation and Advisory Services, Asia

TRUST STRUCTURE

(FY17/18)[1]



1 Please refer to MGCCT's SGX-ST Announcement dated 28 March 2018 titled "Proposed Acquisition of a Portfolio of Six Freehold Office Properties in Greater Tokyo, Japan". The transaction was approved by Unitholders at the Extraordinary General Meeting held on 24 April 2018. Following the completion of the Proposed Acquisition on 25 May 2018, MGCCT was renamed "Mapletree North Asia Commercial Trust" and the Manager was renamed "Mapletree North Asia Commercial Trust Management Ltd.".

2 The Trustee holds 100.0% of Mapletree Greater China Commercial Trust Treasury Company (S) Pte. Ltd., in which it holds 100.0% of Mapletree Greater China Commercial Treasury Company (HKSAR) Limited (the "Hong Kong Treasury Company"). The Hong Kong Treasury Company is a special purpose vehicle incorporated in Hong Kong and owned by MGCCT for the purposes of (i) lending, borrowing or raising money, (ii) carrying out foreign exchange and interest rate hedging activities, financial futures trading, financial derivatives trading and other risk management activities in foreign currency or (iii) any other treasury management functions for and on behalf of MGCCT.

3 The Property Manager is appointed pursuant to the Master Property Management agreement entered into between the Manager, the Trustee and the Property Manager.

4 HK Gateway Plaza Company Limited holds 100.0% of Gateway Plaza Property Operations (Beijing) Limited, a company incorporated in China. Gateway Plaza Property Operations (Beijing) Limited is established to facilitate the registration of tenancy agreements between HK Gateway Plaza Company Limited and tenants of Gateway Plaza. HK Gateway Plaza Company Limited pays Gateway Plaza Property Operations (Beijing) Limited the costs incurred in rendering such services, and an administrative cost equivalent to 5.0% of such costs.

Both the Manager and Property Manager are wholly-owned subsidiaries of the Sponsor.

ORGANISATION STRUCTURE

(FY17/18)[1]

THE MANAGER
Mapletree Greater China Commercial Trust Management Ltd. ("MGCCTM")

BOARD OF DIRECTORS

Mr. Paul Ma Kah Woh
Non-Executive Chairman and Director

Mr. Kevin Kwok
Independent Non-Executive Director and Chairman of the Audit and Risk Committee

Mr. Lok Vi Ming
Lead Independent Non-Executive Director, Chairman of the Nominating and Remuneration Committee and Member of the Audit and Risk Committee

Mr. Michael Kok Pak Kuan
Independent Non-Executive Director and Member of the Audit and Risk Committee

Ms. Tan Su Shan
Independent Non-Executive Director and Member of the Nominating and Remuneration Committee

Mr. Hiew Yoon Khong
Non-Executive Director and Member of the Nominating and Remuneration Committee

Mr. Chua Tiow Chye
Non-Executive Director

Ms. Cindy Chow Pei Pei
Executive Director and Chief Executive Officer

CHIEF EXECUTIVE OFFICER

Ms. Cindy Chow

JOINT COMPANY SECRETARIES

Mr. Wan Kwong Weng

Ms. See Hui Hui

CHIEF FINANCIAL OFFICER

Mr. Ng Wah Keong

FINANCE

Mr. Lawrence Ng
Director

INVESTOR RELATIONS

Ms. Elizabeth Loo
Vice President

PORTFOLIO AND ASSET MANAGEMENT

Ms. Ng Eharn
Vice President

ASSET MANAGEMENT (BEIJING)

Ms. Rosemary Kong
Senior Manager

INVESTMENT AND ASSET MANAGEMENT

CHINA AND HONG KONG

Mr. Ng Chern Shiong
General Manager

HONG KONG

Mr. Matthew Wong
Vice President

SHANGHAI

Mr. Miguel Su
Manager

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THE PROPERTY MANAGER
Mapletree Greater China Property Management Limited ("MGCPM")

DIRECTORS

Ms. Jade Koh[1] | Ms. Lee Shiau Fei | Mr. Tan Wee Seng | Mr. Michael Wu

HONG KONG

FESTIVAL WALK

Ms. Sandra Cheng
General Manager

MARKETING & PROMOTIONS

Ms. Carol Chan
Head

FINANCE

Mr. Simon Lam
Head

LEASE MANAGEMENT & TENANT RELATIONS

Ms. Vivian Lau[2]
Head

OPERATIONS

Mr. Eric Wong
Head

ICE RINK

Mr. Paul Wong
Head

TECHNICAL SERVICES

Mr. Michael Wu
Head

BEIJING

Mr. Leo Liu
Manager

Ms. Sylvia Shang
Manager

Ms. Dora Yan
Manager

SHANGHAI

Ms. Coco Lin
Senior Manager

Ms. Sandy Chen
Manager

Mr. Alvin Zhu
Manager

1 Ms. Jade Koh was appointed in FY17/18, with effect from 31 May 2017.

2 Ms. Vivian Lau resigned in 4Q FY17/18. Ms. Wendy Lee was appointed in 1Q FY18/19 as Head, Lease Management and Tenant Relations.

BOARD OF DIRECTORS

Mr. Paul Ma Kah Woh

- Non-Executive Chairman and Director

Past Directorships on Listed Entities over the last three years

Mapletree Logistics Trust Management Ltd. (the Manager of Mapletree Logistics Trust)

Mr. Paul Ma Kah Woh is the Non-Executive Chairman and a Director of the Manager.

Mr. Ma is also a Non-Executive Director of the Sponsor, and a member of its Audit and Risk Committee, Executive Resource and Compensation Committee, and Investment Committee. Concurrently, Mr. Ma is a Director of StarHub Ltd and PACC Offshore Services Holdings Ltd (both companies listed on the Main Board of the Singapore Exchange). In addition, Mr. Ma is a member of the Advisory Board of The Asian Civilisations Museum.

Mr. Ma was previously the Chairman and Non-Executive Director of Mapletree Logistics Trust Management Ltd. (the Manager of Mapletree Logistics Trust), from 2005 to July 2016.

Mr. Ma is a Fellow of the Institute of Chartered Accountants in England and Wales as well as a Member of the Institute of Singapore Chartered Accountants.

Mr. Kevin Kwok

- Independent Non-Executive Director

Committee

- Chairman of the Audit and Risk Committee

Past Directorships on Listed Entities over the last three years

Nil

Mr. Kevin Kwok is an Independent Non-Executive Director of the Manager and is the Chairman of the Audit and Risk Committee.

Mr. Kwok is a Non-Executive Director and Chairman of the Audit Committee of the Singapore Exchange Ltd. He is also a Non-Executive Director and Chairman of the Audit and Risk Management Committee of Wheelock Properties (Singapore) Ltd.

He is Chairman of the Accounting Standards Council of Singapore.

He was formerly a Senior Partner of Ernst & Young LLP where he retired after 35 years with the firm. He was the Head of the firm's Assurance Services in Singapore and ASEAN.

Mr. Kwok holds a Bachelor of Arts (Second Class Upper Honours, with Dual Honours in Economics and Accounting & Financial Management). He is qualified as a Chartered Accountant and is a member of the Institute of Chartered Accountants in England and Wales. He is also a Chartered Accountant of the Malaysian Institute of Accountants and a Fellow of the Chartered Malaysian Institute of Taxation.

Mr. Kwok is a Fellow of the Institute of Singapore Chartered Accountants and also a Fellow of the Singapore Institute of Directors.

Mr. Lok Vi Ming

- Lead Independent Non-Executive Director

Committees

- Chairman of the Nominating and Remuneration Committee
- Member of the Audit and Risk Committee

Past Directorships on Listed Entities over the last three years

Nil

Mr. Lok Vi Ming, Senior Counsel, is the Lead Independent Non-Executive Director of the Manager and is the Chairman of the Nominating and Remuneration Committee. He is also a Member of the Audit and Risk Committee.

Mr. Lok is the founding partner of LVM Law Chambers LLC. Prior to LVM Law Chambers LLC, Mr. Lok was with Dentons Rodyk & Davidson LLP since the start of his legal career 31 years ago. He was appointed Senior Counsel in 2005.

A Fellow of the Singapore Institute of Arbitrators, Mr. Lok is an established arbitration practitioner and arbitrator. He has been appointed to the Regional Panel of Arbitrators with the Singapore International Arbitration Centre, Commercial Arbitration Board, the KL Regional Arbitration Centre, CIETAC Beijing and Shanghai, the Shenzhen Court of International Arbitration and with numerous other Arbitration Commissions in China.

Mr. Lok is currently a Fellow of the Singapore Academy of Law. He is also a member of the Board of the Singapore International Mediation Centre and is a Principal Mediator with the Singapore Mediation Centre. Concurrently, Mr. Lok is also a member of the Board of Trustees of the Singapore University of Social Sciences.

Mr. Lok holds a Bachelor of Law degree from the National University of Singapore.

Mr. Michael Kok Pak Kuan is an Independent Non-Executive Director of the Manager and is a Member of the Audit and Risk Committee.

Mr. Kok is currently a Non-Executive Director of Dairy Farm International Holdings Limited ("Dairy Farm"), a leading pan-Asian retailer listed on the London Stock Exchange and the SGX-ST and a member of the Jardine Matheson Group. Mr. Kok is also a Non-Executive Director of Jardine Cycle and Carriage Limited and SATS Ltd.

Prior to his retirement in December 2012, he was an Executive Director and Group Chief Executive Officer of Dairy Farm from April 2007, and was responsible for over 5,400 outlets in the region, operating under various well-known brands in the area of supermarkets, hypermarkets, health and beauty stores, convenience stores and home furnishings stores. Under his watch, Dairy Farm employed over 85,000 people and annual sales grew from US$6.8 billion in 2007 up to US$10 billion in 2011.

Mr. Kok joined Dairy Farm in 1987, and has over 30 years' experience in retailing in Asia. He also resided in Hong Kong from 2007 to 2012. He attended the Senior Executive Programme at London Business School and the Advanced Management Program at Harvard Business School.

Mr. Michael Kok Pak Kuan

- Independent Non-Executive Director

Committee

- Member of the Audit and Risk Committee

Past Directorships on Listed Entities over the last three years

Nil

Ms. Tan Su Shan

- Independent Non-Executive Director

Committee

- Member of the Nominating and Remuneration Committee

Past Directorships on Listed Entities over the last three years

Nil

Ms. Tan Su Shan is an Independent Non-Executive Director of the Manager and a Member of the Nominating and Remuneration Committee.

Ms. Tan is currently the Managing Director and Group Head Consumer Banking & Wealth Management of DBS Bank Ltd. ("DBS").

Prior to joining DBS in June 2010, Ms. Tan was Morgan Stanley's Head of Private Wealth Management for Southeast Asia. Before re-joining Morgan Stanley in May 2008, she was a Region Head for Singapore, Malaysia and Brunei for Citi Private Bank. She was also the Singapore Investment Centre Head.

Ms. Tan was the founder and past president of the Financial Women's Association in Singapore. She sits on the investment committee of MOH Holdings Pte Ltd and is also Co-Chairman of The Monetary Authority of Singapore Private Banking Advisory Group. She was a nominated member of parliament from 2012 to 2014.

Ms. Tan graduated with a Master of Arts from Oxford University in the United Kingdom, where she studied Politics, Philosophy and Economics. In May 2012, she was awarded the Distinguished Financial Industry Competent Professional ("FICP") title, which is the highest certification mark for a financial practitioner in Singapore, by the Institute of Banking and Finance.

Mr. Hiew Yoon Khong

- Non-Executive Director

Committee

- Member of the Nominating and Remuneration Committee

Past Directorships on Listed Entities over the last three years

Nil

Mr. Hiew is a Non-Executive Director of the Manager and a Member of the Nominating and Remuneration Committee.

Mr. Hiew is currently the Executive Director and Group Chief Executive Officer of the Sponsor. He is also a Non-Executive Director of Mapletree Logistics Trust Management Ltd. (the Manager of Mapletree Logistics Trust), Mapletree Industrial Trust Management Ltd. (the Manager of Mapletree Industrial Trust) and Mapletree Commercial Trust Management Ltd. (the Manager of Mapletree Commercial Trust).

Mr. Hiew joined the Sponsor in 2003 as Group Chief Executive Officer. He has since led the Mapletree Group from a Singapore-centric real estate company worth S$2.3 billion to a global company with total assets of more than S$46 billion.

From 2003 to 2011, Mr. Hiew was concurrently Senior Managing Director (Special Projects) in Temasek Holdings. His past directorships include serving as a member on the Board of Trustees of the National University of Singapore.

Mr. Hiew holds a Master of Arts degree in Economics from the University of Warwick, and a Bachelor of Arts degree in Economics from the University of Portsmouth.

Mr. Chua Tiow Chye

- Non-Executive Director

Past Directorships on Listed Entities over the last three years

Nil

Mr. Chua Tiow Chye is a Non-Executive Director of the Manager.

Mr. Chua is the Deputy Group Chief Executive Officer of the Sponsor. He focuses on driving the Sponsor's strategic initiatives including expanding and directing the Sponsor's international real estate investments and developments. He also directly oversees the Sponsor's non-REIT business in North Asia and Australia and in the corporate housing and serviced apartment sector. Previously, Mr. Chua was the Group Chief Investment Officer and Regional Chief Executive Officer of North Asia & New Markets of the Sponsor.

Mr. Chua also serves as a Non-Executive Director of Mapletree Logistics Trust Management Ltd. (the Manager of Mapletree Logistics Trust).

Prior to joining the Sponsor in 2002, Mr. Chua held senior positions with various companies including Vision Century Corporation Ltd, Ascendas Pte Ltd, Singapore Food Industries Pte Ltd and United Overseas Bank Ltd.

Mr. Chua holds a Master of Business Administration from the University of Strathclyde and graduated with a Bachelor of Regional and Town Planning (1st Class Honours) from the University of Queensland in 1982.

Ms. Cindy Chow Pei Pei is both an Executive Director and the Chief Executive Officer of the Manager.

She has more than 20 years of investment experience in the region, including Singapore, China, Hong Kong, India, Vietnam and Thailand. Prior to joining the Manager, Ms. Chow was Chief Executive Officer, India with the Sponsor, where she was instrumental in establishing Mapletree Group's investments in India.

Ms. Chow joined the Sponsor in 2002 as a Business Development Manager. She later became the Senior Vice President and Head of Investment for Mapletree Logistics Trust Management Ltd.

Ms. Chow holds a Master of Science in Real Estate and a Bachelor of Science (Estate Management) (Second Upper Class Honours) from the National University of Singapore.

Ms. Cindy Chow Pei Pei

- Executive Director
- Chief Executive Officer

Past Directorships on Listed Entities over the last three years

Nil

MANAGEMENT TEAM (CORPORATE)

MS. CINDY CHOW
Executive Director and Chief Executive Officer

Ms. Chow's experience is detailed in the Board of Directors' section of this Annual Report.

MR. NG WAH KEONG
Chief Financial Officer

Mr. Ng has more than 19 years of auditing, financial and management reporting experience.

Before joining the Manager, Mr. Ng was with Keppel Infrastructure Holdings Pte. Ltd. as Financial Controller. Prior to that, he was the Director (Finance) of the Sponsor. Mr. Ng started as an Audit Manager with Deloitte KassimChan Malaysia, before relocating to Singapore to join KPMG LLP.

Mr. Ng holds a Master of Business Administration (Finance) from University of Lincoln (UK). He is also a member of the Association of Chartered Certified Accountants.

MR. NG CHERN SHIONG
General Manager, Investment and Asset Management

Based in Shanghai, Mr. Ng has 16 years of experience in the real estate business focusing on investment and asset management work.

Prior to joining the Manager, he held various positions including Director of Business Development at Keppel Land China Limited, and Senior Investment Manager and Associate Director of Asset Management at Mapletree Industrial Fund.

Mr. Ng holds a Bachelor of Science (Real Estate) (Second Upper Class Honours) from the National University of Singapore and a Graduate Diploma in Financial Management from the Association of Chartered Certified Accountants.

MR. LAWRENCE NG
Director, Finance

Mr. Ng has 19 years of experience in financial and management reporting, auditing and finance related work. His previous employment was with the Sponsor, Pan-United Corporation Ltd and Ernst & Young LLP.

Mr. Ng holds an Association of Chartered Certified Accountants professional qualification and is also a non-practising member of the Institute of Singapore Chartered Accountants.

MS. NG EHARN
**Vice President,
Portfolio and Asset Management**

Ms. Ng has over 12 years of experience in consulting, investment, treasury and risk management.

Prior to joining the Manager, Ms. Ng had worked in Singapore Power and Dragonfly Consultancy.

Ms. Ng holds a Master of Business Administration from the Columbia Business School, the London Business School and the University of Hong Kong ("EMBA Global Asia") and a Bachelor of Accountancy with an additional major in Finance, with Magna Cum Laude, from the Singapore Management University.

MS. ELIZABETH LOO
**Vice President,
Investor Relations**

With more than 18 years of experience in communications & investor relations, Ms. Loo has held various senior positions at Sembcorp Marine Ltd, SMRT Corporation Ltd and Creative Technology Ltd.

Ms. Loo obtained a Master of Science in Industrial Administration from the Carnegie Mellon University and a Bachelor of Science (Computer Science & Information Systems) (Second Upper Class Honours) from the National University of Singapore. She is also a Chartered Financial Analyst.

MR. MATTHEW WONG
**Vice President, Investment and
Asset Management**

Based in Hong Kong, Mr. Wong has more than 12 years of experience in asset management, capital management, investment, investor relations and research with organisations including ARA Asset Management Limited, Macquarie Bank, and Cushman and Wakefield.

Mr. Wong holds a Master of Finance from The University of Hong Kong and a Bachelor of Applied Science from the University of Waterloo.

MS. ROSEMARY KONG
**Senior Manager,
Asset Management**

Based in Beijing, Ms. Kong has over 14 years of experience in real estate business, focusing on asset management, consulting, business development and research.

Prior to joining the Manager, Ms. Kong was Senior Associate Director, Asset Management, responsible for one of the Sponsor's projects in China. Ms. Kong also held various positions in CBRE, COFCO Property Group and DTZ.

Ms. Kong holds a Master of Management from Renmin University and Bachelor of Chinese Literature from Shenzhen University.

MANAGEMENT TEAM (CORPORATE)

MR. MIGUEL SU
Manager, Investment and Asset Management

Based in Shanghai, Mr. Su has over 10 years of experience in investment, asset management, consulting, business development, and research.

Prior to joining the Manager, Mr. Su held positions in Ascendas and CBRE. Mr. Su started his career as a consultant at KPMG LLP in Los Angeles.

Mr. Su holds a Bachelor of Science in Industrial Engineering from Purdue University.

MS. SEE HUI HUI
Joint Company Secretary

Ms. See is the Joint Company Secretary of the Manager as well as Director (Legal) of the Sponsor.

Prior to joining the Sponsor, Ms. See was in the Corporate/Mergers & Acquisitions practice group of WongPartnership LLP in Singapore. She started her career as a litigation lawyer with Tan Kok Quan Partnership. Ms. See holds an LL.B. (Honours) from the National University of Singapore, and is admitted to the Singapore Bar.

MR. WAN KWONG WENG
Joint Company Secretary

Mr. Wan is the Joint Company Secretary of the Manager and concurrently Head, Group Corporate Services and Group General Counsel of the Sponsor.

Prior to joining the Sponsor, Mr. Wan was Group General Counsel – Asia at Infineon Technologies for seven years. Before that, he was with Baker & McKenzie in Singapore and Sydney, and started his career as a litigation lawyer.

Mr. Wan has an LL.B. (Honours) (Newcastle upon Tyne), where he was conferred the Wise Speke Prize, as well as an LL.M. (Merit) (London). He also attended the London Business School Senior Executive Programme. He is called to the Singapore Bar, where he was conferred the Justice FA Chua Memorial Prize, and is also on the Rolls of Solicitors (England & Wales). He was conferred the Public Service Medal (P.B.M.) in 2012 and Public Service Star (B.B.M.) in 2017 for his contributions to Central Singapore CDC.

PROPERTY MANAGEMENT TEAM (OVERSEAS)

FESTIVAL WALK
HONG KONG

1 **MS. SANDRA CHENG**
General Manager

2 **MR. MICHAEL WU**
Head, Property Management & Technical Services

3 **MR. ERIC WONG**
Head, Operations

4 **MS. CAROL CHAN**
Head, Marketing & Promotions

5 **MR. PAUL WONG**
Head, Ice Rink

6 **MR. SIMON LAM**
Head, Finance

Note: Ms. Wendy Lee (not in picture), Head, Lease Management and Tenant Relations, was appointed in FY18/19.

GATEWAY PLAZA
BEIJING

7 **MS. DORA YAN**
Manager, Finance

8 **MS. SYLVIA SHANG**
Manager, Property Management

9 **MR. LEO LIU**
Manager, Property Management & Technical Services

SANDHILL PLAZA
SHANGHAI

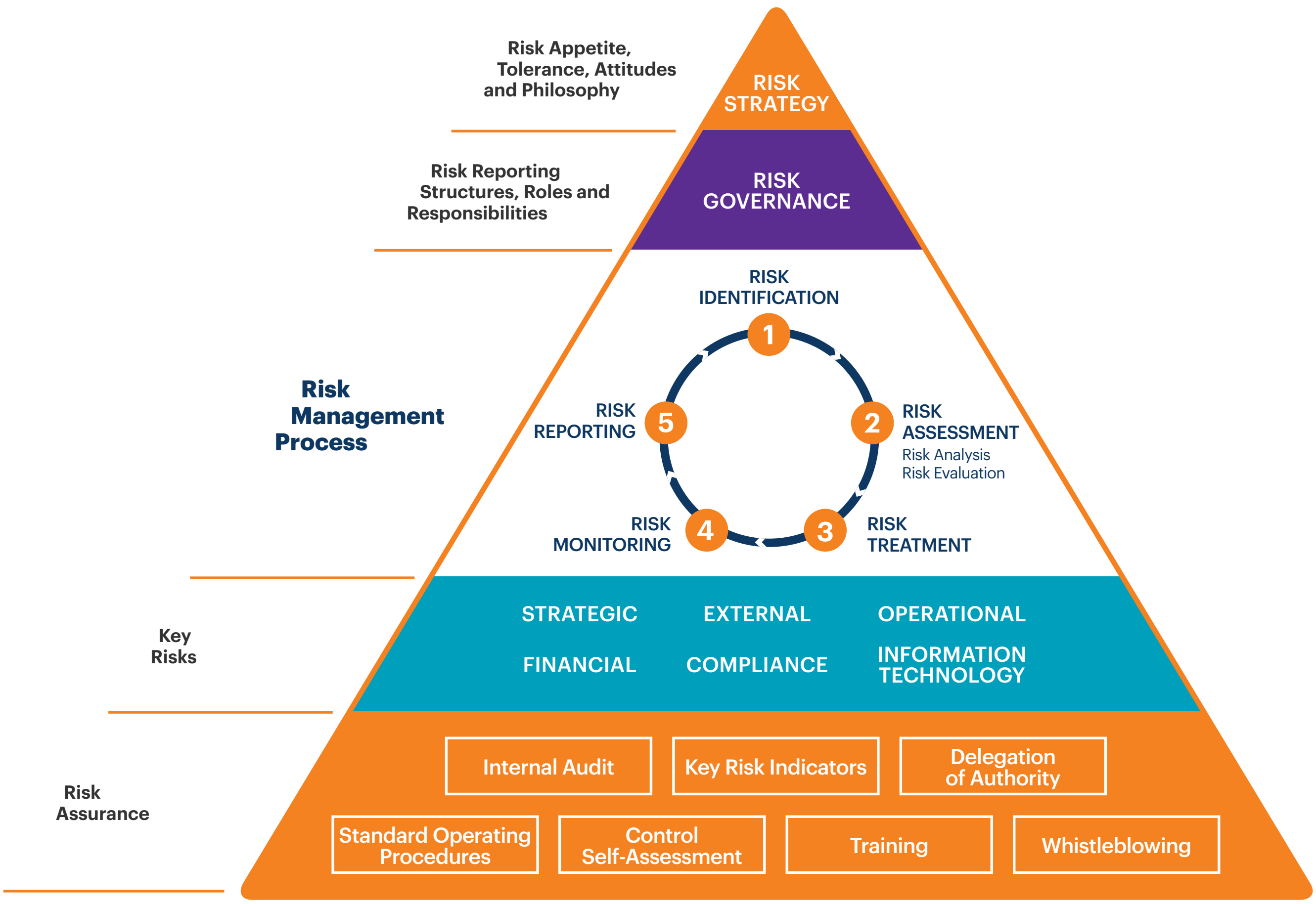
10 **MS. SANDY CHEN**
Manager, Finance

11 **MS. COCO LIN**
Senior Manager, Leasing

12 **MR. ALVIN ZHU**
Manager, Property Management

RISK MANAGEMENT

Risk Management continues to be an integral part of the Manager's business strategy of delivering sustainable and growing returns. To safeguard and create value for Unitholders, the Manager proactively manages risks and embeds the risk management process as part of the planning and decision making process.



STRONG OVERSIGHT AND GOVERNANCE

The Board of Directors ("Board") is responsible for determining the overall risk strategy and risk governance, and ensuring that the Manager implements sound risk management and internal control practices. The Board also approves the risk appetite and tolerance statements, which set out the nature and extent of risks to take to achieve the Manager's business objectives. The Board is assisted by the Audit and Risk Committee ("AC"), which comprises independent directors, whose collective experience and knowledge serve to guide and challenge the Manager, and is supported by the Sponsor's Risk Management ("RM") department.

At the Manager, the risk management culture involves both top-down oversight and bottom-up engagement from all employees. This ensures a risk approach that is aligned with the business objectives and strategies of MGCCT, and which is integrated with operational processes for effectiveness and accountability.

The Manager's Enterprise Risk Management ("ERM") framework is dynamic and evolves with the business. It provides the Manager with a holistic and consistent process for the identification, assessment, monitoring and reporting of risks. The Sponsor's RM department works closely with the Manager to review and enhance the risk management system, with the guidance and direction of the AC and the Board. A control self-assessment ("CSA") framework further reinforces risk awareness by fostering accountability, control and risk ownership and provides additional assurance to the Manager and the Board that operational risks are being effectively and adequately managed and controlled.

ROBUST MEASUREMENT

The Manager's risk measurement framework is based on Value-at-Risk ("VaR"), a methodology which measures the volatilities of market and property risk drivers such as rental rates, occupancy rates, capital values, interest rates and foreign exchange rates. It takes into consideration changes in market environment and asset cash flows as they occur. To complement the VaR methodology, other risks such as refinancing and tenant-related risks are also assessed, monitored and measured as part of the framework where appropriate.

With the VaR methodology, risks are measured consistently across the portfolio, enabling the Manager to quantify the benefits that arise from diversification across the portfolio and to assess risk by asset, risk type and country. Recognising the limitations of any statistically-based system that relies on historical data, MGCCT's portfolio is subject to stress tests and scenario analysis to ensure that the business remains resilient in the event of unexpected market shocks.

RISK IDENTIFICATION AND ASSESSMENT

The Manager identifies key risks, assesses their likelihood and impact on the business, and establishes corresponding mitigating controls. The information is maintained in a risk register that is reviewed and updated regularly. The key risks identified include but are not limited to:

Strategic Risks

MGCCT's portfolio is subject to real estate market risks such as rental rate and occupancy volatilities in the countries where it operates, and country specific factors including competition, supply, demand and local regulations. Such risks are quantified, aggregated and monitored for existing assets and prospective acquisitions. Significant risk profile changes or emerging trends are reported for assessment and/or action.

The risks arising from investment activities are managed through a rigorous and disciplined investment approach, particularly in the area of asset evaluation and pricing. All acquisitions are aligned with MGCCT's investment strategy to enhance returns to Unitholders and improve future income and capital growth. Sensitivity analysis is performed for each acquisition on all key project variables to test the robustness of the assumptions used.

Significant acquisitions are further subject to an independent review by the Sponsor's RM department. The assessment by the Sponsor's RM department is included in the investment proposal that is submitted to the Board or Management committee for approval. On receiving approval from the Board or Management committee, the investment proposals are then submitted to the Trustee, who is the final approving authority for all investment decisions.

The Trustee also monitors the compliance of the Manager's executed investment transactions with the restrictions and requirements of the Listing Manual of the Singapore Exchange Securities Trading Limited, Monetary Authority of Singapore's ("MAS") Property Funds Appendix and the provisions in the Trust Deed.

External Risks

To manage country risks such as economic uncertainties or political turbulence in countries where it operates, the Manager conducts rigorous country and real estate market research and monitors the economic and political developments closely.

Operational Risks

Comprehensive operating, reporting and monitoring guidelines enable the Manager to manage day-to-day activities and mitigate operational risks. To ensure relevance, the Manager regularly reviews its Standard Operating Procedures ("SOPs") and benchmarks them against industry practices where appropriate. Compliance with SOPs is assessed under the CSA framework and reinforced through training of employees and regular reviews by the Sponsor's Internal Audit Department.

Loss of key management personnel and identified talents can cause disruptions to the Manager's business operations and hinder the achievement of its business objectives.

RISK MANAGEMENT

The Manager has put in place succession planning, talent management and competitive compensation and benefits plans to reward and retain performing personnel.

The Manager has a Business Continuity Plan ("BCP") and crisis communication plan that should enable it to resume operations with minimal disruption and loss in the event of unforeseen catastrophic events such as terrorism and natural disasters. MGCCT's properties are insured in accordance with industry norms in their respective jurisdictions and benchmarked against those in Singapore.

Credit risks are mitigated from the outset by conducting thorough tenant credit assessment as part of the investment due diligence process prior to an acquisition. For new and sizeable leases, credit assessments of prospective tenants are undertaken prior to signing of lease agreements. On an ongoing basis, tenant credit is closely monitored by the Manager's asset management team and arrears are managed by the Manager's Credit Control Committee which meets regularly to review debtor balances. To further mitigate credit risks, security deposits in the form of cash or banker's guarantees are collected from prospective tenants prior to commencement of leases, where applicable.

Financial Risks

Financial market risks and capital structure are closely monitored and actively managed by the Manager, and reported to the Board on a quarterly basis. At the portfolio level, the risk impact of currency and interest rate volatilities is quantified, monitored and reported quarterly using the VaR methodology. Refinancing risk is also quantified, taking into account the concentration of the loan maturity profile and credit spread volatility.

MGCCT's floating rate borrowings are hedged by way of interest rate swaps to mitigate interest rate volatility. Where feasible, after taking into account cost, tax and other relevant considerations, the Manager will borrow in the same currency as the underlying assets to provide some natural hedge. To mitigate foreign exchange risks and to provide investors with a degree of income stability, a large proportion of rental income receivable from overseas assets is hedged using forward contracts and secured in Singapore Dollar terms.

The Manager actively monitors MGCCT's cash flow position and funding requirements to ensure sufficient liquid reserves to fund operations and meet short-term obligations. The Manager also maintains sufficient financial flexibility and adequate debt headroom for MGCCT to fund future acquisitions. In addition, the Manager monitors and mitigates bank concentration risks by having a well-diversified funding base. The limit on aggregate leverage ratio is observed and monitored to ensure compliance with MAS's Property Funds Appendix.

Compliance Risks

The Manager is committed to comply with applicable laws and regulations of various jurisdictions in which MGCCT operates. Non-compliance may result in litigation, penalties, fines or revocation of business licenses. The Manager identifies applicable laws and regulatory obligations and embeds compliance with these laws and regulations in day-to-day business processes.

Information Technology ("IT") Risks

The threat of cyber security attacks continues to be a concern as such attacks become increasingly sophisticated. The Manager has in place comprehensive policies and procedures governing information availability, control and governance, and data security. An IT disaster recovery plan is in place and tested annually to ensure business recovery objectives are met. In addition, network vulnerability assessment and penetration testing are also conducted regularly to check for potential security gaps.

RISK MONITORING AND CONTROL

The Manager has developed internal key risk indicators that serve as an early-warning system by highlighting risks that have escalated beyond agreed tolerance levels. The Manager has also established required actions to be taken when risk thresholds are breached.

Every quarter, the Sponsor's RM department presents to the Board and AC a comprehensive report, highlighting key risk exposures, portfolio risk profile, results of stress testing scenarios and status of key risk indicators. The Board and AC are also kept abreast of any material changes to MGCCT's risk profiles and activities.

INVESTOR RELATIONS

The Manager's investor relations policy is to provide clear, timely and transparent disclosure of material information about MGCCT's business and performance to stakeholders including Unitholders, institutional investors, analysts and the media. Through communicating our strategies, business developments and market environment across multiple platforms, we aim to help our stakeholders make informed investment decisions.

Close interaction between management and analysts at Mapletree REITs' year-end networking event.

PROACTIVE & TRANSPARENT INVESTOR COMMUNICATION

MGCCT's quarterly results are released on SGX-ST within one month after the end of each quarter. Quarterly post-results briefings or conference calls are held to provide analysts with updates on MGCCT's financial results, operational performance and outlook. Half-year and full-year result briefings, as well as question-and-answer sessions are broadcast "live" via the MGCCT website, with the webcasts available on demand for up to a year. At these briefings or calls, the Manager's Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO") share updates on MGCCT's financial performance, business operations, opportunities and challenges.

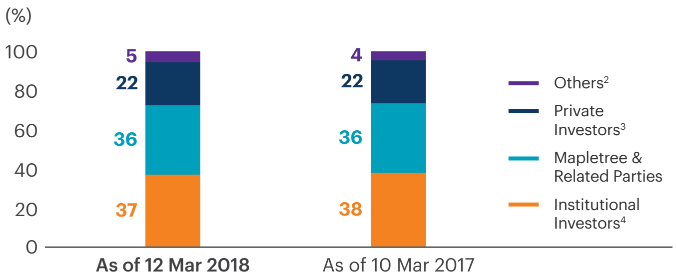
All announcements on MGCCT's latest corporate developments are promptly released to SGX-ST. These announcements are also available on MGCCT's corporate website (*www.mapletreenorthasiacommercialtrust.com*), which is regularly updated with financial and corporate information, including press releases, annual reports, investor presentations, distribution history and other key information. In addition, investors and the general public may also send questions to the Manager through a dedicated email address and sign up for email alerts to receive timely updates. In support of SGX's initiative towards electronic communication with Unitholders, CD-ROMs of MGCCT's annual reports[1] will no longer be printed and distributed. Paper copies of annual reports are available upon request and the annual reports can also be downloaded from MGCCT's website.

The Manager continues to actively engage institutional investors locally and globally. In FY17/18, we reached out to 162 investors (FY16/17: 148) through conference calls, participation in one-on-one meetings, non-deal roadshows, as well as investor conferences in Singapore, Hong Kong and Tokyo. Upon request, property tours and site visits are arranged to provide investors with a first-hand view of the operations at MGCCT's properties. We also develop and maintain frequent communication with analysts, including nine analysts from brokerage firms based in Singapore and Hong Kong who offer research coverage on MGCCT as of 31 March 2018. To keep the Board of Directors abreast of market perceptions and concerns, the Manager also provides regular feedback on investor engagements, analyst consensus estimates and views, as well as analysis of MGCCT's unitholder register.

1 Please refer to MGCCT's SGX-ST announcement dated 24 May 2018 titled "Amendments to the Trust Deed".

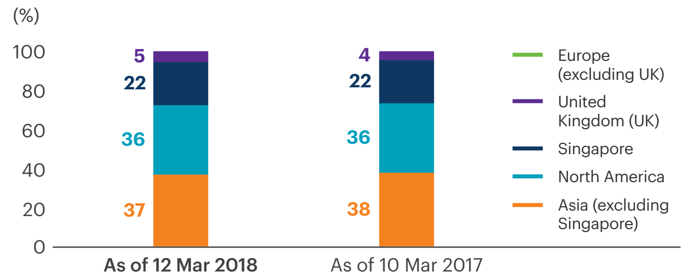
INVESTOR RELATIONS

UNITHOLDING OWNERSHIP BY INVESTOR CATEGORY[1]



INSTITUTIONAL INVESTORS UNITHOLDING OWNERSHIP BY GEOGRAPHICAL DISTRIBUTION[1]

(Excluding Mapletree & Related Parties, Private Investors and Others)



1 The share register analysis is carried out by a third-party vendor based on MGCCT's unitholding data obtained from The Central Depository (Pte) Limited as of 12 March 2018 and as of 10 March 2017 (as 12 March 2017 falls on a Sunday).

2 Others include corporates, non-profit organisations, custodians and nominees.

3 Private investors include investors whose unitholding are less than the threshold of 200,000 units, based on MGCCT's unitholding data obtained from The Central Depository (Pte) Limited as of 12 March 2018 and as of 10 March 2017.

4 Institutional investors include private banks.

Following the announcement of the expansion of MGCCT's investment mandate to Japan in January 2018, the Manager actively engaged with the investment community to help them understand MGCCT's strategy, rationale for expanding beyond Greater China as well as the opportunities that this change can bring.

MGCCT's fourth Annual General Meeting ("AGM") was held on 19 July 2017. Well-attended by about 358 Unitholders, proxy holders and observers, the AGM was an important platform for retail investors to raise questions and engage directly with the Board of Directors and senior management on matters affecting MGCCT. All AGM resolutions were polled electronically and the results showing the number of votes cast for and against each resolution were published on SGX-ST. An independent scrutineer was also appointed to validate the vote tabulation procedures. For the first time, minutes of the fourth AGM were also made available on MGCCT's website.

To further connect with retail investors, the Manager also participated in the REITs Symposium 2017 jointly organised by ShareInvestor and the REIT Association of Singapore ("REITAS") for the third year.

In recognition of good corporate governance, corporate transparency, and best practices in investor relations, MGCCT was awarded Bronze for Best Investor Relations in the REITs & Business Trusts category at the Singapore Corporate Awards 2017.

INVESTOR RELATIONS CALENDAR FOR FY17/18

2017

APRIL TO JUNE

- 4Q FY16/17 Analysts' Briefing and "Live" Audio Webcast
- Post-results Non-deal Roadshow hosted by Macquarie, Singapore
- REITs Symposium 2017, Singapore
- Citi Asia Pacific Property Conference, Hong Kong

JULY TO SEPTEMBER

- 4th Annual General Meeting, Singapore
- 1Q FY17/18 Analysts' Conference Call
- Post-results Luncheon hosted by CIMB, Singapore
- Citi C-Suite Singapore REITs & Sponsors Corporate Day

OCTOBER TO DECEMBER

- 2Q FY17/18 Analysts' Briefing and "Live" Audio Webcast
- Post-results Non-deal Roadshow hosted by DBS, Singapore
- Post-results Non-deal Roadshow hosted by Mizuho, Tokyo
- Mapletree REITs' Year-End Analyst Event, Singapore
- Morgan Stanley Annual Asia Pacific Summit, Singapore

2018

JANUARY TO MARCH

- 3Q FY17/18 Analysts' Conference Call
- Post-results Luncheon hosted by CLSA, Singapore
- Non-deal Roadshow hosted by HSBC, Hong Kong
- Analysts' Briefing and Call on Proposed Japan Acquisition

FINANCIAL CALENDAR

	FY17/18
1st Quarter Results Announcement	28 July 2017
2nd Quarter and Half-year Results Announcement	20 October 2017
Books Closure Date for First Semi-annual Distribution	30 October 2017
Payment of First Semi-annual Distribution to Unitholders	20 November 2017
3rd Quarter Results Announcement	25 January 2018
4th Quarter and Full-year Results Announcement	25 April 2018
Books Closure Date for Cumulative Distribution[1]	7 May 2018
Payment of Cumulative Distribution to Unitholders	25 May 2018

1 Cumulative Distribution comprises the semi-annual distribution for the period from 1 October 2017 to 31 March 2018 ("2H FY17/18 Distribution") and the advanced distribution for the period from 1 April 2018 to 7 May 2018, which is the day immediately prior to the date on which the New Units are issued pursuant to the Private Placement (refer to SGX-ST announcement dated 25 April 2018 titled "Launch of Private Placement to Raise Gross Proceeds of Approximately S$325.0 million" and SGX-ST announcement dated 7 May 2018 titled "Details of Cumulative Distribution in Connection with the Private Placement by MGCCT"). The next distribution following the Cumulative Distribution will comprise MGCCT's distributable income for the period from 8 May 2018, the day the New Units are issued pursuant to the Private Placement, to 30 June 2018. Subsequent distributions will be made on a quarterly basis to Unitholders following the change in MGCCT's distribution policy to distribute its distributable income on a quarterly basis (refer to SGX-ST announcement dated 25 April 2018 titled "Change from Semi-annual Distribution to Quarterly Distribution").

RESEARCH COVERAGE

(As of 31 March 2018)

- CGS-CIMB Research
- Citi Research
- CLSA Singapore
- DBS Group Research
- Goldman Sachs
- Macquarie Securities
- Mizuho Securities Asia Limited
- OCBC Investment Research
- The Hong Kong and Shanghai Banking Corporation

INVESTOR RELATIONS CONTACT

The Manager values and welcomes feedback from Unitholders and other stakeholders. Please contact:

Ms. Elizabeth Loo
Vice President, Investor Relations
T: +65 6377 6705
F: +65 6352 6382
Email: enquiries_mnact@mapletree.com.sg

UNITHOLDER DEPOSITORY

For depository-related matters such as change of details pertaining to Unitholders' investment records, please contact:

The Central Depository (Pte) Limited
9 North Buona Vista Drive
#01-19/20 The Metropolis Singapore 138589
T: +65 6535 7511
F: +65 6535 0775
Email: asksgx@sgx.com
Website: www.sgx.com/cdp

FOR SUBSTANTIAL UNITHOLDERS:

For changes in percentage unitholding level,
email: _MNACT_Disclosure@mapletree.com.sg

CORPORATE GOVERNANCE REPORT

The Manager of Mapletree Greater China Commercial Trust[1] ("MGCCT") is responsible for the strategic direction and management of the assets and liabilities of MGCCT as well as its subsidiaries (collectively, the "Group"). As a REIT manager, the Manager is licensed by the Monetary Authority of Singapore (the "MAS") and holds a Capital Markets Services Licence for REIT management ("CMS Licence").

The Manager discharges its responsibility for the benefit of MGCCT and its unitholders ("Unitholders"), in accordance with the applicable laws and regulations as well as the trust deed (as amended) constituting MGCCT (the "Trust Deed"). To this end, the Manager sets the strategic direction of the Group and gives recommendations to DBS Trustee Limited, in its capacity as trustee of MGCCT (the "Trustee"), on the acquisition, divestment and enhancement of assets of the Group.

The Manager's roles and responsibilities include:

- carrying out the Group's business to generate returns in a sustainable manner and conducting all transactions on normal commercial terms and on an arm's length basis;
- preparing annual budget proposal with forecast on gross revenue, property expenditure, capital expenditure and providing explanations on major variances against prior year's actual results and written commentaries on key issues and any other relevant assumptions. The purposes of such proposals and analyses are to chart the Group's business for the year ahead and to explain the performance of MGCCT's properties compared to the prior year; and
- ensuring compliance with applicable laws and regulations, including the Securities and Futures Act (Chapter 289 of Singapore), the Listing Manual of Singapore Exchange Securities Trading Limited (the "SGX-ST"), the Code on Collective Investment Schemes ("CIS Code") issued by the MAS (including Appendix 6 of the CIS Code, the "Property Funds Appendix"), the Singapore Code on Takeovers and Mergers, the Trust Deed, written directions, notices, codes and other guidelines that the MAS may issue from time to time and any tax rulings.

The Manager is committed to complying with the substance and spirit of the Code of Corporate Governance 2012 (the "Code"). The following describes the main corporate governance policies and practices of the Manager with reference to the Code and, where there are deviations from the principles and guidelines of the Code, explanations for such deviations.

(A) BOARD MATTERS

The Board's Conduct of Affairs

Principle 1: Effective Board

Our Policy and Practices

The Manager adopts the principle that an effective Board of Directors (the "Board") for the Manager is one which is constituted with the right core competencies and diversity of experience, so that the collective wisdom of the Board can give guidance and provide insights as well as strategic thinking to the management team of the Manager ("Management").

The key roles of the Board are to:

- guide the corporate strategy and direction of the Manager;
- ensure that the senior management of the Manager discharges business leadership and demonstrates the highest quality of management with integrity and enterprise; and
- oversee the proper conduct of the Manager.

In discharging their roles and responsibilities, all Directors of the Board are expected to and have acted in the best interests of MGCCT.

The positions of Chairman and Chief Executive Officer ("CEO") are held by two separate persons in order to maintain effective oversight. The Board has also established the Audit and Risk Committee (the "AC") and the Nominating and Remuneration Committee (the "NRC"), each of which operates under delegated authority from the Board, to assist the Board in discharging its oversight function.

The Board comprises eight directors (the "Directors"), of whom seven are Non-Executive Directors and four are Independent Directors.

The following sets out the composition of the Board:

- **Mr. Paul Ma Kah Woh**, Non-Executive Chairman and Director

1 Upon completion of the Proposed Acquisition on 25 May 2018, MGCCT was renamed "Mapletree North Asia Commercial Trust" and the Manager was renamed "Mapletree North Asia Commercial Trust Management Ltd.".

- **Mr. Kevin Kwok**, Independent Non-Executive Director and Chairman of the AC
- **Mr. Lok Vi Ming**, Lead Independent Non-Executive Director, Chairman of the NRC and Member of the AC
- **Mr. Michael Kok Pak Kuan**, Independent Non-Executive Director and Member of the AC
- **Ms. Tan Su Shan**, Independent Non-Executive Director and Member of the NRC
- **Mr. Hiew Yoon Khong**, Non-Executive Director and Member of the NRC
- **Mr. Chua Tiow Chye,** Non-Executive Director
- **Ms. Cindy Chow Pei Pei**, Executive Director and CEO

The Board comprises business leaders and distinguished professionals with banking, legal, retail, real estate, strategic planning, management and accounting experience.

The diverse professional backgrounds of the Directors enable Management to benefit from their external, varied and objective perspectives on issues brought before the Board for discussion and deliberation. Each Director is appointed on the strength of his or her calibre, experience, stature, and potential to give proper guidance to Management for the business of the Group. In addition, the Board considers additional factors such as the age, gender and educational background of its members. The profiles of the Directors are set out in pages 50 to 53 of this Annual Report. The Board is of the view that the present principal directorships included in their individual profiles are sufficient in informing Unitholders of their principal commitments. The Board meets regularly, at least once every quarter, to review the business performance and outlook of the Group and deliberate on business strategy, including any significant acquisitions, disposals, fund-raisings and development projects undertaken by the Group. When exigencies prevent a Director from attending a Board or Board committee meeting in person, such Director can participate by audio or video conference.

The meeting attendance of the Board, the AC, the NRC and at the AGM for FY17/18 is as follows:

		Board	AC	NRC	AGM(3)
Number of meetings held in FY17/18		7	6	1	1
Board Members	**Membership**				
Mr. Paul Ma Kah Woh (Appointed on 1 July 2016) (Re-appointed on 30 September 2016)	Non-Executive Chairman and Director	7	N.A.(1)	N.A.(1)	1
Mr. Kevin Kwok (Appointed on 7 February 2013) (Last reappointment on 29 September 2017)	Independent Non-Executive Director and Chairman of the AC	7	6	N.A.(1)	1
Mr. Lok Vi Ming (Appointed on 7 February 2013) (Last reappointment on 30 September 2016)	Lead Independent Non-Executive Director, Chairman of the NRC and Member of the AC	6	5	1	1
Mr. Michael Kok Pak Kuan (Appointed on 7 February 2013) (Last reappointment on 30 September 2016)	Independent Non-Executive Director and Member of the AC	6	6	N.A.(1)	1
Ms. Tan Su Shan (Appointed on 1 November 2016) (Last reappointment on 29 September 2017)	Independent Non-Executive Director and Member of the NRC	7	N.A.(1)	1	1
Mr. Hiew Yoon Khong (Appointed on 30 November 2012) (Last reappointment on 29 September 2017)	Non-Executive Director and Member of the NRC	6	N.A.(1)	1	1
Mr. Chua Tiow Chye (Appointed on 30 November 2012) (Last reappointment on 29 September 2017)	Non-Executive Director	7	6(2)	N.A.(1)	1
Ms. Cindy Chow Pei Pei (Appointed on 30 November 2012) (Last reappointment on 28 September 2015)	Executive Director and CEO	7	6(2)	1(2)	1

Notes:
(1) N.A. means not applicable.
(2) Attendance was by invitation.
(3) Held on 19 July 2017.

The Board has also approved a set of delegations of authority which sets out approval limits for investments and divestments, development, operational and capital expenditures and treasury activities to be undertaken by the Group. Approval sub-limits are also provided at various management levels to facilitate operational efficiency as well as provide a system of checks and balances.

The Board's approval is required for material transactions to be undertaken by the Group, including the following:

- equity fund-raising;
- acquisition, development and disposal of properties above Board-prescribed limits;
- overall project budget variance and *ad hoc* development budget above Board-prescribed limits;
- debt fund-raising above Board-prescribed limits; and
- derivative contracts above Board-prescribed limits.

Each Director is given a formal letter of appointment setting out his or her duties and obligations under the relevant laws and regulations governing the Manager and the Group. The Manager also has in place an orientation programme to brief new Directors on the Group's business, strategic directions, risk management policies, the regulatory environment in which the Group operates and the governance practices of the Group and the Manager, including in areas such as accounting, legal and industry-specific knowledge as appropriate. The Board is updated on any material change to relevant laws, regulations and accounting standards by way of briefings by professionals or by updates issued by Management.

Board Composition and Guidance

Principle 2: Strong and independent element on the Board

Our Policy and Practices

The Board reviews from time to time the size and composition of the Board with a view to ensuring that the size of the Board is appropriate in facilitating effective decision making.

The Manager adopts the principle that a board composition with a strong and independent element will allow the Directors to engage in robust deliberations with Management and provide external, diverse and objective insights on issues brought before the Board for discussion and deliberation. In particular, the non-executive Directors will also conduct periodic review of the investment mandate as well as the strategic focus of MGCCT with Management. Further, such a board composition, and the separation of the roles of the Chairman and the CEO, provides oversight to ensure that Management discharges its roles and responsibilities effectively and with integrity.

The Board assesses the independence of each Director in accordance with the requirements of the Code and the enhanced independence requirements for REIT managers as implemented by the MAS pursuant to its Response to Feedback on Consultation on Enhancements to the Regulatory Regime Governing REITs and REIT Managers (the "Enhanced Independence Requirements"). A Director is considered to be independent if he or she has no relationship with the Manager, its related corporations and its shareholders who hold 10% or more of the voting shares of the Manager, or Unitholders who hold 10% or more of the Units in issue, or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of his or her independent business judgement; and is independent from any management and business relationship with the Manager and MGCCT, the substantial shareholder of the Manager and the substantial unitholder of MGCCT and has not served on the Board for a continuous period of nine years or longer.

For FY17/18, each of the Independent Directors had carried out an assessment on whether there were any relationships or circumstances which may impact his or her independent status. Accordingly, each of the Independent Directors had either made a negative declaration or disclosed such relationships or circumstances as applicable. The declarations or disclosures made by each Independent Director had been reviewed by the NRC.

In view of the appointment of Mr. Paul Ma Kah Woh as non-independent Non-Executive Chairman and Director, Mr. Lok Vi Ming has been appointed as Lead Independent Non-Executive Director in accordance with the Code.

The Board had considered the Independent Director status of Mr. Michael Kok Pak Kuan (who is a Non-Executive Director of The Dairy Farm International Holdings Limited ("Dairy Farm")). Although the amount of lease rental and other charges paid by Mannings, which is part of the Dairy Farm group, to MGCCT in FY17/18 for leases of MGCCT's premises exceeded S$200,000, the Board takes the view that his Independent Director status is not affected as these rentals and charges were agreed on arm's length basis and did not represent a significant portion of MGCCT's revenue.

The Board had also considered the Independent Director status of Ms. Tan Su Shan (who is the Managing Director and Group Head Consumer Banking & Wealth Management of DBS Bank Ltd) for FY17/18. Although the amounts paid by MGCCT to the Trustee exceeded S$200,000 in FY17/18 and the amounts received by MGCCT from DBS group in FY17/18 for leases of MGCCT's premises exceeded S$200,000, the Board takes the view that her Independent Director status is not affected as (a) the Trustee arrangement was entered into before Ms. Tan was appointed as a Director of the Manager and (b) the rental and other charges were agreed on an arm's length basis and on normal commercial terms.

Based on a review of the relationships between the Directors and the Group in accordance with the requirements of the Code and the Enhanced Independence Requirements, the Board considers the following Directors to be independent:

- **Mr. Kevin Kwok**;
- **Mr. Lok Vi Ming**;
- **Mr. Michael Kok Pak Kuan**; and
- **Ms. Tan Su Shan**

In view of the above, at least half of the Board comprises Independent Directors.

The Manager has established a policy that its Directors should recuse themselves from discussions and abstain from voting on resolutions regarding a transaction or proposed transaction in which the Director has an interest or is conflicted. The Directors have complied with this policy and recused himself or herself from discussions and abstained from voting on resolutions regarding any proposed transaction which might potentially give rise to a conflict of interest.

Chairman and CEO

Principle 3: Clear division of responsibilities

Our Policy and Practices

The Manager adopts the principle of clear separation of the roles and responsibilities between the Chairman of the Board and the CEO of the Manager. The Chairman guides the Board in constructive debates on the Group's strategic direction, management of its assets and governance matters. The Chairman is a non-executive Director.

The Chairman and the CEO are not related to each other. The CEO is responsible for the running of the Manager's business operations. She has full executive responsibilities over the business and operational decisions of the Group. The CEO is also responsible for ensuring the Group's compliance with the applicable laws and regulations in its day-to-day operations.

As the Chairman is not an independent director, in accordance with Guideline 3.3 of the Code, Mr. Lok Vi Ming has been appointed as Lead Independent Non-Executive Director of the Manager with effect from 1 August 2016. The principal responsibilities of the Lead Independent Director are to act as chairman of the Board when matters concerning the Chairman are to be considered, and to be available to the Board and Unitholders for communication of Unitholders' concern when other channels of communication through the Chairman or CEO are inappropriate, as well as for leading all deliberations on feedback regarding performance of the CEO and any interested party transactions.

Board Membership

Principle 4: Formal and transparent process for appointments

Our Policy and Practices

The Manager adopts the principle that Board renewal is an ongoing process to ensure good governance and to remain relevant to the changing needs of the Manager and the Group's business.

The Board established the NRC in January 2016 and it comprises three Directors, being Mr. Lok Vi Ming, Ms. Tan Su Shan and Mr. Hiew Yoon Khong, all of whom are non-executive and the majority of whom (including the Chairman) are independent. Mr. Lok Vi Ming is the Chairman of the NRC and also the Lead Independent Non-Executive Director of the Manager.

The NRC has written terms of reference setting out its scope and authority in performing the functions of a nominating committee, which include assisting the Board in matters relating to:

- the appointment and re-appointment of Board and committee members;
- the appointment of the Executive Director and CEO and the framework for the appointment of senior management executives of the Manager, as well as the succession plan and framework for the Executive Director and CEO and senior management executives of the Manager;
- training and professional development programmes for the Board;
- the process for evaluating Board performance; and
- the determination, on an annual basis and as and when circumstances require, of the independent status of a Director, bearing in mind the relevant guidelines of the Code and the Enhanced Independence Requirements, as well as any other applicable regulations and guidelines and salient factors.

The composition of the Board is determined using the following principles:

- the Chairman of the Board should be a non-executive director of the Manager;
- the Board should comprise directors with a broad range of commercial experience including expertise in funds management, law, finance, audit, accounting and real estate; and
- at least one-third of the Board should comprise independent directors if the Chairman is an independent director and at least half of the Board should comprise independent directors if the Chairman is not an independent director.

As at least half of the Board comprises Independent Directors, the Manager will not be voluntarily subjecting any appointment or reappointment of directors to voting by Unitholders. The Board intends to continue to keep to the principle that at least half of the Board shall comprise independent directors.

The Manager does not, as a matter of policy, limit the maximum number of listed company board representations its Board members may hold as long as each of the Board members is able to commit his or her time and attention to the affairs of the Group, including attending Board and Board committee meetings and contributing constructively to the management of the Manager and the Group. The Manager believes that each Director is best placed to decide whether he or she has sufficient capacity to discharge his or her duties and responsibilities as Director in the best interests of the Manager and Unitholders. Taking into account the meeting attendance records of the Directors in FY17/18, as well as the contribution and performance of each individual Director at such meetings, the Board is satisfied that all the Directors have been able to carry out their duties as Director notwithstanding their principal commitments.

In keeping with the principle that a Director must be able to commit his or her time and attention to the affairs of the Group, the Board will generally not approve the appointment of alternate directors. There were no alternate directors appointed in FY17/18.

The NRC reviews and makes recommendations of nominations and/or re-nominations of directors on the Board and Board committees to the Board for approvals. As a principle of good corporate governance, all Board members are required to submit themselves for re-nomination and re-election at regular intervals during the annual general meeting of the Manager.

Board Performance

Principle 5: Formal assessment of the effectiveness of the Board

Our Policy and Practices

The Manager adopts the principle that the Board's performance is ultimately reflected in the performance of the Manager and the Group.

To assess the performance of the Board and the Board committees, the Manager conducts confidential board effectiveness surveys once every two years. Board effectiveness surveys are carried out once every two years so as to provide more time for Directors to observe, review and assess the effectiveness and performance of the Board and the Board committees. The last survey of the Board, AC and NRC was undertaken in October 2016, with the findings evaluated by the Board in February 2017 and the Board was of the view that it had met its performance objectives. The next survey will be carried out in FY18/19 and the NRC will assist the Board in (amongst other things) the assessment of the effectiveness of the Board, by reviewing the performance evaluation process and making recommendations to the Board.

Access to Information

Principle 6: Complete, adequate and timely access to information

Our Policy and Practices

The Manager adopts the principle that the Board shall be provided with timely and complete information prior to Board meetings, as well as when the need arises.

Management is required to provide adequate and timely information to the Board, which includes matters requiring the Board's decision, as well as ongoing reports relating to the operational and financial performance of the Group. Management is also required to furnish any additional information requested by the Board in a timely manner in order for the Board to make informed decisions.

The Directors have separate and independent access to Management and the Company Secretary.

The appointment and removal of the Company Secretary is subject to the approval of the Board.

The Company Secretary attends to the administration of corporate secretarial matters and advises the Board on governance matters. The Company Secretary also attends all Board and Board committee meetings and provides assistance to the Chairman in ensuring adherence to Board procedures.

The Board takes independent professional advice as and when necessary, at the Manager's expense, to enable it and/or the Independent Directors to discharge their responsibilities effectively. The AC meets the external and internal auditors separately at least once a year, without the presence of Management.

(B) REMUNERATION MATTERS

Procedures for Developing Remuneration Policies

Principle 7: Formal and transparent procedure for fixing the remuneration of Directors

Level and Mix of Remuneration

Principle 8: Appropriate level of remuneration

Disclosure on Remuneration

Principle 9: Clear disclosure of remuneration matters

Our Policy and Practices

The Manager adopts the principle that remuneration matters should be sufficiently structured and benchmarked with good market practices to attract qualified talent to grow and manage its business.

The Manager adopts the principle that remuneration for the Board and senior management should be viewed in totality. The remuneration structure supports the continuous development of the management bench strength to ensure robust talent management and succession planning.

Pursuant to the *Guidelines to All Holders of a Capital Markets Services Licence for Real Estate Investment Trust Management (Guideline No: SFA04-G07),* the Manager has disclosed in this report information on its NRC as set out below.

Nominating and Remuneration Committee

The Manager has established the NRC which consists of a minimum of three members and is constituted in a way that enables it to exercise its judgment and demonstrate its ability to make decisions which are consistent with the current and future financial status of the business.

The current members are: Mr. Lok Vi Ming, Lead Independent Non-Executive Director and Chairman of NRC, Ms. Tan Su Shan, Independent Non-Executive Director and Mr. Hiew Yoon Khong, Non-Executive Director. The NRC met once during FY17/18 and was guided by independent remuneration consultants, Mercer (Singapore) Pte Ltd and Willis Towers Watson, who have no relationship with the Manager, the controlling shareholders of the Manager or its related entities and the Board of Directors that would interfere with their ability to provide independent advice to the NRC.

The NRC has written terms of reference setting out its scope and authority in performing the functions of a nominating and remuneration committee, which include assisting the Board in matters relating to:

- reviewing and recommending to the Board all nominations for the appointment and re-appointment of Directors and of members to the various Board committees;
- reviewing and recommending to the Board the succession plan for the Executive Director and CEO of the Manager;
- the remuneration framework for the Directors, Executive Director and CEO, and senior management of the Manager, including all option plans, stock plans and the like, as well as the performance hurdles of such plans;
- the specific remuneration package for the Executive Director and CEO of the Manager; and
- the termination payment, gratuities, severance payment and other similar payments to the Executive Director and CEO of the Manager.

Decision-making process for determining the remuneration policy

The NRC is responsible for the annual review of the Manager's remuneration policy, its implementation and ensuring compliance with relevant legislation and regulation. The NRC makes remuneration decisions for employees annually in May following the end of the performance year. This timing allows the full-year financial results to be considered along with the other non-financial goals and objectives. The NRC developed the Manager's remuneration policy with a number of principles in mind. The overarching principle is to promote sustainable long-term success of MGCCT. The remuneration policy should be:

- **Aligned with Unitholders**: A proportion of variable remuneration is deferred and delivered in the form of deferred awards over MGCCT phantom units, thereby aligning the interests of employees and Unitholders;
- **Aligned with performance**: Total variable compensation is managed taking into consideration financial performance and achievement of non-financial goals;

- **Encourage retention**: Deferred variable compensation does not give rise to any immediate entitlement. Awards normally require the participant to be employed continuously by the Manager until at least the third anniversary of the grant in order to vest in full; and
- **Competitive**: Employees receive competitive compensation and benefits packages, which are reviewed annually and benchmarked by independent remuneration consultant to the external market.

In determining specific individual compensation amounts, a number of factors are considered including non-financial goals and objectives, financial performance of MGCCT and the individual performance and contributions to MGCCT during the financial year. Particularly for senior management and key management employees, a portion of their variable compensation is deferred and subjected to downside risks to prevent excessive risk taking.

The key objectives and features of the Manager's policy on the remuneration of its Directors are as follows:

- the level of directors' fees should be appropriate (but not excessive) to attract and motivate the Directors to provide good stewardship of the Manager and the Group;
- directors' fees are reviewed annually and subject to the approval of the Manager's shareholder;
- to ensure that each Directors' fees are commensurate with his or her responsibilities and time spent, each Director is paid a basic retainer and Directors who perform additional role through the Board committees are paid additional fees for such services;
- Non-Executive Directors who are employees of the Sponsor do not receive any director's fees in their capacity as Directors, and the CEO also does not receive any director's fees in her capacity as a Director; and
- no Director is involved in deciding his or her own remuneration.

Directors' fees are paid entirely in cash.

The key objectives and features of the Manager's policy on the remuneration of its executives are as follows:

- the level and structure of executive remuneration should be competitive (but not excessive) to attract, motivate and retain a pool of talented executives for the present and future growth of the Manager; and
- executive remuneration should be performance-related with a view to promoting the long-term success and sustainability of the Manager.

The CEO is not present during the discussions relating to her own compensation and terms and conditions of service, and the review of her performance. However, the Board, with the assistance of the NRC, reviews the CEO's performance and the NRC Chairman, or his designate, will share with the CEO their views of her performance. In accordance with the directions and guidelines from the MAS on the remuneration of key executive officers of REIT managers, the Board, with the assistance of the NRC, reviews the CEO's specific remuneration package to ensure its compliance with the substance and spirit of such directions and guidelines from the MAS.

The remuneration of the Board and the employees of the Manager is paid by the Manager, and not by MGCCT. The Manager has set out in the table below information on the fees paid to the Directors for FY17/18:

Board Members	Membership	FY17/18
Mr. Paul Ma Kah Woh	Non-Executive Chairman and Director	S$124,000.00
Mr. Kevin Kwok	Independent Non-Executive Director and Chairman of the AC	S$104,000.00
Mr. Lok Vi Ming	Lead Independent Non-Executive Director, Chairman of the NRC and Member of the AC	S$121,500.00
Mr. Michael Kok Pak Kuan	Independent Non-Executive Director and Member of the AC	S$90,000.00
Ms. Tan Su Shan	Independent Non-Executive Director and Member of the NRC	S$81,500.00
Mr. Hiew Yoon Khong	Non-Executive Director and Member of the NRC	Nil(1)
Mr. Chua Tiow Chye	Non-Executive Director	Nil(1)
Ms. Cindy Chow Pei Pei	Executive Director and CEO	Nil(2)

Notes:

(1) Non-Executive Directors who are employees of the Sponsor do not receive any director's fees in their capacity as Directors.

(2) The CEO does not receive any director's fees in her capacity as a Director.

LINK BETWEEN PAY AND PERFORMANCE

Employee remuneration at the Manager comprises fixed pay, variable incentive, allowances and benefits. Fixed pay comprises a salary and an annual wage supplement. All employees receive a salary that reflects their responsibilities and the level of experience and expertise needed to undertake their roles. Allowances and benefits include statutory provident contributions and benefits-in-kind to enable employees to undertake their role by ensuring their well-being.

Variable incentive is a material component of total remuneration and comprises Performance Target Bonus ("PTB"), Variable Bonus ("VB") and Long-term Incentive ("LTI") award. The PTB amount is determined based on the achievement of non-financial Key Performance Indicators ("KPIs") which are critical to improving the organisational effectiveness and operational efficiency of the Manager, e.g. results of Control Self-Assessment, participation in Corporate Social Responsibility ("CSR") events, customer/shopper satisfaction, investor and tenant engagement. The VB amount is assessed based on the achievement of financial KPIs such as Net Property Income ("NPI"), Distribution per Unit ("DPU") and Weighted Average Lease Expiry ("WALE") which measure the financial metrics essential to the Unitholders. KPIs and their weightages may change from year to year. The LTI award is a form of unit-linked incentive plan and represents conditional rights to receive a cash sum based on the achievement of MGCCT's Total Shareholder Return ("TSR") targets and value of a notional investment in MGCCT.

To this end, the NRC has reviewed the performance of the Manager for FY17/18 and is satisfied that all KPIs have largely been achieved.

For senior management, a significant proportion of their variable incentive is deferred under the Manager's VB banking mechanism and vesting schedule of LTI award. Deferral of these two components is a key mechanism to building sustainable business performance. Under the VB banking mechanism, only a portion of a VB award declared in the financial year will be paid out while the rest of the VB award will be deferred and paid out in the subsequent years. The deferred VB award will be subjected to downside risks depending on future performance. This ensures alignment between remuneration and sustaining business performance in the longer-term. For the LTI award, it is subject to three to five years vesting schedule. The settlement value of the LTI award is linked to the value of MGCCT units at the time of vesting.

Employees of the Manager are eligible to be considered for variable pay each year. Variable pay for all employees takes into account MGCCT, the Manager and the individual's performance against agreed financial and non-financial objectives similar to that of the senior management. However, in execution, the PTB and VB are combined to form consolidated variable pay for the employees.

All fixed pay, variable incentives and allowances are paid wholly in cash.

REMUNERATION BREAKDOWN BANDS FOR CEO AND KEY MANAGEMENT PERSONNEL FOR FY17/18

	Salary, Allowances and Statutory Contributions	Bonus[1]	Long-term Incentives[2]	Benefits	Total
Above S$1,250,000 to S$1,500,000					
Ms. Cindy Chow Pei Pei	29%	46%	25%	N.M.[4]	100%
Other Key Management Personnel					
Mr. Ng Wah Keong	35%	43%	22%	N.M.[4]	100%
Ms. Sandra Cheng[3]	40%	41%	19%	N.M.[4]	100%
Mr. Ng Chern Shiong	54%	37%	9%	N.M.[4]	100%

Notes:

(1) The amounts disclosed include bonuses declared for FY17/18.

(2) The amounts disclosed include the grant value of the LTI awards. The LTI award is a form of unit-linked incentive plan and represents conditional rights to receive a cash sum based on the achievement of MGCCT's TSR targets and fulfilment of vesting period of up to five years.

(3) Ms. Sandra Cheng is the General Manager of Festival Walk and is deemed as a key management personnel who has responsibility for the management of Festival Walk, which is material to the performance of MGCCT.

(4) Not meaningful.

To assess the individual performance, a 5-point rating scale is used by the supervisors to provide an overall assessment of an employee's performance, and employees are required to perform a self-evaluation. The overall final rating is reconciled during each employee's performance appraisal.

The remuneration for the CEO in bands of S$250,000, and a breakdown of the remuneration of the CEO and all of the key management personnel of the Manager in percentage terms, are provided in the remuneration table below. At present, there are only 4 key management personnel of the Manager (including the CEO).

The total remuneration for the CEO and the key management personnel in FY17/18 was S$3.33 million.

The Manager is cognisant of the requirements in the Code and the "*Notice to All Holders of a Capital Markets Services Licence for Real Estate Investment Trust Management*" to disclose: (a) the remuneration of its CEO and each individual Director on a named basis; (b) the remuneration of at least its top five key management personnel (who are neither Directors nor the CEO), on a named basis, in bands of S$250,000; and (iii) in aggregate the total remuneration paid to its top five key management personnel (who are not Directors or the CEO), and in the event of non-disclosure, the Manager is required to provide reasons for such non-disclosure. The Board had assessed and decided not to disclose (i) the remuneration of the CEO in exact quantum; (ii) the remuneration of at least its top five key management personnel (who are neither Directors nor the CEO), on a named basis, in bands of S$250,000; and (iii) the aggregate remuneration paid to its top five key management personnel (who are not Directors or the CEO) as the Manager is of the view that remuneration details are commercially sensitive due to the confidential nature of remuneration matters and with keen competition for management staff in the REIT industry, such disclosure may result in talent retention issues.

Since the remuneration of the CEO and key management personnel of the Manager are not separately billed but paid by the Manager, the Manager is also of the view that the interest of the Unitholders would not be prejudiced as the indicative range of the CEO's remuneration, as well as the total remuneration for the CEO and key management personnel of the Manager, have been provided. Further, there are sufficient information provided on the Manager's remuneration framework to enable the Unitholders to understand the link between the performance of the MGCCT and the remuneration paid to the CEO and key management personnel of the Manager.

There were no employees of the Manager who were immediate family members of a Director or the CEO of the Manager and whose remuneration exceeded S$50,000 during FY17/18.

(C) ACCOUNTABILITY AND AUDIT

Accountability

Principle 10: Balanced and understandable assessment of the company's performance, position and prospects

Our Policy and Practices

The Board is responsible for providing a balanced and understandable assessment of MGCCT's performance, position and prospects, including interim and other price sensitive public reports, and reports to regulators, if required.

The Manager adopts the principle that to build confidence among stakeholders, there is a need to deliver sustainable value.

The Manager complies with statutory and regulatory requirements and adopts best practices in the Group's business processes. The Manager also updates the Board on the Group's performance and its business and market outlook on a regular basis, so as to enable the Board to make a balanced and informed assessment of the Group's performance, financial position and prospects.

Risk Management and Internal Controls

Principle 11: Sound system of risk management and internal controls

Our Policy and Practices

The Manager adopts the principle that a sound system of internal controls and risk management is necessary for the Group's business.

The Manager, working with the Sponsor, has established internal control and risk management systems that address key operational, financial, compliance and information technology risks relevant to the Group's business and operating environment. These systems provide reasonable but not absolute assurance on the achievement of their intended internal control and risk management objectives.

The key elements of the Group's internal control and risk management systems are as follows:

Operating Structure

The Manager has a well-defined operating structure with clear lines of responsibility and delegated authority, as well as reporting mechanisms to senior management and the Board. This structure includes certain functions, such as Human Resources, Information Systems & Technology, Internal Audit, Legal and Risk Management, which are outsourced to the Sponsor. The Manager also conducts an annual review of such outsourced functions to ensure required performance standards are met.

Policies, Procedures and Practices

Controls are detailed in formal procedures and manuals. For example, the Board has approved a set of delegations of authority which sets out approval limits for investments and divestments, development, operational and capital expenditures and treasury activities. Approval sub-limits are also provided at various management levels to facilitate operational efficiency, as well as provide a system of checks and balances.

The Board's approval is required for material transactions, including the following:

- equity fund-raising;
- acquisition, development and disposal of properties above Board-prescribed limits;
- overall project budget variance and *ad hoc* development budget above Board-prescribed limits;
- debt fund-raising above Board-prescribed limits; and
- derivative contracts above Board-prescribed limits.

The Group's procedures and practices are regularly reviewed and revised where necessary to enhance controls and efficiency. The Group has implemented a Control Self-Assessment programme to reinforce risk awareness and compliance with internal controls within the Group, by fostering accountability, control and risk ownership.

The Internal Audit function, which is outsourced to the Sponsor, reviews the Group's compliance with the control procedures and policies established within the internal control and risk management systems. The Internal Audit function is also involved in the validation of the results from the Control Self-Assessment programme.

Whistle-blowing Policy

To reinforce a culture of good business ethics and governance, the Manager has a Whistle-blowing Policy to encourage the reporting, in good faith, of any suspected improper conduct, including possible financial irregularities, while protecting the whistle-blowers from reprisals. Any reporting concerning the Group or the Manager is notified to the AC Chairman of the Sponsor as well as the AC Chairman of the Manager for investigation and to the AC of the Manager on the findings.

For queries or to make a report, please write to *reporting@mapletree.com.sg*.

Risk Management

Risk management is an integral part of the Manager's business strategy. In order to safeguard and create value for Unitholders, the Manager proactively manages risks and embeds the risk management process into the Manager's planning and decision-making process.

The risk management function which is outsourced to the Sponsor's Risk Management Department oversees the Enterprise Risk Management ("ERM") framework. The Risk Management Department reports key risk exposures, portfolio risk profile and activities in respect of significant risk matters to the AC and the Board independently, on a quarterly basis.

The risk management system established by the Manager, which encompasses the ERM framework and the risk management process, is dynamic and evolves with the business. The Manager has identified key risks, assessed their likelihood and impact on MGCCT's business, and established corresponding mitigating controls. The information is maintained in a risk register that is reviewed and updated regularly. The Risk Management Department works closely with the Manager to review and enhance the risk management system, with the guidance and direction of the AC and the Board.

The Manager's policies and procedures relating to risk management can be found on pages 58 to 60 of this Annual Report.

Information Technology Controls

As part of the Group's risk management process, information technology controls and cybersecurity measures have been put in place and are periodically reviewed to ensure that information technology risks are identified and mitigated. In addition, as part of the Manager's business continuity plan, information technology disaster recovery planning and tests are conducted to ensure that critical information technology systems remain functional in a crisis situation.

Financial Reporting

The Board is updated on a quarterly basis on the Group's financial performance. The Manager reports on significant variances in financial performance, in comparison with budgets and financial performance of corresponding periods in the preceding year and provides an updated full year forecast. In addition, the Board is provided with quarterly updates on key operational activities of the Group.

A management representation letter is provided by the Manager in connection with the preparation of the Group's financial statements to the AC and Board quarterly. The representation letter is supported by declarations made individually by the various Heads of Department. Compliance checklists on announcement of financial statements, which are required for submission to the SGX-ST, are reviewed and confirmed by the Chief Financial Officer ("CFO") of the Manager.

The Group's financial results are prepared in accordance with the Statement of Recommended Accounting Practice 7 "Reporting Framework for Unit Trust" and are reported to Unitholders quarterly in accordance with the requirements of the SGX-ST. These results announcements provide analyses of significant variances in financial performance and commentary on the industry's competitive conditions in which the Group operates and any known factors or events that may affect the Group in the next reporting period and the next twelve months. With effect from the financial year commencing 1 April 2018, the Group's financial results will be prepared based on the Singapore Financial Reporting Standards (International).

Detailed disclosure and analysis of the full-year financial performance of the Group can be found on pages 16 to 21 and pages 101 to 155 of this Annual Report.

Financial Management

Management reviews the performance of the MGCCT portfolio properties on a monthly basis to maintain the financial and operational discipline of the Group.

The key financial risks which the Group is exposed to include interest rate risk, liquidity risk, currency risk and credit risk. Where appropriate, the Manager procures hedging transactions to be entered into so as to protect the Group against interest and/or currency rate fluctuations. In addition, the Manager proactively manages liquidity risk by ensuring that sufficient working capital lines and loan facilities are maintained for the Group. The Manager's capital management strategy can be found on page 20 of this Annual Report. The Manager also has in place credit control procedures for managing tenant credit risk and monitoring of arrears collection.

Internal Audit

The internal audit function, which is outsourced to the Sponsor's Internal Audit Department, prepares a risk-based audit plan annually to review the adequacy and effectiveness of the Group's system of internal controls and this audit plan is approved by the AC before execution. The Sponsor's Internal Audit Department is also involved during the year in conducting *ad hoc* audits and reviews that may be requested by the AC or Management on specific areas of concern, including validating the responses under the Manager's Control Self-Assessment programme. In doing so, the Sponsor's Internal Audit Department is able to obtain assurance that business objectives for the internal control processes under review are being achieved and key control mechanisms are in place.

Upon completion of each review, a formal report detailing the audit findings and the appropriate recommendations is issued to the AC. The Sponsor's Internal Audit Department monitors and reports on the timely implementation of the action plans to Management and the AC on a quarterly basis.

The external auditors also provide an independent perspective on certain aspects of the internal financial controls system arising from their work and report their findings to the AC on an annual basis. The external auditors are also updated on the findings of the Manager's Control Self-Assessment programme.

Transaction Review Committee

The Sponsor has established a Transaction Review Committee comprising three independent directors of the Sponsor to: (a) resolve any potential conflict of interest that may arise between MGCCT and the Mapletree China Opportunity Fund II (whose investment mandate includes investment properties in China) as well as any Future Greater China Commercial Private Fund[1] (whose investment mandate includes commercial properties in Greater China) concerning the process to be undertaken to acquire investment properties in Greater China; and (b) grant approval for the acquisition of any seed asset for a Future Greater China Commercial Private Fund. With regard to (a), the Transaction Review Committee process will not apply if the proposed acquisition is by way of a tender, auction or other form of competitive process.

1 Any private funds or follow-on private funds set up or managed by the Sponsor with an investment mandate for commercial properties in Greater China, as described in page 201 of the Prospectus dated 27 February 2013.

Interested Person Transactions

All interested person transactions are undertaken on normal commercial terms and the AC regularly reviews all interested person transactions to ensure compliance with the internal control system, as well as with relevant provisions of the Listing Manual and the Property Funds Appendix. In addition, the Trustee has the right to review such transactions to ascertain that the Property Funds Appendix has been complied with.

The following procedures are also undertaken:

- transactions (either individually or as part of a series or if aggregated with other transactions involving the same interested person during the same financial year) equal to or exceeding S$100,000 in value but below 3.0% of the value of the Group's net tangible assets will be subject to review by the AC at regular intervals;
- transactions (either individually or as part of a series or if aggregated with other transactions involving the same interested person during the same financial year) equal to or exceeding 3.0% but below 5.0% of the value of the Group's net tangible assets will be subject to the review and prior approval of the AC. Such approval shall only be given if the transactions are on normal commercial terms and are consistent with similar types of transactions made by the Trustee with third parties which are unrelated to the Manager; and
- transactions (either individually or as part of a series or if aggregated with other transactions involving the same interested person during the same financial year) equal to or exceeding 5.0% of the value of the Group's net tangible assets will be reviewed and approved prior to such transactions being entered into, on the basis described in the preceding paragraph, by the AC which may, as it deems fit, request advice on the transaction from independent sources or advisers, including the obtaining of valuations from independent professional valuers. Further, under the Listing Manual and the Property Funds Appendix, such transactions would have to be approved by the Unitholders at a meeting of the Unitholders.

The interested person transactions undertaken by the Group in FY17/18 are set out on page 158 of this Annual Report. For the purpose of the disclosures, the full contract sum is taken as the value of the transaction where the interested person transaction has a fixed term and contract value, while the annual amount incurred and/or accrued is taken as the value of the transaction where an interested person transaction has an indefinite term or where the contract sum is not specified.

Dealing in MGCCT units

The Manager adopts the best practices on dealings in securities set out in the Listing Manual. All Directors are required to disclose their interests in MGCCT and are also provided with disclosures of interests by other Directors, as well as reminders on trading restrictions.

On trading in MGCCT units, the Directors and employees of the Manager are reminded not to deal in MGCCT units on short term considerations and are prohibited from dealing in MGCCT units:

- in the period commencing one month before the public announcement of the Group's annual results;
- in the period commencing two weeks before the public announcement of the Group's quarterly and semi-annual results; and
- at any time whilst in possession of price-sensitive information.

Each Director is required to notify the Manager of his or her acquisition of MGCCT units or of changes in the number of MGCCT units which he or she holds or in which he or she has an interest, within two business days of such acquisition or change of interest. In addition, employees of the Manager and the Sponsor are to give pre-trading notifications before any dealing in MGCCT units.

Role of the Board and AC

The Board recognises the importance of maintaining a sound internal controls and risk management system to safeguard the assets of the Group and Unitholders' interests, through a framework that enables risks to be assessed and managed.

The AC provides oversight of the financial reporting risks, accounting policies and the adequacy and effectiveness of the Group's internal control and risk management systems, as well as its compliance processes.

The Board and the AC also take into account the results from the Control Self-Assessment programme, which requires various departments to review and report on compliance with key control processes.

It should be recognised that all internal control and risk management systems contain inherent limitations and, accordingly, the internal control and risk management systems can only provide reasonable but not absolute assurance.

The Board has received written assurance from the CEO and the CFO that: (a) the Group's financial records have been properly maintained and the Group's financial statements give a true and fair view of the Group's operations and finances; and (b) the Group's internal control and risk management systems are effective.

Opinion on Internal Controls

Based on the internal control and risk management systems established and maintained by the Manager and the Sponsor, work performed by the Sponsor's Internal Audit and Risk Management Departments, as well as by the external auditors, reviews performed by Management and the above-mentioned assurance from the CEO and the CFO, the Board, with the concurrence of the AC, is of the opinion that the Group's internal control and risk management systems, addressing key financial, operational, compliance, information technology and risk management objectives and which the Group considers relevant and material to its operations, were adequate and effective to meet the needs of the Group in its business as at 31 March 2018.

Audit and Risk Committee

Principle 12: The Board should establish an Audit Committee ("AC") with written terms of reference which clearly set out its authority and duties.

Our Policy and Practices

The Board is supported by the AC which provides additional oversight of financial, risks and audit matters, so as to maximise the effectiveness of the Board and foster active participation and contribution.

The Manager adopts the principle that the AC shall have at least three members, all of whom must be non-executive and the majority of whom, including the AC chairman, must be independent.

The AC consists of three members, all of whom are independent and are appropriately qualified to discharge their responsibilities. They are:

- **Mr. Kevin Kwok**, Chairman;
- **Mr. Lok Vi Ming**, Member; and
- **Mr. Michael Kok Pak Kuan**, Member.

None of the AC members are a partner or director of the incumbent external auditors, PricewaterhouseCoopers International Limited ("PwC"), within the previous 12 months, nor does any of the AC members have any financial interest in PwC.

The AC has written terms of reference setting out its scope and authority, which include:

- examination of interested person transactions;
- review of audit findings of internal and external auditors, as well as management responses to them;
- evaluation of the nature and extent of non-audit services performed by external auditors. In this regard, for FY17/18, S$267,000 was paid/payable to the network of member firms of PwC for audit services for the Group, and there was no payment made for any non-audit services;
- review of the quality and reliability of information prepared for inclusion in financial reports;
- authority to investigate any matters within its terms of reference, full access to and co-operation by Management and full discretion to invite any Director or executive officer to attend its meetings, and reasonable resources to enable it to discharge its functions properly.
- recommendation of the appointment and re-appointment of external auditors; and
- approval of the remuneration and terms of engagement of external auditors.

In addition, the AC also:

- meets with the external and internal auditors, without the presence of Management, at least once a year to review and discuss the financial reporting process, system of internal controls (including financial, operational, compliance and information technology controls), significant comments and recommendations;
- reviews and, if required, investigates the matters reported via the whistle-blowing mechanism, by which staff may, in confidence, raise concerns about suspected improprieties including financial irregularities. The objective of the whistle-blowing mechanism is to ensure that arrangements are in place for independent investigations of any reported matters and reviews of such investigations, to ensure appropriate follow-up actions are taken; and
- discusses during the AC meetings any changes to accounting standards and issues which have a direct impact on the financial statements.

In the review of the financial statements, the AC has discussed with Management the accounting principles that were applied and their judgment of items that might affect the integrity of the financial statements and also considered the clarity of key disclosures in the financial statements. The AC reviewed, amongst other matters, the key audit matter as reported by the external auditors for the financial year ended 31 March 2018 as follows:

Significant Matter
VALUATION OF INVESTMENT PROPERTIES

How the AC reviewed this matter and what decisions were made

The AC reviewed the valuation approach and methodologies applied by the external valuer, CBRE Limited, and discussed the details of the valuation with Management, including the evaluation of the key assumptions used in the valuation.

The AC considered the work performed by the external auditor on their assessment of the appropriateness of the valuation methodologies and the reasonableness of the underlying assumptions adopted by the external valuer.

The AC is satisfied with the valuation process, the methodologies used and the valuation of the investment properties as adopted and disclosed in the financial statements.

A total of six AC meetings were held in FY17/18.

The Manager, on behalf of the Group, confirms that the Group has complied with Rules 712 and 715 of the Listing Manual in relation to the Group's auditing firm.

Internal Audit

Principle 13: Independent internal audit function

Our Policy and Practices

The Manager adopts the principle that a robust system of internal audits is required to safeguard Unitholders' interests, the Group's assets, and to manage risks. Apart from the AC, other Board committees may be set up from time to time to address specific issues or risks.

The internal audit function of the Group is outsourced to the Sponsor's Internal Audit Department and the Head of Internal Audit reports directly to the Chairman of the AC of both the Manager and the Sponsor.

The AC is consulted and provides feedback to the AC of the Sponsor in the hiring, removal and evaluation of the Head of Internal Audit. The Sponsor's Internal Audit Department and the Head of Internal Audit have unfettered access to all of the Group's documents, records, properties and personnel, including access to the AC.

The role of the Sponsor's Internal Audit Department is to conduct internal audit work in consultation with, but independently of, Management. Its annual audit plan and audit findings are submitted to the AC. The AC also meets with the Head of Internal Audit at least once a year without the presence of Management.

The Sponsor's Internal Audit Department is a member of the Singapore branch of the Institute of Internal Auditors Inc. (the "IIA"), which has its headquarters in the USA. The Sponsor's Internal Audit Department subscribes to, and is in conformance with, the International Standards for the Professional Practice of Internal Auditing developed by the IIA (the "IIA Standards") and has incorporated these standards into its audit practices.

The IIA Standards cover requirements on:

- independence and objectivity;
- proficiency and due professional care;
- managing the internal audit activity;
- engagement planning;
- performing engagement;
- communicating results; and
- monitoring progress

The Sponsor's Internal Audit Department employees involved in information technology audits are Certified Information System Auditors and members of the Information System Audit and Control Association (the "ISACA") in the USA. The ISACA Information System Auditing Standards provide guidance on the standards and procedures to be applied in information technology audits.

To ensure that the internal audits are performed by competent professionals, the Sponsor's Internal Audit Department recruits and employs qualified employees. In order that their technical knowledge remains current and relevant, the Sponsor's Internal Audit Department identifies and provides training and development opportunities to the employees.

In compliance with the IIA Standards, an external quality assessment review ("QAR") of the Sponsor's Internal Audit Department is conducted at least once every five years by a qualified, independent reviewer. The last external QAR was completed in 2013 and the QAR concluded that the Sponsor's Internal Audit Department was in conformance with the IIA Standards. The next external QAR will be conducted in FY18/19.

(D) UNITHOLDER RIGHTS AND RESPONSIBILITIES

Unitholder Rights
Principle 14: Fair and equitable treatment of all Unitholders

Communication with Unitholders
Principle 15: Regular, effective and fair communication with Unitholders

Conduct of Unitholder Meetings
Principle 16: Greater Unitholder participation at annual general meetings

Our Policy and Practices
The Manager adopts the principle that all Unitholders should be treated fairly and equitably and their ownership rights arising from their unitholdings should be recognised.

To this end, the Manager issues via SGXNET announcements and press releases on the Group's latest corporate developments on an immediate basis where required by the Listing Manual. Where immediate disclosure is not practicable, the relevant announcement will be made as soon as possible to ensure that all stakeholders and the public have equal access to the information.

All Unitholders can access the electronic copy of the Annual Report which is published via SGXNET as well as MGCCT's website. All Unitholders will receive a booklet containing key highlights of MGCCT, instructions on accessing the Annual Report online with the option of receiving a printed version of the Annual Report, a notice of annual general meeting and a proxy form with instructions on the appointment of proxies. The notice of annual general meeting for each annual general meeting is also published via SGXNET and advertised in the press. An annual general meeting is held once a year to provide a platform for Unitholders to interact with the Board and Management, in particular the Chairman of the Board, the Chairman of the AC, the CEO and the CFO. The external auditors are also present to address Unitholders' queries about the audit and the financial statements of the Group. A record of the Directors' attendance at the annual general meeting can be found in the records of their attendance of meetings set out at page 65 of this Annual Report.

Similarly, where a general meeting is convened, all Unitholders are entitled to receive a circular enclosing a proxy form with instructions on the appointment of proxies. Prior to voting at an annual general meeting or any other general meeting, the voting procedures will be made known to the Unitholders to facilitate them in exercising their votes.

To safeguard Unitholders' interests and rights, a separate resolution is proposed for each substantially separate issue at an annual general meeting. Each resolution proposed at an annual general meeting and any other general meeting will be voted on by way of electronic polling. An independent scrutineer is also appointed to validate the vote tabulation and procedures. The Manager will announce the results of the votes cast for and against each resolution and the respective percentages and prepare minutes of such meetings. To keep the Board abreast of market perception and concerns, the Investor Relations Department provides regular updates on analyst consensus estimates and views.

Minutes of the annual general meeting recording the substantive and relevant comments made and questions raised by Unitholders are taken and are available to Unitholders for their inspection upon request. Minutes of the annual general meeting are also available on MGCCT's website at *www.mapletreenorthasiacommercialtrust.com*

The Manager has an Investor Relations Department which works with the Legal and Corporate Secretariat Department of the Sponsor to ensure the Group's compliance with the legal and regulatory requirements applicable to listed REITs, as well as to incorporate best practices in its investor relations programme.

The Manager regularly communicates major developments in the Group's businesses and operations to Unitholders, analysts and the media through the issuance of announcements and press releases. In addition, all announcements and press releases are first made on SGXNET and subsequently on MGCCT's website.

Investors can subscribe to email alerts of all announcements and press releases issued by MGCCT through its website. "Live" webcast of analyst briefings are conducted, where practicable.

The Manager also communicates with MGCCT's investors on a regular basis through group/individual meetings with investors, investor conferences and non-deal roadshows. The Manager's CEO and CFO are present at briefings and communication sessions to answer questions from investors. More information on the Manager's investor relations with Unitholders can be found in the Investor Relations section on pages 61 to 63 of this Annual Report.

MGCCT's distribution policy is to distribute at least 90% of its distributable income and until FY17/18 (inclusive), such distributions were paid on a semi-annual basis. Following the change in MGCCT's distribution policy[1], subsequent distributions from FY18/19 will be made on a quarterly basis.

1 Please refer to SGX-ST announcement dated 25 April 2018 titled "Change from Semi-annual Distribution to Quarterly Distribution".

SUSTAINABILITY REPORT

CONTENTS

SUSTAINABILITY REPORT

Festival Walk continues to provide event sponsorship for corporate social responsibility events such as the Carol Singing Festival, a fund-raising event in aid of needy children organised by the Child Development Matching Fund.

Board Statement

[GRI 102-14, 102-50, 102-54]

The Board of Directors ("the Board") is pleased to present Mapletree Greater China Commercial Trust's ("MGCCT") second Sustainability Report in accordance with the Global Reporting Initiative ("GRI") Standards (2016) – Core option. This report encapsulates our ongoing commitment towards sustainability which is integral to MGCCT's business.

MGCCT's sustainability approach is aligned to that of the Sponsor, Mapletree Investments Pte Ltd ("Mapletree Group"), and premised on the recognition that environmental, social and governance ("ESG") aspects are increasingly important to our stakeholders. Our mall fosters social bonds by serving as a destination for family, friends and communities to come together. Our offices provide a conducive work space for our tenants and their employees. We also acknowledge the importance of an eco-efficient building management system in reducing the environmental footprint. As such, the Board, together with the Management, is committed to managing relevant ESG risks and opportunities across MGCCT's assets, while contributing positively to the environment and society.

The Board considers sustainability as an integral part in MGCCT's long-term strategy formulation and oversees sustainable practices across the business. Our CEO assists us in discharging our responsibilities and she represents MGCCT in the Mapletree Group's Sustainability Steering Committee ("SSC"), which is made up of representatives from senior management across the Mapletree Group.

Following the materiality review conducted by the Manager in FY17/18, the Board considered and re-validated the ESG factors that are of concern to stakeholders and significant to MGCCT's business. During the year, further improvements have been achieved on the assets' environmental performance, including a reduction in total electricity consumption by 2.7% compared to FY16/17. Also, in line with the Mapletree Group's objective of creating a positive work environment, the Employee Engagement Survey ("EES") was conducted and drew a 96% response rate from employees of the Manager and Mapletree Greater China Property Management Limited (the "Property Manager").

This report is aligned to the SGX-ST Listing Rules Practice Note 7.6 Sustainability Reporting Guide and covers sustainability practices and performance from 1 April 2017 to 31 March 2018, as well as MGCCT's targets for the upcoming year.

As we continue to embark on the sustainability journey, we remain committed to building a responsible business that delivers sustainable value to our stakeholders over the long term.

Introduction

[GRI 102-16, 102-46, 102-52]

As a REIT, MGCCT provides investors with access to investment opportunities in commercial real estate properties that can deliver regular and stable income streams and long-term capital appreciation. To ensure the long-term resilience of MGCCT's business, the Manager and the Property Manager are committed to improving the economic and social well-being of its stakeholders and incorporating practices that protect the environment.

[GRI 102-16]

ESG performance in this report relates to the properties within MGCCT's portfolio comprising Festival Walk in Hong Kong, Gateway Plaza in Beijing, and Sandhill Plaza in Shanghai as of 31 March 2018. In addition, the report also incorporates social and governance practices that apply across the Mapletree Group. MGCCT will continue to publish its sustainability report annually.

In preparing and defining the contents of this report, the Manager has applied the following GRI principles. The GRI content index and the relevant references are provided on pages 99 to 100.

GRI PRINCIPLES	HOW MGCCT DEMONSTRATES THIS [GRI 102-46]
STAKEHOLDER INCLUSIVENESS	Engagement and communication with stakeholders are conducted on an ongoing basis. Please refer to pages 82 to 83 on how the Manager engages and addresses the expectations and interests of stakeholders.
SUSTAINABILITY CONTEXT	The Manager and the Property Manager are dedicated to managing and growing MGCCT's businesses sustainably, empowering individuals and enriching the communities in which MGCCT operates.
MATERIALITY	The interests and expectations of stakeholders, broader societal expectations, laws and regulations of strategic significance to the Manager and the Property Manager, and MGCCT's overall mission and competitive strategy are taken into consideration when deciding the material topics, which are listed on page 84.
COMPLETENESS, BALANCE COMPARABILITY, ACCURACY, RELIABILITY, CLARITY	Information presented is sufficiently accurate, unbiased, reliable, understandable and consistent. It reflects significant economic, environmental and social impacts, and enables stakeholders to assess MGCCT's performance over time and support analysis relative to its peers.
TIMELINESS	This report is prepared in a timely manner, in line with the time period of the Annual Report, which is published within four months from the end of the financial year.

Stakeholder Engagement

[GRI 102-42]

Our seven key stakeholder groups, identified based on their relevance to MGCCT, play a vital role in our business and long-term strategy. To develop a sustainability strategy that aligns with stakeholders' expectations, we engaged these groups on environmental, social and governance topics. The channels and frequency of such engagements vary depending on the stakeholder group. Our approach towards stakeholder engagement is summarised in the table below.

KEY STAKEHOLDERS [GRI 102-40]	**KEY TOPICS AND CONCERNS** [GRI 102-44]	**STAKEHOLDER ENGAGEMENT METHODS** [GRI 102-43]	**FREQUENCY**
Shoppers 	• Enhanced shopping experiences • Range of amenities and choice of brands • Considerations for safety and accessibility • Easy connectivity to public transport	• Advertisement and promotional events • Customer service • Online and mobile communication platforms, social media, e.g. Facebook, WeChat, Instagram and Festival Walk app • Tourist passports and U-Card App student privileges • Customer surveys	• Throughout the year • Throughout the year • Throughout the year • Throughout the year • Once a year
Tenants 	• Quality office space and range of amenities • Efficient office/shop layout • Comfortable and safe work environment • Higher shopper traffic • Competitive rental rates	• Informal tenant gatherings, meetings and feedback sessions • Joint promotions and partnerships • Tenants' engagement activities • Newsletters and tenant circulars • Fire and safety drills	• Throughout the year • Throughout the year • Ad-hoc • Ad-hoc • Once a year
Investors (including Unitholders, analysts, media) 	• Long-term sustainable distributions • Transparency on reporting of economic, social and environmental concerns • Good corporate governance • Active portfolio management • Prudent capital management	• Annual General Meetings • SGXNet announcements, website updates • Non-deal roadshows, conferences • Meetings, conference calls, site tours of properties	• Once a year • Throughout the year • Refer to Investor Relations pages 61 to 63 • As and when requested

KEY STAKEHOLDERS	KEY TOPICS AND CONCERNS	STAKEHOLDER ENGAGEMENT METHODS	FREQUENCY
Trustee 	• Safeguard the rights and interests of the Unitholders • Ensure compliance with Trust Deed and regulations • Open communication channels	• Monthly reporting and updates • Ongoing dialogues and regular feedback	• Monthly • Ad-hoc
Employees 	• Equitable remuneration • Fair and competitive employment practices and policies • Safe and healthy working environment • Focus on employee development and well-being	• Recreational and wellness activities • Regular emailers, meetings • Townhall session • Career development performance appraisals • Engagement surveys • Staff communication and feedback sessions with Management • Training and development programmes • Induction programme for new employees	• Throughout the year • Throughout the year • Once a year • Once a year • Every 3 years • Ad-hoc • Throughout the year • Throughout the year
Business Partners (including Governments, regulators, suppliers and third-party service providers) 	• Fair and reasonable business practices • Win-win partnerships • Compliance with rules and regulations	• Ongoing dialogue sessions • Meetings, inspections and networking events • Letters and e-mails	• Throughout the year • Throughout the year • Throughout the year
Local Communities 	• Charitable causes championed by non-profit organisations • Arts and cultural performances and exhibitions • Sustainable practices carried out by the Manager and Property Manager	• Corporate philanthropy • Environmentally & socially responsible practices	• Throughout the year • Throughout the year

Sustainability Governance at MGCCT

[GRI 102-18]

MGCCT's sustainability strategy comes under the purview of the Sponsor's SSC. Chaired by the Deputy Group Chief Executive Officer, and the Head of Group Corporate Services and Group General Counsel, the SSC comprises four CEOs of the REIT managers and other members of the Sponsor's Senior Management team.

The SSC is responsible for the direction, approach and performance of sustainability across the Mapletree Group. Meetings are held on a regular basis to monitor and evaluate the Group's various management approaches and sustainability practices to ensure continued progress and improvement.

[GRI 103-3]

Supporting the SSC, the Sustainability Working Committee ("SWC") undertakes the roles of implementing, executing and monitoring sustainability policies and procedures and is made up of representatives across the business functions and divisions of the Sponsor and the Manager.

CONTACT FOR FEEDBACK

[GRI 102-53]

The Manager welcomes feedback from all stakeholders. Please send questions, comments, suggestions or feedback relating to this report or MGCCT's sustainability performance directly to:

Ms. Elizabeth Loo
Vice President, Investor Relations
Email: enquiries_mnact@mapletree.com.sg

Materiality Assessment

During FY16/17, the Manager initiated a materiality assessment to determine ESG factors that are material to MGCCT's business operations and of significant interest to our stakeholders. The assessment took reference from the GRI Standards' (2016) Materiality Principle and considered emerging trends, existing risks from MGCCT's Enterprise Risk Management framework, as well as ESG impacts by industry peers. Key ESG issues that surfaced from ongoing interactions with key stakeholders including tenants, shoppers, investors and business partners were also taken into consideration.

Based on the second workshop conducted in FY17/18, the Manager determined that the material factors identified in FY16/17 remained relevant, except for "Marketing Communications", which is now included in "Compliance with Law and Regulations".

MATERIAL FACTORS

[GRI 102-47]

SUSTAINABILITY CATEGORIES	GRI MATERIAL FACTORS	READ MORE:
Economic	1. Economic Performance	Financial Review and Capital Management, pages 16-21 Financial Statements, pages 101-155
Environment	2. Energy	Sustainability Report, pages 85-86
	3. Water	Sustainability Report, page 87
Social	4. Health and Safety	Sustainability Report, pages 90-91
	5. Employment and Talent Retention	Sustainability Report, pages 92-93
	6. Local Communities	Sustainability Report, pages 94-97
Governance	7. Anti-corruption	Sustainability Report, page 98
	8. Compliance with Laws and Regulations	Corporate Governance Report, pages 64-78 Sustainability Report, page 98
OTHERS	**NON-MATERIAL FACTORS**	**READ MORE:**
Environment	Waste Management	Sustainability Report, page 88
	Indoor Air Quality	Sustainability Report, page 89

SUSTAINABILITY REPORT ENVIRONMENT

Energy
[GRI 302-1]

The threat from climate change has become ever more critical due to the continuous increase in energy use and associated greenhouse gas emissions. China is committed to increasing energy efficiency and reducing GHG emissions. In Hong Kong SAR, its Climate Action 2030+ sets out new carbon emissions reduction target for 2030 and the concerted plans for meeting it.

OUR APPROACH AND INITIATIVES

For MGCCT, our mall and office buildings consume electricity for lighting, air-conditioning, equipment and other uses. Therefore, the Manager and the Property Manager continuously review and improve energy efficiency within the operations to minimise negative environmental impacts. [GRI 103-1]

Each of the assets has an environmental management system in place to track and monitor performance, to ensure the operations meet industry practices. [GRI 103-2] Additionally, the Manager and the Property Manager strive to achieve a basic level of environmental certification across all the assets. In April 2017, Festival Walk achieved Final Platinum rating under Building Environmental Assessment Method[1] ("BEAM") Plus EB V1.2 (Existing Building Version 1.2). The rating is valid for five years until 2022. Various energy-saving projects are in the process of implementation at Sandhill Plaza, leading to the China Green Building Certification ("CGBC") by end 2018.

To mark the annual Earth Hour™ organised by the World Wide Fund for Nature's ("WWF") Earth Hour Global Movement, facade and internal decorative lighting were switched off for an hour at the three assets on 24 March 2018. Tenants were also encouraged to take part in this initiative. In support of the Energy Savings Charter[2], the average indoor air temperature at Festival Walk is maintained between 24°C to 26°C during the summer months, appliances and systems are switched off when not in use, energy efficient appliances and systems are procured, while employees are encouraged to adopt the above energy-saving practices. Additionally, external lightings including those for the outdoor billboard and façade logo at Festival Walk are switched off from 11 p.m. to 7 a.m. daily, in support of the Charter on External Lighting by HKSAR Environment Bureau.

> "Each of the assets has an environmental management system in place to track and monitor performance, to ensure the operations meet industry practices."

ENERGY INITIATIVES WHICH WERE IMPLEMENTED IN FY17/18 [GRI 302-4]

FESTIVAL WALK (HONG KONG)
- Replaced neon lights with LED lights for outdoor building logos
- Overhauled two cooling towers to improve efficiency of the centralised cooling systems
- Added 26 more electric vehicle chargers at the car park to encourage use of clean energy among shoppers

GATEWAY PLAZA (BEIJING)
- Downsized one chiller from 750 refrigeration-tonne ("RT") to 400 RT to improve chiller plant operating efficiency
- Optimised cooling system efficiency by cleaning and replacing deteriorated fan coil units

SANDHILL PLAZA (SHANGHAI)
- Overhauled three existing chiller units to improve overall efficiency of the air-conditioning system

Sandhill Plaza's overhauled chillers reduce energy consumption.

1 Based on the Building Research Establishment Environmental Assessment Methodology ("BREEAM") in the United Kingdom and with reference to the Leadership in Energy and Environmental Design ("LEED") in the United States of America, Hong Kong Building Environmental Assessment Method ("HK-BEAM") provides a comprehensive and fair assessment of the overall performance of a building in a range of sustainability issues relating to planning, design, construction, commissioning, management, operation and maintenance of buildings.

2 Organised by the Environment Bureau and the Electrical and Mechanical Services Department, Hong Kong SAR Government.

SPOTLIGHT ON:

Energy Savings at Festival Walk

Festival Walk, a seven-storey shopping mall, features a glass skylight over its atrium, providing natural light to the interior of the building. During the financial year, a layer of solar film was applied to parts of the building's skylight in order to minimise direct sunlight. By reducing cooling demand for the indoor spaces, this initiative helped to further improve the mall's energy efficiency.

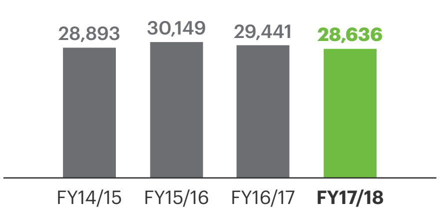
The solar film layer applied to Festival Walk's skylight helps to reduce energy demand for cooling the mall.

OUR PERFORMANCE

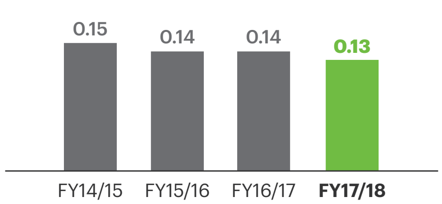
Comparing FY17/18 with FY16/17, total electricity consumption[1] at the three properties decreased by 2.7% from 29,441 megawatt hour ("MWh") to 28,636 MWh, in line with the Manager's and the Property Manager's energy-saving efforts. Average building electricity intensity[2] improved slightly from 0.14 MWh/m^2 to 0.13 MWh/m^2. Total GHG emissions[3] from electricity at the three properties was 15,610 tCO_2e in FY17/18, a 22.3% decrease from 20,092 tCO_2e in FY16/17. Average GHG emissions intensity from electricity was at 0.07 tCO_2e/m^2 in FY17/18, lower than 0.09 tCO_2e/m^2 in FY16/17. [GRI 302-3, 302-4]

1 The electricity consumption figures reported excludes the usage of power and lighting by tenants within the leased premises.
2 The gross floor area for Festival Walk in this report includes areas (such as for plant rooms) that are exempted in the gross floor area calculation under Hong Kong Buildings regulations.
3 The GHG conversion factors adopted for FY17/18 and FY16/17 were 0.604 and 0.788 for Gateway Plaza and Sandhill Plaza respectively, based on publicly available data. For Festival Walk, the GHG conversion factor was 0.7 for FY16/17 and 0.51 for FY17/18, according to GHG information from CLP Group.

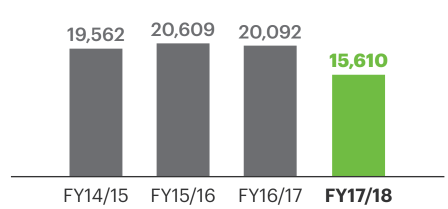
ANNUAL ELECTRICTY CONSUMPTION
(MWh)



AVERAGE ELECTRICTY INTENSITY
(MWh/m^2)



ANNUAL GHG EMISSIONS
(tonnes of CO_2e)



FY18/19 TARGET FOR ENERGY	FY18/19 KEY INITIATIVES
Maintain or improve electricity intensity by up to 1% of FY17/18 baseline, assuming the same number of assets	• Install energy-efficient LED lightings at - Festival Walk's office block - Gateway Plaza's toilets and common corridors - Corridors at Sandhill Plaza • Overhaul two cooling towers at Festival Walk • Replacement of motors (water pumps and fans) to improve energy efficiency at Gateway Plaza • Obtain the China Green Building Certification by end 2018 for Sandhill Plaza • Retrofit the existing fresh air supply system at Sandhill Plaza from constant-volume based to variable-air volume based, to allow automatic adjustments of fresh air supply volume in daily operations, thus reducing energy requirements

Water

[GRI 303-1]

Water is essential for MGCCT's day-to-day operations in the mall and offices, which are frequented by our tenants, visitors and shoppers. As the business operations use substantial amounts of water, management of water usage is a priority for the Manager and the Property Manager. [GRI 103-1]

Across the three properties, total water consumption has increased by 7.6% from 262,819 m^3 in FY16/17 to 282,789 m^3 in FY17/18, largely due to the testing and installation of the landscape irrigation system at Sandhill Plaza which is expected to reduce water consumption in subsequent years. There was also an increase in footfall at Festival Walk which resulted in higher water consumption for the amenities. Overall water intensity[1] increased from 1.22 m^3/m^2 in FY16/17 to 1.32 m^3/m^2 in FY17/18. Total water recycled at Festival Walk and Sandhill Plaza increased 21.1% from 7,534 m^3 (2.9% of FY16/17 total water consumption) in FY16/17 to 9,125 m^3 (3.2% of total water consumption in FY17/18) mainly due to more water recycled at Festival Walk from the fresh water cooling towers, offset by a reduction in rainwater harvested for landscape irrigation at Sandhill Plaza. [GRI 303-1, 303-3]

INITIATIVES FOR REDUCING WATER FOOTPRINT IN FY17/18 [GRI 103-2]

FESTIVAL WALK (HONG KONG)

- Continued to benefit from water conservation features implemented in FY16/17. These include: installation of water-efficient taps, reclaiming water from sprinkler system back to sprinkler water tank, and reclaiming bleed-off water from cooling towers for toilet flushing

GATEWAY PLAZA (BEIJING)

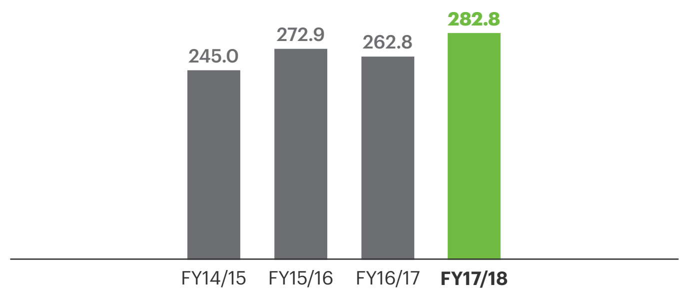
- Cleaned fan coil units and replaced deteriorated ones to prevent water leakage

SANDHILL PLAZA (SHANGHAI)

- In the process of implementing a sprinkler irrigation system with water-saving features

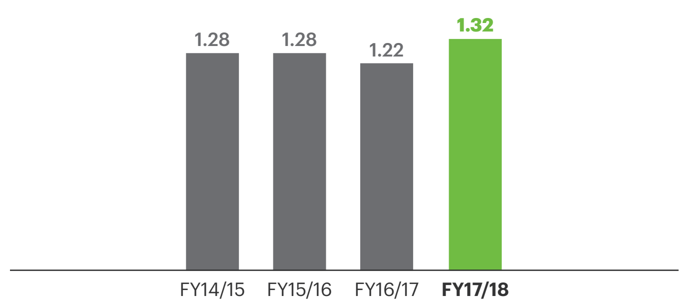
ANNUAL WATER CONSUMPTION

('000 m^3)



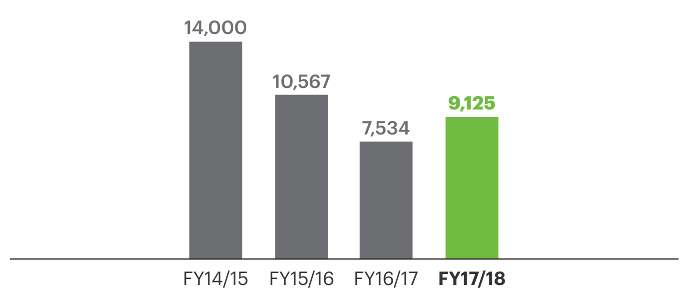
AVERAGE WATER INTENSITY

(m^3/m^2)



WATER RECYCLED

(m^3)



1 The gross floor area for Festival Walk in this report includes areas (such as for plant rooms) that are exempted in the gross floor area calculation under Hong Kong Buildings regulations.

FY18/19 TARGET FOR WATER	FY18/19 KEY INITIATIVES
Maintain or improve water intensity by up to 3% of FY17/18 baseline, assuming the same number of assets	• Progressively install new sensors to the urinals and the water taps during the toilet refurbishment works at Festival Walk (office block) and Gateway Plaza, both commencing in FY18/19 • Implement the water sprinkler system for landscape irrigation at Sandhill Plaza

Waste Management

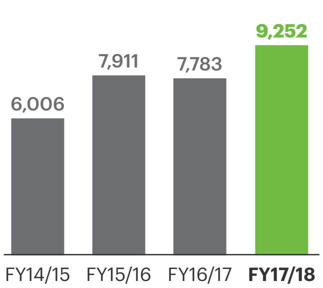
Although waste is not one of the material factors for MGCCT, the Manager and the Property Manager report waste management performance as we recognise the need to reduce, recycle and reuse, especially in Hong Kong where limited landfill areas are filled rapidly.

Total general waste collected from the three properties amounted to 9,252 tonnes in FY17/18, 18.9% higher from FY16/17, largely due to an increase in footfall and tenants' activities at Festival Walk. There was also more construction waste from incoming and outgoing tenants at Gateway Plaza. Of the total waste generated, about 24.5% or 2,271 tonnes was recycled in FY17/18, slightly more than the 2,209 tonnes that was recycled in FY16/17.

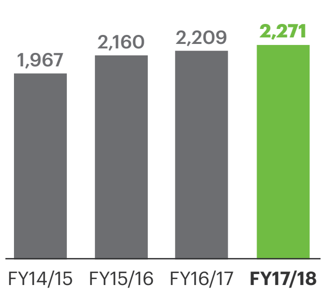
At Gateway Plaza and Sandhill Plaza, waste from the buildings is collected by appointed contractors for further treatment at various government appointed dumpsites. To promote proper waste management, both dry and wet garbage rooms were installed at Sandhill Plaza in FY17/18, in line with waste segregation requirements for the China Green Building Certification.

> "Of the total waste generated, about 24.5% or 2,271 tonnes was recycled in FY17/18, slightly more than 2,209 tonnes that was recycled in FY16/17."

WASTE COLLECTED
(tonnes)



WASTE RECYCLED
(tonnes)



Collection of cardboards from tenants for recycling under Festival Walk's waste management programme.

SPOTLIGHT ON:

Waste Management Programme at Festival Walk

The comprehensive waste management programme at Festival Walk involves the segregation and collection of waste from office and retail tenants for proper disposal or third-party recycling. The mall continues to ramp up recycling efforts by increasing the number of waste types for recycling. As of 31 March 2018, 14 types of waste were collected and sent for recycling. In addition to hiring frontline cleaners and contractors to handle waste, the Property Manager at Festival Walk engages its tenants to do their part in waste segregation practices. About 46% of its tenants participates in the mall's waste management programme. Various recycling collection points are also located within the mall for the convenience of shoppers.

From December 2016 to May 2017, the Property Manager at Festival Walk participated in a pilot scheme of waste collection programme organised by the Environmental Protection Department ("EPD"), during which the collected food waste from tenants was sent to a biodegradable waste treatment plant for renewable electricity generation trial, thus reducing the use of fossil fuel for electricity generation. The plant, under commissioning by EPD, is expected to be ready by June 2018. Once the plant starts operation, the Property Manager will organise food waste collection from tenants and send to the plant.

Indoor Air Quality

Outdoor air pollution is an increasingly important concern in China and Hong Kong SAR. The Manager and the Property Manager are committed to maintaining good indoor air quality ("IAQ") within our properties for the comfort and safety of our tenants, visitors and shoppers.

Based on the annual indoor air quality certification assessment on carbon dioxide and PM10 levels conducted by Hong Kong SAR Environmental Protection Department in FY17/18, Festival Walk was rated *'Good Class'* for the mall for the seventh consecutive year, and *'Excellent Class'* for the office building for the 10^{th} consecutive year. In addition, the Property Manager at Festival Walk also monitors the IAQ by conducting bi-weekly measurements of temperature and carbon dioxide levels in various locations within the building. Furthermore, the air-conditioning equipment underwent periodic and condition-based maintenance, including the replacement or cleaning of the air filters based on pre-set parameters in the Building Management System.

Gateway Plaza complies with China's national indoor air quality standard for PM10 and has processes in place to monitor PM2.5 and PM10 levels. G4 pre-filter and F7 main filter[1] are also utilised to reduce air particulate concentration to acceptable levels.

At Sandhill Plaza, an IAQ assessment was conducted in March 2018 to ensure compliance to China's national indoor air quality standard for PM10, as part of the China Green Building Certification process.

1 These filters comply with the EN779 standard or equivalent. Commonly applied in the industry, this European standard prescribes performance standards for particulate air filtration.

"The Manager and the Property Manager are committed to maintaining good indoor air quality within our properties for the comfort and safety of our tenants, visitors and shoppers."

Indoor air quality testing was carried out at the lobby of Sandhill Plaza.

Health and Safety

[GRI 403-2, 416-1, 416-2]

Safeguarding the health and safety of our employees, tenants and shoppers within our properties is a key priority. The Manager and the Property Manager have put considerable effort into providing a conducive and safe environment by addressing and mitigating health and safety risks wherever possible. [GRI 103-1]

Employees are required to abide by the health & safety policies within the Employee Handbook, as well as take reasonable practicable measures to ensure workplace safety. For FY17/18, the Manager and the Property Manager reported zero incidents resulting in employee permanent disability (leading to loss of personal earning capacity) or fatality. The Manager and the Property Manager are also not aware of non-compliance with health and safety regulations across the three properties within FY17/18.

While the Manager and the Property Manager continue to encourage employees to work towards the goal of zero injuries, there were however 4 lost-time injuries incurred by our employees in FY17/18, resulting in 207 lost days (based on calendar days). In FY16/17, there were 2 lost-time injuries, resulting in 8 lost days. The increased number of lost days in FY17/18 compared to FY16/17 was due to a longer recuperating period required for one employee of the Property Manager of Festival Walk who suffered a back injury while moving sand bags. As a result, the lost time injury rate[1] and injury severity rate[2] were 6.8 and 353.2 respectively in FY17/18, compared to 3.9 and 15.7 in FY16/17. In response to this, all operation employees of the Property Manager of Festival Walk were re-trained on health and safety issues, especially on the procedure of "Manual Lifting".

"The Manager and the Property Manager have put considerable effort into providing a conducive and safe environment by addressing and mitigating health and safety risks wherever possible."

Tenants receive instruction manuals which include safety rules for fit-out works and business operations. Lifts, escalators and fire alarm systems are tested annually to comply with building regulations for the safety of tenants, shoppers and visitors.

Fire and evacuation drills are conducted at least once a year at all three properties to ensure that the operational staff and tenants are familiar with the building's emergency evacuation procedures. Additionally, a bomb threat drill, chemical spill drill, flood drill and water drill were organised during the year at Festival Walk to test the effectiveness of established business continuity plans. At Sandhill Plaza, a flood drill was conducted during the year to reinforce preparedness against unexpected flooding. [GRI 103-2]

1 Lost time injury rate refers to the number of injuries per million man hours.

2 Injury severity rate refers to the number of man-days lost per million man hours.

FY18/19 TARGET FOR SAFETY	FY18/19 KEY INITIATIVES
Zero incidents resulting in employee permanent disability (leading to loss of personal earning capacity) or fatality	• Continue to adopt safety practices at work especially when carrying heavy loads, hot works and work at height • Conduct refresher courses (e.g. for carrying heavy loads) to remind employees • All assets will continue to conduct fire drills and flood drills to ensure emergency preparedness

SAFETY IN ACTION AT MGCCT'S PROPERTIES

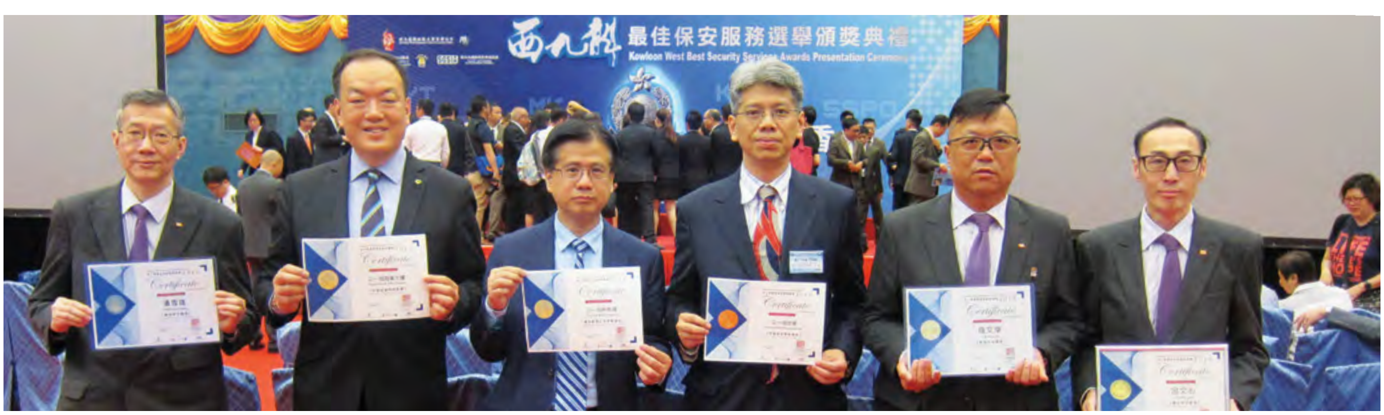
Tenants at Gateway Plaza were taught the proper usage of fire extinguishers at the annual fire drill.

Refresher training on manual lifting procedure for the operations employees at Festival Walk.

Safety training at Sandhill Plaza also extends to third party service providers.

CCTV system in operation at Sandhill Plaza.

Safety briefing prior to works commencement at Festival Walk.



Festival Walk operations team was recognised for upholding high security and safety standards at the Kowloon West Best Security Services Awards Presentation Ceremony.

Employment and Talent Retention

[GRI 401-1, 404-2]

Employees are our most valuable asset as they ensure MGCCT achieves its business strategy and goals, and continues to be sustainable. There is a critical need to retain and develop employees who possess a deep understanding of the property and industry sectors. Turnover can result in changes to the human and intellectual capital and can impact productivity with direct cost implications. [GRI 103-1]

The Mapletree Group (including the Manager and the Property Manager) has in place integrated human capital strategies, policies and initiatives to enhance the Group's and the employees' overall effectiveness, and to enable their continuous contribution and growth. Our employment policies emphasises equal opportunity in a non-discriminatory work environment. Employees also undergo a robust performance appraisal process which involves target setting, performance feedback and learning needs discussions. During the year, all employees received feedback on their performance and areas for improvement through the review process. [GRI 404-3]

Developing employee potential through training and continuous development is important towards the progress of MGCCT. Employees always remain our key priority. We provide our employees with a variety of training programmes, ranging from market updates, leadership and supervisory, performance management, customer service training as well as first-aid and safety courses. [GRI 103-2]

In line with our commitment towards creating a positive work environment, the Manager and the Property Manager took part in the Sponsor's Employee Engagement Survey ("EES") in FY17/18. The survey, administered by an external independent vendor, drew a 96% response rate from employees from the Manager and the Property Manager – an increase from 2014. Survey findings were shared with all employees, with implementation plans in the areas of agility for growth, communication and performance management to be carried out in FY18/19, arising from the survey results.

Investing in the well-being of our employees and promoting positive bonding between management and employees, we organised engaging events during the year, including Annual Spring Dinner and Chinese New Year celebrations. Management staff from Singapore, Hong Kong, Beijing and Shanghai offices gathered in Singapore for a day of Management Retreat in September 2017 to foster better alignment towards strategic objectives and strengthen organisational cohesion.

By implementing the above practices, we have successfully maintained a diverse workforce in terms of age, gender and skill sets. As of 31 March 2018, the Manager and the Property Manager (including staff at the three assets) had a staff strength[1] of 258 (31 March 2017: 272) employees. 87% (31 March 2017: 87%) are located in Hong Kong, 7% (31 March 2017: 7%) in China, and the remaining 6% (31 March 2017: 6%) in Singapore. Average turnover rate was 3% (FY16/17: 2%) and average new hire rate was 2% (FY16/17: 2%) during the year. 22% (31 March 2017: 25%) of employees are less than 30 years old, 55% (31 March 2017: 53%) within the 30-50 age group and 23% (31 March 2017: 22%) are more than 50 years old. Female and male employees constitute 46% (31 March 2017: 46%) and 54% (31 March 2017: 54%) respectively. [GRI 102-7, 102-8]

AGE DIVERSITY IN MGCCT

As of end FY17/18

< 30 years old	22%
30–50 years old	55%
> 50 years old	23%

As of end FY16/17

< 30 years old	25%
30–50 years old	53%
> 50 years old	22%

GENDER DIVERSITY IN MGCCT

As of end FY17/18

Female	46%
Male	54%

As of end FY16/17

Female	46%
Male	54%

1 Headcount does not include third party service providers engaged to perform certain property management services.

FY18/19 TARGET FOR EMPLOYMENT AND TALENT RETENTION

- Continue to commit to fair employment practices by ensuring our hiring process remain stringent and offer equal opportunity to all potential candidates
- Maintain a diverse and relevant learning and professional development programme

"The Manager continues to invest in the well-being of our employees and promote positive bonding between management and employees."

Family members of employees were invited to join in Festival Walk's Chinese New Year celebrations.

SPOTLIGHT ON:

Our People are Our Assets

Mapletree Group's key human resource strategies as well as some of the activities conducted in FY17/18 are listed below.

1 Talent Acquisition & Management

- Engagement platforms:
  - Career fairs
  - Partnering with educational institutions
  - Social media
  - Job portals
  - Internships & work placement programme
- Learning & development programmes:
  - Leadership courses
  - Work-specific training

2 Competitive Compensation & Benefits

- Pay-for-performance Framework:
  - Competitive remuneration
  - Staff benefits
- Performance management framework

3 Employment Engagement

- Platforms:
  - Meet the Chairman and senior management sessions
  - Annual staff communication session
  - Employee engagement survey

4 Employee Well-being

- Activities by the Mapletree Recreation Club
- Health assessments in partnership with external health providers
- Mapletree Education Award for employees' children
- Wellness-related talks

Note: There are variations in terms of HR practices in Hong Kong, Beijing and Shanghai.

Local Communities

[GRI 413-1, 416-1]

The Manager and the Property Manager believe in giving back to the community, by providing a helping hand to those in need. Where possible, we endeavour to engage in activities that promote positive impact on our local communities across four key pillars – the arts, education, environment and healthcare. [GRI 103-1]

The Sponsor has in place a group-wide Corporate Social Responsibility ("CSR") framework – the Shaping & Sharing Programme, directed at empowering individuals and enriching communities. A five-member Board Committee comprising Mapletree's Chairman, two Board representatives from the four REITs (rotated on a two-year basis), and the Sponsor's senior management, provides strategic oversight on the Programme.

Mapletree aligns business performance with its CSR efforts where it allocates S$1 million annually to fund CSR commitments and programmes for every S$500 million of the Group's profit after tax and minority interests (PATMI) or part thereof. [GRI 103-2]

CONTRIBUTING TO A BETTER SOCIETY

Festival Walk is a landmark territorial retail mall and lifestyle destination with an annual footfall of about 40 million shoppers. Situated above an MTR station and near two local universities, the mall also serves the residential catchment within the Kowloon Tong district. While the mall was built in the early 1990s, the facilities, including the toilets, mall entrances and furnishings at its food court, have been enhanced to be more disabled-friendly.

Surveys and assessments are also carried out regularly as part of the Property Manager's routine operation & maintenance practices to minimise the impact of Festival Walk on the surrounding community and/or the environment. These include inspections of tenants' kitchen exhaust and kitchen drainage water, water treatment for tenants' kitchen drainage water, testing of cooling water samples, testing of foul water samples and safety surveys on external facade. Annual surveys were also conducted during the year to gather shoppers' feedback on the marketing activities and facilities. During FY17/18, extra precautions were also taken during the replacement and installation of logos at the external façade to uphold safety and minimise inconvenience to the general public.

Presentation ceremony for Mapletree Investments' Mapletree Education Award for the children of Singapore-based employees.

SPOTLIGHT ON:

Mapletree Group's CSR Framework

The CSR Framework is a group-wide framework directed at achieving greater impact through a focused CSR approach and encompasses four pillars of support – education, the arts, healthcare and the environment. It is guided by two broad objectives of empowering individuals through supporting educational and healthcare initiatives, as well as enriching communities with the arts and functional design, and building environmentally sustainable real estate developments.

The framework acts as a guide for proposed community involvement initiatives and commitments. Initiatives are selected based on several factors, including definable social outcomes, long-term engagement and staff volunteerism opportunities.

All proposed community involvement initiatives are assessed against the Mapletree CSR Framework by the Group Corporate Communications team. The team makes recommendations to the CSR Board Committee for their final assessment.

VENUE SPONSORSHIP FOR A GOOD CAUSE

The Property Manager at Festival Walk continues to extend venue sponsorship to CSR events which champion social causes and promote community involvement. In FY17/18, it was the venue sponsor for Charles K. Kao Foundation charity events in support of those suffering from Alzheimer's disease, Ronald McDonald House Charities of Hong Kong, St. James' Settlement's *'Valentine's Rose Charity Sale'* and Wai Yin Association's '*Charity Mooncake Sales*'. Collectively, about HK$676,298 (approximately S$114,000) was raised in these events. In addition, Festival Walk was the venue for the two-day Blood Donation Drive organised by Hong Kong Red Cross Blood Transfusion Service as well as various community awareness campaigns to educate the public on slope safety and eye care. [GRI 103-2]

> **"Approximately HKD$676,298 (approximately S$114,000) was raised at the charity events held during the year at Festival Walk."**

Reaching out to the students and young adults, the '*Speak Dating Event*' was held at the mall for the fourth time and saw a strong turnout of more than 600 students. Organised by Goethe-Institute and supported by various foreign consulates and cultural centres, the event was a good platform to encourage the appreciation of European languages and culture among the young.

The Manager and the Property Manager are committed to contributing to the development of the industry in the respective country of operation. The Manager is a member of the REIT Association of Singapore ("REITAS"), which aims to promote Singapore's REIT industry, while Festival Walk is listed as a member of the Quality Tourism Services Association ("QTSA") under the Hong Kong Tourism Board, which promotes tourism in Hong Kong. [GRI 102-13]

SPOTLIGHT ON:

Volunteerism at MGCCT

To encourage employees to give back to society, employees from the Manager's office in Singapore visited St. Andrew's Nursing Home at Telok Blangah in Singapore to spread Christmas cheer. About 10 residents were treated to a sing-a-long session, a game of bingo, as well as a hearty lunch.

At the ice rink 'Glacier', coaches also provided free skating sessions for beneficiaries from the Hong Kong Sports Association for Persons with Intellectual Disability ("HKSAPID"). Festival Walk's employees also volunteered their time by helping out at St. James' Settlement's '*Valentine's Rose Charity Sale*'. During the Mid-Autumn Festival, they also visited the elderly, as organised by St. Patrick's Parish, and contributed daily necessities and food.

Festival Walk's employees and family members helped to raise funds at the '*Valentine's Rose Charity Sale*' organised by St. James' Settlement.

FY18/19 TARGET FOR LOCAL COMMUNITIES	FY18/19 KEY INITIATIVES
Six CSR events participated by staff from Singapore, Hong Kong, Beijing and/or Shanghai for FY18/19	• Continue to support annual CSR events that were held at Festival Walk via venue sponsorship • Involve the local community such as students to join for our charity and community events at Festival Walk • Encourage staff volunteerism with CSR events that benefit underprivileged communities

CSR EVENTS IN FY17/18

The elderly from Shek Kip Mei Community Centre were also at Festival Walk's Christmas celebrations.

Charles K. Kao Foundation's annual Christmas Charity Sales kickoff event was graced by Hong Kong celebrities.

'Mooncake Charity Sales' by Wai Yin Association in support of needy children.

A learning platform for multiple European languages, the annual *'Speak Dating Event'* continued to attract shoppers and the student community.

Beauty queens and distinguished guests in full support of Wai Yin Association's 35th Anniversary Charity Ball.

Coaches from Glacier provided skating sessions for beneficiaries from the Hong Kong Sports Association for Persons with Intellectual Disability ("HKSAPID").

Organised by Agriculture, Fisheries and Conservation Department, Government of Hong Kong SAR, the Country Parks' 40th anniversary exhibition at Festival Walk promotes the appreciation of nature among our shoppers.

Residents of St Andrew's Nursing Home and the Manager's employees were engaged in a fun game of Bingo.

Festival Walk's employees and family members visited the elderly at their homes during a visit organised by St. Patrick's Parish.

GOVERNANCE

4th Annual General Meeting held on 19 July 2017.

Anti-corruption

[GRI 205-3]

The Group maintains a zero-tolerance stance towards any unethical and corrupt practices, so as to protect the interests of our stakeholders and prevent reputational damage. A great emphasis is placed by the Group to maintain a high standard of corporate governance and transparency. Details on the Manager's corporate governance framework and policies, guided by the Code of Corporate Governance 2012 prescribed by SGX and the Monetary Authority of Singapore, can be found on pages 64 to 78 of this report. [GRI 103-1]

To promote ethical behaviour, employees are required to adhere to the Group's policies and procedures at all times and in areas including code of ethics and conduct, conflict of interest, anti-money laundering and dealing in units of the Sponsor's REITs. The specific guidelines on anti-corruption practices include the prohibition of bribery, acceptance or offer of gifts and entertainment. The Manager has also established a whistleblowing policy for reporting in good faith any improper and prohibited conduct in financial or other operational matters while protecting them from reprisals. If an employee is found guilty of fraud, dishonesty or criminal conduct in relation to his/her employment, the Manager reserves the right at all times to terminate the employee's services. [GRI 103-2]

Over the reporting period, there was no incident of corruption.

Compliance with Laws and Regulations

[GRI 307-1, 417-3, 419-1]

The Manager and the Property Manager recognise that a material breach of any law or regulation could have significant impact and result in irreversible reputational damage or lead to other costly liabilities. We adhere to the highest standards of corporate governance practices which ensure compliance to all applicable laws and regulations. [GRI 103-1]

To manage the risks of non-compliance with relevant laws and regulations, clear policies and procedures, which state the responsibilities and obligations of the employees of the Manager and the Property Manager, are in place. Incidents involving threatened or pending litigation are reported immediately to the Manager's CEO and the Sponsor's Head of Group Corporate Services and Group General Counsel for timely resolution. [GRI 103-2]

In FY17/18, there was no material breach of relevant local laws and regulations.

Moving forward, the Manager will continue to monitor, and as and when there are substantial new areas of law or regulation, the Manager will conduct training for employees and ensure zero incidence of material non-compliance with laws and regulations.

FY18/19 TARGET FOR GOVERNANCE	FY18/19 KEY INITIATIVES
Maintain zero confirmed incidents of corruption Maintain zero incidence of material non-compliance with laws and/or regulations	• Continue to implement whistleblowing and other policies to prevent corruption • Provide training for employees if there are any changes in relevant laws and regulations

GRI CONTENT INDEX

	GRI Standards	Details/Notes/Page No.
	GENERAL DISCLOSURE	
Organisational Profile		
102-1	Name of the organisation	Corporate Profile
102-2	Activities, brands, products, and services	Corporate Profile
102-3	Location of headquarters	Corporate Directory
102-4	Location of operations	Corporate Profile
102-5	Ownership and legal form	Corporate Profile
102-6	Markets served	Corporate Profile
102-7	Scale of the organisation	Employment and Talent Retention (Pages 92-93) Financial Statements (Pages 101-155)
102-8	Information on employees and other workers	Employment and Talent Retention (Pages 92-93) Data was compiled from the Human Resource database, and excluded full-time and part-time employees on less than one-year contract as these hires are hired for a short-term and on an ad-hoc basis. MGCCT does not have a significant portion of its activities being carried out by workers who are not employees. Certain property management functions were outsourced to third party service providers. MGCCT did not have any significant variation in employment numbers.
102-9	Supply chain	Supply chain is minimal and not significant to MGCCT's operations.
102-10	Significant changes to organisation and its supply chain	None in FY17/18.
102-11	Precautionary principle or approach	The Mapletree Group does not specifically address the principles of the Precautionary approach.
102-12	External initiatives	Not applicable, MGCCT does not subscribe to or endorse any external initiatives.
102-13	Membership of associations	Local Communities (Page 95)
Strategy		
102-14	Statement from senior decision-maker	Board Statement (Page 80)
Ethics and Integrity		
102-16	Values, principles, standards, and norms of behaviour	Corporate Profile; Strategy (Pages 12-13); Introduction (Page 81)
102-18	Governance structure	Sustainability Governance at MGCCT (Page 84)
102-40	List of stakeholder groups	Stakeholder Engagement (Pages 82-83)
102-41	Collective bargaining agreements	No collective bargaining agreements are in place.
102-42	Identifying and selecting stakeholders	GRI Principles (Page 81); Stakeholder Engagement (Pages 82-83)
102-43	Approach to stakeholder engagement	Stakeholder Engagement (Pages 82-83)
102-44	Key topics and concerns raised	Stakeholder Engagement (Pages 82-83)
102-45	Entities included in the consolidated financial statements	Financial Statements (Pages 101-155)
102-46	Defining report content and topic boundaries	Introduction (Page 81); Materiality Assessment (Page 84)
102-47	List of material topics	Materiality Assessment (Page 84)
102-48	Restatements of information	Not applicable
102-49	Changes in reporting	Not applicable
102-50	Reporting period	1 April 2017 – 31 March 2018
102-51	Date of most recent report	June 2017
102-52	Reporting cycle	Annual
102-53	Contact point for questions regarding the report	Contact for Feedback (Page 84)
102-54	Claims of reporting in accordance with GRI standards	Board Statement (Page 80)
102-55	GRI content index	GRI Content Index (Pages 99-100)
102-56	External assurance	MGCCT has not sought external assurance on this report.

GRI CONTENT INDEX

	GRI Standards	Details/Notes/Page No.
Management Approach		
103-1	Explanation of the material topic and its boundary	Sustainability Governance at MGCCT (Page 84); Energy (Pages 85-86); Water (Page 87); Health and Safety (Pages 90-91); Employment and Talent Retention (Pages 92-93); Local Communities (Pages 94-97); Anti-corruption (Page 98); Compliance with Laws and Regulations (Page 98)
103-2	The management approach and its components	
103-3	Evaluation of the management approach	
MATERIAL FACTORS AND PERFORMANCE DATA		
Economic Performance		
201-1	Direct economic value generated and distributed	Financial Statements (Pages 101-155)
Anti-corruption		
205-3	Confirmed incidents of corruption and actions taken	Anti-corruption (Page 98)
Energy		
302-1	Energy consumption within the organisation	Energy (Pages 85-86)
302-3	Energy intensity	
302-4	Reduction of energy consumption	
Water		
303-1	Water withdrawal by source	Water (Page 87)
303-3	Water recycled and reused	The amount of rainwater harvested at Festival Walk in Hong Kong, Gateway Plaza in Beijing, and Sandhill Plaza in Shanghai has not been disclosed in the report as it accounts for a small portion of the overall water consumption.
Environmental Compliance		
307-1	Non-compliance with environmental laws and regulations	No incidents of non-compliance with environmental laws or regulations have been identified in FY17/18. Please refer to Compliance with Laws and Regulations (Page 98)
Employment		
401-1	New employee hires and employee turnover	Employment and Talent Retention (Page 92) Given that our new hire/turnover rate is not materially different from industry average, the information on new hires and turnover by age/gender has not been disclosed.
404-2	Programs for upgrading employee skills and transition assistance programs	Employment and Talent Retention (Page 92)
404-3	Percentage of employees receiving regular performance and career development reviews	Employment and Talent Retention (Page 92)
Occupational Health and Safety		
403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	Health and Safety (Page 90) The occupational health and safety performance in this report covers employees of MGCCT only. Occupational diseases incidents are not applicable to MGCCT as our properties are commercial buildings.
Local Communities		
413-1	Operations with local community engagement, impact assessments, and development programs	Local Communities (Pages 94-97)
Customer Health and Safety		
416-1	Assessment of the health and safety impacts of product and service categories	Health and Safety (Page 90); Local Communities (Page 94)
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	Health and Safety (Page 90)
Marketing and Labelling		
417-3	Incidents of non-compliance concerning marketing communications	Compliance with Laws and Regulations (Page 98)
Socioeconomic Compliance		
419-1	Non-compliance with laws and regulations in the social and economic area	Compliance with Laws and Regulations (Page 98)

FINANCIAL STATEMENTS

CONTENTS

REPORT OF THE TRUSTEE

For the financial year ended 31 March 2018

DBS Trustee Limited (the "Trustee") is under a duty to take into custody and hold the assets of Mapletree Greater China Commercial Trust ("MGCCT") and its subsidiaries (the "Group") in trust for the holders ("Unitholders") of units in MGCCT. In accordance with the Securities and Futures Act (Cap. 289), its subsidiary legislation and the Code on Collective Investment Schemes ("CCIS") (collectively referred to as the "laws and regulations"), the Trustee shall monitor the activities of Mapletree Greater China Commercial Trust Management Ltd. (the "Manager") for compliance with the limitations imposed on the investment and borrowing powers as set out in the trust deed dated 14 February 2013 (as amended by the first supplemental deed dated 28 June 2016) (the "Trust Deed") between the Trustee and the Manager in each annual accounting period and report thereon to Unitholders in an annual report.

To the best knowledge of the Trustee, the Manager has, in all material respects, managed MGCCT and the Group during the financial year covered by these financial statements, set out on pages 107 to 155, in accordance with the limitations imposed on the investment and borrowing powers set out in the Trust Deed.

For and on behalf of the Trustee,
DBS Trustee Limited

Jane Lim
Director

Singapore, 25 April 2018

STATEMENT BY THE MANAGER

For the financial year ended 31 March 2018

In the opinion of the Directors of Mapletree Greater China Commercial Trust Management Ltd., the accompanying financial statements of Mapletree Greater China Commercial Trust ("MGCCT") and its subsidiaries (the "Group"), as set out on pages 107 to 155, comprising the Statements of Financial Position of MGCCT and the Group, and Portfolio Statement of the Group as at 31 March 2018, the Statements of Total Return, Distribution Statements and Statements of Movements in Unitholders' Funds of MGCCT and the Group, the Consolidated Statement of Cash Flows of the Group and Notes to the Financial Statements for the financial year then ended are drawn up so as to present fairly, in all material respects, the financial position of MGCCT and of the Group as at 31 March 2018, the portfolio holdings of the Group as at 31 March 2018, and the financial performance, amount distributable and movements in Unitholders' funds of MGCCT and of the Group and the consolidated cash flows of the Group for the financial year then ended in accordance with the recommendations of Statement of Recommended Accounting Practice 7 "Reporting Framework for Unit Trusts" issued by the Institute of Singapore Chartered Accountants. At the date of this statement, there are reasonable grounds to believe that MGCCT and the Group will be able to meet its financial obligations as and when they materialise.

For and on behalf of the Manager,
Mapletree Greater China Commercial Trust Management Ltd.

Cindy Chow Pei Pei
Director

Singapore, 25 April 2018

INDEPENDENT AUDITOR'S REPORT

To the Unitholders of Mapletree Greater China Commercial Trust
(Constituted under a Trust Deed in the Republic of Singapore)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Our Opinion

In our opinion, the accompanying consolidated financial statements and Portfolio Statement of Mapletree Greater China Commercial Trust ("MGCCT") and its subsidiaries (the "Group"), and the Statement of Total Return, Statement of Financial Position, Distribution Statement and Statement of Movement in Unitholders' Funds of MGCCT are properly drawn up in accordance with the recommendations of Statement of Recommended Accounting Practice 7 "Reporting Framework for Unit Trusts" issued by the Institute of Singapore Chartered Accountants ("RAP 7"), so as to present fairly, in all material respects, the consolidated financial position of the Group, the financial position of MGCCT and the consolidated portfolio holdings of the Group as at 31 March 2018, the consolidated financial performance of the Group and the financial performance of MGCCT, the consolidated amount distributable of the Group and the amount distributable of MGCCT, the consolidated movements in Unitholders' funds of the Group and the movements in Unitholders' funds of MGCCT, and the consolidated cash flows of the Group for the financial year ended on that date.

What we have audited

The financial statements of MGCCT and the Group comprise:
- the statements of total return of MGCCT and of the Group for the financial year ended 31 March 2018;
- the statements of financial position of MGCCT and of the Group as at 31 March 2018;
- the distribution statements of MGCCT and of the Group for the financial year then ended;
- the statements of movements in Unitholders' funds of MGCCT and of the Group for the financial year then ended;
- the consolidated statement of cash flows of the Group for the financial year then ended;
- the portfolio statement of the Group as at 31 March 2018; and
- the notes to the financial statements, including a summary of significant accounting policies.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code.

Our Audit Approach

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the accompanying financial statements. In particular, we considered where management made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements for the financial year ended 31 March 2018. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	How our audit addressed the Key Audit Matter
Valuation of investment properties *Refer to Note 13 (Investment Properties) to the financial statements.*	
As at 31 March 2018, the carrying value of the Group's investment properties of S$6.3 billion accounted for 96% of the Group's total assets. The valuation of the investment properties is a key audit matter due to the significant judgement in the key inputs used in the valuation techniques. These key inputs include capitalisation rates, discount rates and adjusted price per square metre and are dependent on the nature of each investment property and the prevailing market conditions. The key inputs are disclosed in Note 13 to the accompanying financial statements.	Our audit procedures included the following: • assessed the competence, capabilities and objectivity of the external valuer engaged by the Group; • obtained an understanding of the techniques used by the external valuer in determining the valuations of individual investment properties; • discussed the critical assumptions made by the external valuer for the key inputs used in the valuation techniques; • tested the integrity of information, including underlying lease and financial information provided to the external valuer; and • assessed the reasonableness of the capitalisation rates, discount rates and adjusted price per square metre by benchmarking these against those of comparable properties and prior year inputs. We have also assessed the adequacy of the disclosures relating to the assumptions, as we consider them as likely to be significant to users of the financial statements given the estimation uncertainty and sensitivity of the valuations. We found the external valuer to be a member of recognised bodies for professional valuers. We also found that the valuation techniques used were appropriate in the context of the Group's investment properties and the critical assumptions used for the key inputs were within the range of market data.

Other Information

The Manager is responsible for the other information. The other information comprises the "Report of the Trustee", the "Statement by the Manager" (but does not include the financial statements and our auditor's report thereon) which we obtained prior to the date of this auditor's report, and other sections of MGCCT's Annual Report ("Other Sections"), which are expected to be made available to us after that date.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the Other Sections, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions in accordance with SSAs.

Responsibilities of the Manager for the Financial Statements

The Manager is responsible for the preparation and fair presentation of these financial statements in accordance with the recommendations of RAP 7 and for such internal control as the Manager determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Manager is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Manager either intends to terminate the Group or to cease the Group's operations, or has no realistic alternative but to do so.

The Manager's responsibilities include overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Manager.
- Conclude on the appropriateness of the Manager's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the Manager regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Manager with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Manager, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Yeow Chee Keong.

PricewaterhouseCoopers LLP
Public Accountants and Chartered Accountants
Singapore, 25 April 2018

STATEMENTS OF TOTAL RETURN

For the financial year ended 31 March 2018

		GROUP		MGCCT	
	Note	**2018 S$'000**	2017 S$'000	**2018 S$'000**	2017 S$'000
Gross revenue	3	**355,030**	350,629	**–**	–
Property operating expenses	4	**(67,880)**	(65,049)	**–**	–
Net property income		**287,150**	285,580	**–**	–
Dividend income		**–**	–	**170,262**	155,685
Interest income		**1,996**	1,196	**348**	138
Manager's management fees					
– Base fee		**(21,092)**	(20,463)	**(21,092)**	(20,463)
– Performance fee		**(956)**	(490)	**(956)**	(490)
Trustee's fee		**(651)**	(641)	**(651)**	(641)
Other trust expenses	5	**(1,469)**	(1,395)	**(375)**	(611)
Net foreign exchange gain/(loss)		**5,317**	6,980	**(195)**	(51)
Finance costs	6	**(69,687)**	(74,233)	**–**	–
Net income		**200,608**	196,534	**147,341**	133,567
Net change in fair value of investment properties	13	**417,122**	218,882	**–**	–
Net change in fair value of financial derivatives		**522**	(2,837)	**–**	–
Total return for the financial year before income tax		**618,252**	412,579	**147,341**	133,567
Income tax expenses	7(a)	**(43,911)**	(40,080)	**(59)**	(23)
Total return for the financial year after income tax before distribution		**574,341**	372,499	**147,282**	133,544
Earnings per unit (cents)					
– Basic	8	**20.432**	13.411	**5.239**	4.808
– Diluted	8	**20.432**	13.411	**5.239**	4.808

The accompanying notes form an integral part of these financial statements.

STATEMENTS OF FINANCIAL POSITION

As at 31 March 2018

		GROUP		MGCCT	
		2018	2017	**2018**	2017
	Note	**S$'000**	S$'000	**S$'000**	S$'000
ASSETS					
Current assets					
Cash and bank balances	9	**177,981**	234,857	**90,867**	96,844
Trade and other receivables	10	**9,419**	55,212	**5,567**	5,036
Other current assets	11	**554**	1,163	**–**	–
Inventories		**743**	811	**–**	–
Derivative financial instruments	12	**1,489**	508	**1,093**	508
		190,186	292,551	**97,527**	102,388
Non-current assets					
Derivative financial instruments	12	**38,078**	8,319	**–**	–
Investment properties	13	**6,292,007**	6,226,345	**–**	–
Plant and equipment	14	**2,478**	1,705	**–**	–
Investments in subsidiaries	15	**–**	–	**2,321,459**	2,343,447
		6,332,563	6,236,369	**2,321,459**	2,343,447
Total assets		**6,522,749**	6,528,920	**2,418,986**	2,445,835
LIABILITIES					
Current liabilities					
Trade and other payables	16	**87,303**	148,593	**8,451**	8,442
Borrowings	17	**83,801**	163,143	**–**	–
Current income tax liabilities	7(b)	**29,930**	44,142	**82**	70
Derivative financial instruments	12	**244**	181	**244**	181
		201,278	356,059	**8,777**	8,693
Non-current liabilities					
Trade and other payables	16	**60,410**	58,558	**–**	–
Borrowings	17	**2,277,284**	2,393,013	**–**	–
Derivative financial instruments	12	**2,696**	13,777	**–**	–
Deferred tax liabilities	18(b)	**92,329**	71,193	**–**	–
		2,432,719	2,536,541	**–**	–
Total liabilities		**2,633,997**	2,892,600	**8,777**	8,693
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS		**3,888,752**	3,636,320	**2,410,209**	2,437,142
Represented by:					
Unitholders' funds		**3,812,613**	3,413,993	**2,409,359**	2,436,815
General reserve	19	**1,221**	238	**–**	–
Hedging reserve	20	**16,004**	15,953	**850**	327
Foreign currency translation reserve		**58,914**	206,136	**–**	–
		3,888,752	3,636,320	**2,410,209**	2,437,142
UNITS IN ISSUE ('000)	21	**2,826,268**	2,795,382	**2,826,268**	2,795,382
NET ASSET VALUE PER UNIT (S$)		**1.376**	1.301	**0.853**	0.872

The accompanying notes form an integral part of these financial statements.

DISTRIBUTION STATEMENTS

For the financial year ended 31 March 2018

	GROUP		MGCCT	
	2018	2017	**2018**	2017
	S$'000	S$'000	**S$'000**	S$'000
Total return for the financial year	**574,341**	372,499	**147,282**	133,544
Adjustment for net effect of non-tax (chargeable)/ deductible items and other adjustments (Note A)	**(363,419)**	(167,872)	**63,640**	71,083
Amount available for distribution	**210,922**	204,627	**210,922**	204,627
Amount available for distribution to Unitholders at beginning of the financial year	**104,351**	104,050	**104,351**	104,050
	315,273	308,677	**315,273**	308,677
Distribution to Unitholders:				
Distribution of 3.771 cents per unit for the period from 1 October 2015 to 31 March 2016	**–**	(103,988)	**–**	(103,988)
Distribution of 3.610 cents per unit for the period from 1 April 2017 to 30 September 2016	**–**	(100,338)	**–**	(100,338)
Distribution of 3.731 cents per unit for the period from 1 October 2016 to 31 March 2017	**(104,296)**	–	**(104,296)**	–
Distribution of 3.714 cents per unit for the period from 1 April 2017 to 30 September 2017	**(104,444)**	–	**(104,444)**	–
Total Unitholders' distribution (including capital return) (Note B)	**(208,740)**	(204,326)	**(208,740)**	(204,326)
Amount available for distribution to Unitholders at end of the financial year	**106,533**	104,351	**106,533**	104,351

Note A:
Adjustment for net effect of non-tax (chargeable)/ deductible items and other adjustments comprises:

	GROUP 2018	GROUP 2017	MGCCT 2018	MGCCT 2017
Major non-tax deductible/(chargeable) items:				
– Trustee's fee	**651**	641	**651**	641
– Financing fees	**3,341**	7,165	**–**	–
– Net change in fair value of investment properties net of deferred tax impact	**(407,338)**	(210,418)	**–**	–
– Manager's base fee paid/payable in units	**21,092**	20,463	**21,092**	20,463
– Manager's performance fee paid/payable in units	**956**	490	**956**	490
– Property Manager's management fees paid/payable in units	**12,421**	12,250	**–**	–
– Net change in fair value of financial derivatives	**(522)**	2,837	**–**	–
– Foreign exchange gain on capital item	**(3,168)**	(6,929)	**–**	–
Net overseas income distributed back to MGCCT in the form of capital returns	**–**	–	**24,656**	28,638
Net overseas income not distributed to MGCCT	**–**	–	**16,083**	20,800
Other non-tax deductible items and other adjustments	**9,148**	5,629	**202**	51
	(363,419)	(167,872)	**63,640**	71,083

Note B:
Total Unitholders' distribution:

	GROUP 2018	GROUP 2017	MGCCT 2018	MGCCT 2017
– From operations	**(167,727)**	(157,806)	**(167,727)**	(157,806)
– From Unitholders' contribution	**(41,013)**	(46,520)	**(41,013)**	(46,520)
	(208,740)	(204,326)	**(208,740)**	(204,326)

The accompanying notes form an integral part of these financial statements.

STATEMENTS OF MOVEMENTS IN UNITHOLDERS' FUNDS

For the financial year ended 31 March 2018

		GROUP		MGCCT	
		2018	2017	**2018**	2017
	Note	**S$'000**	S$'000	**S$'000**	S$'000
Operations					
Beginning of the financial year		**968,039**	753,584	**(9,139)**	15,123
Total return for the financial year		**574,341**	372,499	**147,282**	133,544
Distributions to Unitholders		**(167,727)**	(157,806)	**(167,727)**	(157,806)
Transfer to general reserve		**(983)**	(238)	**–**	–
End of the financial year		**1,373,670**	968,039	**(29,584)**	(9,139)
Unitholders' contribution					
Beginning of the financial year		**2,445,954**	2,455,200	**2,445,954**	2,455,200
Management fees paid in units		**34,002**	37,274	**34,002**	37,274
Distributions to Unitholders		**(41,013)**	(46,520)	**(41,013)**	(46,520)
End of the financial year		**2,438,943**	2,445,954	**2,438,943**	2,445,954
Unitholders' funds at end of the financial year		**3,812,613**	3,413,993	**2,409,359**	2,436,815
General reserve					
Beginning of the financial year		**238**	–	**–**	–
Transfer from Operations		**983**	238	**–**	–
End of the financial year	19	**1,221**	238	**–**	–
Hedging reserve					
Beginning of the financial year		**15,953**	656	**327**	3,164
Fair value changes, net of tax		**32,200**	(3,024)	**1,816**	327
Reclassification to Statements of Total Return, net of tax		**(32,149)**	18,321	**(1,293)**	(3,164)
End of the financial year	20	**16,004**	15,953	**850**	327
Foreign currency translation reserve					
Beginning of the financial year		**206,136**	206,747	**–**	–
Reclassification to Statements of Total Return		**(3,168)**	(6,929)	**–**	–
Translation differences relating to financial statements of foreign subsidiaries and quasi equity loans		**(144,054)**	6,318	**–**	–
End of the financial year		**58,914**	206,136	**–**	–
Net assets attributable to Unitholders at end of the financial year		**3,888,752**	3,636,320	**2,410,209**	2,437,142

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the financial year ended 31 March 2018

	Note	GROUP 2018 S$'000	GROUP 2017 S$'000
Cash flows from operating activities			
Total return for the financial year		**574,341**	372,499
Adjustments for:			
– Income tax expenses	7(a)	**43,911**	40,080
– Amortisation of rent free incentive		**880**	1,329
– Depreciation	14	**716**	412
– Plant and equipment written off		**30**	–
– Net change in fair value of investment properties	13	**(417,122)**	(218,882)
– Net change in fair value of financial derivatives		**(522)**	2,837
– Manager's management fees paid/payable in units		**22,048**	20,953
– Property Manager's management fees paid/payable in units		**12,421**	12,250
– Finance costs	6	**69,687**	74,233
– Interest income		**(1,996)**	(1,196)
– Foreign exchange gain on capital item		**(3,168)**	(6,929)
Operating cash flows before working capital changes		**301,226**	297,586
Changes in working capital:			
– Trade and other receivables and other current assets		**45,704**	(45,674)
– Inventories		**68**	37
– Trade and other payables		**(2,730)**	(10,268)
Cash generated from operations		**344,268**	241,681
Income tax paid	7(b)	**(37,871)**	(14,898)
Net cash provided by operating activities		**306,397**	226,783
Cash flows from investing activities			
Additions to investment properties	13	**(4,951)**	(6,898)
Additions to plant and equipment	14	**(1,629)**	(741)
Interest income received		**1,899**	658
Net cash used in investing activities		**(4,681)**	(6,981)
Cash flows from financing activities			
Repayment of borrowings		**(542,235)**	(1,086,496)
Proceeds from borrowings		**512,047**	935,616
Financing fees paid		**(1,693)**	(6,049)
Net repayment		**(31,881)**	(156,929)
Proceeds from issuance of medium-term notes		**–**	227,692
Payment of distributions to Unitholders		**(208,740)**	(204,326)
Interest paid		**(63,527)**	(65,370)
Net cash used in financing activities		**(304,148)**	(198,933)
Net (decrease)/increase in cash and cash equivalents		**(2,432)**	20,869
Cash and cash equivalents at beginning of the financial year		**180,420**	160,902
Effect of currency translation on cash and cash equivalents		**(7)**	(1,351)
Cash and cash equivalents at end of the financial year		**177,981**	180,420
Amount received and set aside to be repaid to a related party	16	**–**	54,437
Cash and bank balances at end of the financial year	9	**177,981**	234,857

Reconciliation of liabilities arising from financing activities

	1 April 2017 $'000	Net Cash flows $'000	Non-cash changes: Finance costs $'000	Non-cash changes: Foreign exchange movement $'000	**31 March 2018 $'000**
Borrowings	2,556,156	(31,881)	3,647	(166,837)	**2,361,085**
Interest payable within "Trade and other payables" (Note 16)	8,598	(63,527)	66,040	(2,709)	**8,402**

The accompanying notes form an integral part of these financial statements.

PORTFOLIO STATEMENT

As at 31 March 2018

Description of properties	Acquisition date	Term of lease	Remaining term of lease	Location	Existing use	**Gross revenue for financial year ended 31/03/2018 S$'000**
Investment property in The Hong Kong Special Administrative Region of the People's Republic of China ("Hong Kong SAR"):						
Festival Walk	07/03/2013	54 years	29 years ending in 2047	No. 80 Tat Chee Avenue, Kowloon Tong, Hong Kong SAR	Commercial	**246,076**
Investment properties in The People's Republic of China ("PRC"):						
Gateway Plaza	07/03/2013	50 years	35 years ending in 2053	No. 18 Xiaguangli, East 3rd Ring Road North, Chaoyang District, Beijing, PRC	Commercial	**84,729**
Sandhill Plaza	17/06/2015	50 years	42 years ending in 2060	Blocks 1 to 5 and 7 to 9, No. 2290 Zuchongzhi Road, Pudong New District, Shanghai, PRC	Commercial	**24,225**
Investment properties - Group						**355,030**
Other assets and liabilities (net) - Group						
Net assets attributable to Unitholders						

Notes:
The carrying amounts of the investment properties were based on independent full valuations as at 31 March 2018 (2017: 31 March 2017) undertaken by CBRE Limited ("CBRE") (2017: Colliers International (Hong Kong) Limited ("Colliers"), an independent valuer. CBRE (2017: Colliers) has the appropriate professional qualifications and experience in the locations and category of the properties being valued. The full valuations of the investment properties were based on discounted cash flow method, income capitalisation (2017: term and reversion) method and direct comparison method. The direct comparison method is only used for PRC properties.

Investment properties comprise a portfolio of commercial properties that are leased to external customers. Generally, the leases contain an initial non-cancellable period of 3 years. Subsequent renewals are negotiated with the lessees.

The accompanying notes form an integral part of these financial statements.

	Gross revenue for financial year ended 31/03/2017 S$'000	**Occupancy rates at 31/03/2018 %**	Occupancy rates at 31/03/2017 %	Latest valuation date	**Valuation at 31/03/2018 S$'000**	Valuation at 31/03/2017 S$'000	**Percentage of net assets attributable to Unitholders at 31/03/2018**	Percentage of net assets attributable to Unitholders at 31/03/2017
	247,181	**100.0**	100.0	31/03/2018	**4,514,220**	4,549,220	**116.1**	125.1
	79,123	**96.5**	96.9	31/03/2018	**1,340,258**	1,257,844	**34.5**	34.6
	24,325	**100.0**	100.0	31/03/2018	**437,529**	419,281	**11.3**	11.5
	350,629				**6,292,007**	6,226,345	**161.9**	171.2
					(2,403,255)	(2,590,025)	**(61.9)**	(71.2)
					3,888,752	3,636,320	**100.0**	100.0

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1. GENERAL

Mapletree Greater China Commercial Trust ("MGCCT") is a Singapore-domiciled Real Estate Investment Trust constituted pursuant to the Trust Deed dated 14 February 2013 (as amended by the first supplemental deed dated 28 June 2016) between Mapletree Greater China Commercial Trust Management Ltd. (as Manager) and DBS Trustee Limited (as Trustee). The Trust Deed is governed by the laws of the Republic of Singapore.

MGCCT was formally admitted to the Official List of the Singapore Exchange Securities Trading Limited ("SGX-ST") on 7 March 2013 and was approved for inclusion under the Central Provident Fund ("CPF") Investment Scheme on 23 January 2013.

The principal activity of MGCCT and its subsidiaries (the "Group") is to invest, directly or indirectly, in a diversified portfolio of income-producing real estate in the Greater China region. It focuses primarily on commercial assets (predominantly for retail and/or office use), as well as real estate-related assets. It has the primary objective of achieving an attractive level of return from rental income and long-term capital growth.

MGCCT has entered into several service agreements in relation to the management of MGCCT and its property operations. The fee structures for these services are as follows:

(A) Trustee's fees

The Trustee's fees shall not exceed 0.1% per annum of the value of all the assets of MGCCT ("Deposited Property") (subject to a minimum of S$15,000 per month) or such higher percentage as may be fixed by an Extraordinary Resolution of a meeting of Unitholders. The Trustee's fees are payable out of the Deposited Property of MGCCT monthly, in arrears. The Trustee is also entitled to reimbursement of expenses incurred in the performance of its duties under the Trust Deed.

Based on the current arrangement between the Manager and the Trustee, the Trustee's fees are charged on a scaled basis of up to 0.02% per annum of the value of the Deposited Property (subject to a minimum of S$15,000 per month). At inception, the Trustee was paid a one-time inception fee of S$50,000.

(B) Management fees

The Manager or its nominees are entitled to receive the following remuneration:

(i) a base fee of 10.0% per annum of the Distributable Income or such higher percentage as may be approved by an Extraordinary Resolution of a meeting of Unitholders; and

(ii) a performance fee of 25.0% of the difference in Distribution per Unit ("DPU") in a financial year with the DPU in the preceding financial year (calculated before accounting for the performance fee in each financial year) multiplied by the weighted average number of units in issue for such financial year, or such higher percentage as may be approved by an Extraordinary Resolution of a meeting of Unitholders.

The management fees payable to the Manager or its nominees will be paid in the form of cash or/and Units.

Where the management base fees are paid in cash, the amounts are paid monthly, in arrears. Where the management base fees are paid in the form of Units, the amounts are paid quarterly, in arrears.

The management performance fees are paid annually in arrears, whether in the form of cash or/and Units.

1. GENERAL (continued)

(C) Acquisition and Divestment fee

The Manager or its nominees are entitled to receive the following fees:

(i) an acquisition fee not exceeding 0.75% and 1.0% of the acquisition price of any Authorised Investments (as defined in the Trust Deed) from Related Parties and all other acquisitions respectively, acquired directly or indirectly, through one or more Special Vehicles ("SPV"), pro-rated if applicable to the proportion of MGCCT's interest; and

(ii) a divestment fee not exceeding 0.5% of the sale price of any Authorised Investments, sold or divested directly or indirectly through one or more SPVs, pro-rated if applicable to the proportion of MGCCT's interest.

The acquisition and disposal fee will be paid in the form of cash or/and Units and is payable as soon as practicable after completion of the acquisition and disposal respectively.

(D) Fees under the Property Management Agreement

(i) Property management services

The Trustee will pay Mapletree Greater China Property Management Limited (the "Property Manager"), for each Fiscal Year (as defined in the Property Management Agreement), the following fees:

- 2.0% per annum of the gross revenue for the relevant property;
- 2.0% per annum of the net property income ("NPI") for the relevant property (calculated before accounting for the property management fee in that financial period); and
- where any service is provided by a third party service provider, the Property Manager will be entitled to receive a fee equal to 20% of all fees payable to such third party service provider for supervising and overseeing the services rendered by the third party service provider. Such services shall include, but not limited to, master planning work, retail planning work and environmental impact studies.

The property management fees will be paid in the form of cash or/and Units (as the Manager may in its sole discretion determine).

(ii) Marketing services

Under the Property Management Agreement, the Trustee will pay the Property Manager, the following commissions:

- up to 1 month's gross rent inclusive of service charge for securing a tenancy of 3 years or less;
- up to 2 months' gross rent inclusive of service charge for securing a tenancy of more than 3 years;
- up to 0.5 month's gross rent inclusive of service charge for securing a renewal of tenancy of 3 years or less; and
- up to 1 month's gross rent inclusive of service charge for securing a renewal tenancy of more than 3 years.

1. GENERAL (continued)

(D) Fees under the Property Management Agreement (continued)

(ii) Marketing services (continued)

The Property Manager is not entitled to the marketing services commissions if such service is (i) performed by staff of the asset holding company or (ii) performed by third party service providers.

The marketing services commissions will be paid in the form of cash or/and Units (as the Manager may in its sole discretion determine).

(iii) Project management services

The Trustee will pay the Property Manager a project management fee subject to:

- a limit of up to 3.0% of the total construction costs incurred for the development or redevelopment, the refurbishment, retrofitting and renovation works on a property; and
- an opinion issued by an independent quantity surveyor, to be appointed by the Trustee upon recommendation by the Manager, that the project management fee is within market norms and reasonable range.

The project management fees will be paid in the form of cash or/and Units (as the Manager may in its sole discretion determine).

(iv) Staff costs reimbursement

The Property Manager employs the centre management team and the persons to run the ice rink business of Festival Walk. The Property Manager is entitled to the following:

- reimbursement for the cost of employing the centre management team of Festival Walk and the persons to run the ice rink business of Festival Walk; and
- 3.0% of such employment cost.

The staff costs reimbursement will be paid in the form of cash.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

The financial statements have been prepared in accordance with the Statement of Recommended Accounting Practice 7 (“RAP 7”) “Reporting Framework for Unit Trusts” issued by the Institute of Singapore Chartered Accountants, the applicable requirements of the Code on Collective Investment Schemes (“CCIS”) issued by the Monetary Authority of Singapore (“MAS”) and the provisions of the Trust Deed. RAP 7 requires that accounting policies adopted should generally comply with the recognition and measurement principles of Singapore Financial Reporting Standards (“FRS”).

These financial statements, which are expressed in Singapore Dollars and rounded to the nearest thousand, have been prepared under the historical cost convention, except as disclosed in the accounting policies below.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.1 Basis of preparation (continued)

The preparation of financial statements in conformity with RAP 7 requires the Manager to exercise its judgement in the process of applying the Group's accounting policies. It also requires the use of certain critical accounting estimates and assumptions. Information about an area involving a higher degree of judgement, where assumptions and estimates are significant to the financial statements, is disclosed in Note 13 - Investment Properties. The assumptions and estimates were used by the independent valuers in arriving at their valuations.

New or amended financial reporting standards effective this financial year

On 1 April 2017, the Group adopted the new or amended FRS and Interpretations to FRS ("INT FRS") that are mandatory for application for the financial year. Changes to the Group's accounting policies have been made as required, in accordance with the relevant transitional provisions in the respective FRS and INT FRS.

The adoption of these new or amended FRS and INT FRS did not result in substantial changes to the accounting policies of the Group and MGCCT and had no material effect on the amounts reported for the current or prior financial years except for the following:

FRS 7 Statement of cash flows

The amendments to FRS 7 *Statement of cash flows (Disclosure initiative)* sets out required disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes.

The Group has included the additional required disclosures in the Consolidated Statement of Cash Flows.

2.2 Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the rendering of services and is presented net of value added tax, rebates and discounts. The Group recognises revenue when the amount of revenue and related cost can be reliably measured, it is probable that the collectability of the related receivables is reasonably assured and when the specific criteria for each of the Group's activities are met as follows:

(a) Rental income and service charge from operating leases

Rental income and service charge from operating leases (net of any incentives given to the lessees) on investment properties are recognised on a straight-line basis over the lease term. Contingent rents, which include turnover rental income, are recognised as income in the Statement of Total Return when earned.

(b) Interest income

Interest income is recognised on a time proportion basis using the effective interest method.

(c) Dividend income

Dividend income is recognised when the right to receive payment is established.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.3 Expenses

(a) Property operating expenses

Property operating expenses are recognised on an accrual basis. Included in property operating expenses are Property Manager's fees which are based on the applicable formula set out in Note 1(D).

(b) Management fees

Management fees are recognised on an accrual basis using the applicable formula set out in Note 1(B).

(c) Trustee's fees

Trustee's fees are recognised on an accrual basis using the applicable formula set out in Note 1(A).

2.4 Borrowing costs

Borrowing costs are recognised in the Statements of Total Return using the effective interest method, except for those costs that are directly attributable to the construction or development of properties. This includes those costs on borrowings acquired specifically for the construction or development of properties, as well as those in relation to general borrowings used to finance the construction or development of properties.

The actual borrowing costs incurred during the financial period up to the issuance of the temporary occupation permit less any investment income on temporary investment of these borrowings, are capitalised in the cost of the property under development. Borrowing costs on general borrowings are capitalised by applying a capitalisation rate to construction or development expenditure that are financed by general borrowings.

2.5 Income tax

Taxation on the return for the financial year comprises current and deferred income tax. Income tax is recognised in the Statements of Total Return.

Current income tax for the current and prior periods is recognised at the amount expected to be paid or to be recovered from the tax authorities, using tax rates enacted or substantively enacted by the reporting date.

Deferred income tax is recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred income tax arises from initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

A deferred income tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised. The carrying amount of deferred income tax asset is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

A deferred income tax liability is recognised on temporary differences arising on investment in subsidiaries except where the Group is able to control the timing of the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred income tax asset and liability are offset when there is a legally enforceable right to set off current income tax asset against current income tax liability and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current income tax asset and liability on a net basis.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.5 Income tax (continued)

Deferred income tax is measured:

(i) at the tax rates that are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the reporting date; and

(ii) based on the tax consequence that will follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amounts of its assets and liabilities, except for investment properties. Investment properties measured at fair value are presumed to be recovered entirely through sale.

Current and deferred income taxes are recognised as income or expense in the Statement of Total Return, except to the extent that the tax arises from a transaction which is recognised directly in Unitholders' funds and/or hedging reserve, in which case the tax is also recognised directly in Unitholders' funds and/or hedging reserve, or where the tax arises from the initial accounting for a business combination.

Except for the tax exemption as described below, taxable income earned by the Trust will be subject to Singapore income tax at the prevailing corporate tax rate.

The Trustee is exempted from Singapore income tax under Section 13(12) of the Singapore Income Tax Act ("SITA") on the dividend income from its subsidiaries in Cayman out of underlying rental income derived from the investment properties in Hong Kong SAR and PRC. This exemption is granted subject to certain conditions.

The Trustee is also exempted from Singapore income tax under Section 13(8) of the SITA on the dividends received from the Hong Kong Treasury Company provided that the underlying income is subject to profits tax in Hong Kong SAR and the highest rate of profits tax rate in Hong Kong SAR at the time the income is received in Singapore is not less than 15.0%.

The tax exemption also applies to dividend income from the Trust's subsidiaries out of gains, if any, derived from disposal of shares in the subsidiaries unless the gains are considered income of trade or business. Gains arising from the sales of subsidiaries, if considered to be trading gains, will be assessed to tax, currently at 17%, on the Trust under Section 10(1)(a) of the SITA.

Any return of capital received by the Trust from these subsidiaries is capital in nature and hence, is not taxable on the Trustee.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.6 Group accounting

(a) Subsidiaries

(i) Consolidation

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

In preparing the consolidated financial statements, transactions, balances and unrealised gains on transactions between group entities are eliminated. Unrealised losses are also eliminated but are considered an impairment indicator of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

(ii) Acquisitions

The acquisition method of accounting is used to account for business combinations by the Group.

The consideration transferred for the acquisition of a subsidiary comprises the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred also includes any contingent consideration arrangement and any pre-existing equity interest in the subsidiary measured at their fair values at the acquisition date.

Acquisition-related costs are expensed as incurred.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date.

On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree at the date of acquisition either at fair value or at the non-controlling interest’s proportionate share of the acquiree’s net identifiable assets.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the net identifiable assets acquired is recorded as goodwill.

(iii) Disposals

When a change in the Group’s ownership interest in a subsidiary results in a loss of control over the subsidiary, the assets and liabilities of the subsidiary including any goodwill are derecognised.

Any retained interest in the entity is re-measured at fair value. The difference between the carrying amount of the retained investment at the date when control is lost and its fair value is recognised in the Statements of Total Return.

Please refer to the paragraph “Investments in subsidiaries”, for the accounting policy on investments in subsidiaries (Note 2.7) in the separate financial statements of MGCCT.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.7 Investments in subsidiaries

Investments in subsidiaries are stated at cost less accumulated impairment losses (Note 2.10) in MGCCT's Statement of Financial Position. On disposal of investments in subsidiaries, the difference between net disposal proceeds and the carrying amount of the investment is recognised in the Statements of Total Return.

2.8 Investment properties

Investment properties are properties held either to earn rental income and/or capital appreciation.

Investment properties are accounted for as non-current assets and initially recognised at cost on acquisition, and subsequently carried at fair value. Fair values are determined in accordance with the Trust Deed, which requires the investment properties to be valued by independent registered valuers at least once a year, in accordance with CCIS. Changes in fair values are recognised in the Statements of Total Return.

Investment properties are subject to renovations or improvement from time to time. The cost of major renovations and improvement are capitalised and the carrying amounts of the replaced components are written off to the Statements of Total Return. The costs of maintenance, repairs and minor improvements are recognised in the Statements of Total Return when incurred.

On disposal of an investment property, the difference between the net disposal proceeds and the carrying amount is taken to the Statements of Total Return.

If an investment property becomes substantially owner-occupied, it is reclassified as property, plant and equipment, and its fair value at the date of reclassification becomes its cost for accounting purposes.

2.9 Plant and equipment

(a) Measurement

All plant and equipment are initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses.

The cost of an item of plant and equipment includes its purchase price and any costs that are directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the Manager.

(b) Depreciation

Depreciation on plant and equipment is calculated using the straight-line method to allocate their depreciable amounts over their estimated useful lives. The estimated useful lives are as follows:

	Useful lives
Computer equipment	5 years
Other fixed assets	3 to 5 years

The residual values and estimated useful lives of plant and equipment are reviewed, and adjusted as appropriate, at each reporting date. The effects of any revision are included in the Statements of Total Return for the financial period in which the changes arise.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.9 Plant and equipment (continued)

(c) Subsequent expenditure

Subsequent expenditure relating to plant and equipment that has already been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits, in excess of the originally assessed standard of performance of the existing asset, will flow to the Group and the cost can be reliably measured. Other subsequent expenditure is recognised as an expense during the financial period in which it is incurred.

(d) Disposal

On disposal of an item of plant and equipment, the difference between the net disposal proceeds and its carrying amount is taken to the Statements of Total Return.

2.10 Impairment of non-financial assets

Plant and equipment
Investments in subsidiaries

Plant and equipment and investments in subsidiaries are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired.

For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash inflows that are largely independent of those from other assets. If this is the case, the recoverable amount is determined for the Cash Generating Unit ("CGU") to which the asset belongs.

If the recoverable amount of the asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. The difference between the carrying amount and recoverable amount is recognised as an impairment loss in the Statements of Total Return.

An impairment loss for an asset is reversed only if, there has been a change in the estimates used to determine the asset's recoverable amount or if there is a change in the events that had given rise to the impairment since the last impairment loss was recognised. The carrying amount of this asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortisation or depreciation) had no impairment loss been recognised for the asset in prior financial period. A reversal of impairment loss for an asset is recognised in the Statements of Total Return.

2.11 Inventories

Inventories are carried at the lower of cost and net realisable value. Cost represents average unit cost of purchase and net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.12 Financial assets

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are presented as current assets, except for those expected to be realised later than 12 months after the reporting date, which are presented as non-current assets. Loans and receivables are presented as "cash and bank balances", "trade and other receivables", and "other current assets" (except for prepayments) on the Statements of Financial Position.

These financial assets are initially recognised at fair value plus transaction costs and subsequently carried at amortised cost using the effective interest method, less accumulated impairment losses.

The Group assesses at each reporting date whether there is objective evidence that these financial assets are impaired and recognises an allowance for impairment when such evidence exists.

Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy and default or significant delay in payments are objective evidence that these financial assets are impaired.

The carrying amount of these assets is reduced through the use of an impairment allowance account which is calculated as the difference between the carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. When the asset becomes uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are recognised against the same line item in the Statements of Total Return.

The impairment allowance is reduced through the Statements of Total Return in a subsequent financial period when the amount of impairment loss decreases and the related decrease can be objectively measured. The carrying amount of the asset previously impaired is increased to the extent that the new carrying amount does not exceed the amortised cost had no impairment been recognised in prior financial periods.

2.13 Cash and cash equivalents

Cash and cash equivalents include cash balances and deposits with financial institutions.

2.14 Borrowings

Borrowings are presented as current liabilities unless the Group has an unconditional right to defer settlement for at least 12 months after the reporting date, in which case they are presented as non-current liabilities.

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the Statements of Total Return over the period of the borrowings using the effective interest method.

2.15 Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Group prior to the end of the financial year which are unpaid. They are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). Otherwise, they are presented as non-current liabilities.

Trade and other payables are initially measured at fair value, and subsequently at amortised cost, using the effective interest method.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.16 Derivative financial instruments and hedging activities

The Group uses derivative financial instruments such as interest rate swaps, cross currency interest rate swaps and forward currency contracts to hedge its exposure to interest rate risks and currency risks arising from operational, financing and investment activities. In accordance with its treasury policy, which is in line with the CCIS, the Group does not hold or issue derivative financial instruments for trading purposes.

Derivative financial instruments are recognised initially at fair value on the date the contracts are entered into and are subsequently carried at their fair value.

The Group documents at the inception of the transaction the relationship between the hedging instruments and hedged items, as well as its risk management objective and strategies for undertaking various hedge transactions. The Group also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives designated as hedging instruments are highly effective in offsetting changes in cash flows of the hedged items.

The carrying amount of a derivative designated as a hedge is presented as a non-current asset or liability if the remaining expected life of the hedged item is more than 12 months and as a current asset or liability if the remaining expected life of the hedged item is less than 12 months.

(a) Cash flow hedge

(i) Interest rate swaps

The Group has entered into interest rate swaps that are cash flow hedges for the Group's exposure to interest rate risk on its borrowings. These contracts entitle the Group to receive interest at floating rates on notional principal amounts and oblige the Group to pay interest at fixed rates on the same notional principal amounts, thus allowing the Group to raise borrowings at floating rates and swap them into fixed rates.

The fair value changes on the effective portion of interest rate swaps designated as cash flow hedges are recognised in the hedging reserve and transferred to the Statements of Total Return when the interest expense on the borrowings is recognised in the Statements of Total Return. The fair value changes on the ineffective portion of interest rate swaps are recognised immediately in the Statements of Total Return.

(ii) Cross currency interest rate swaps

The Group has entered into cross currency interest rate swaps that are cash flow hedges and are used to reduce the Group's exposure to interest rate risk and currency risk on its borrowings and interest.

The fair value changes on the effective portion of cross currency interest rate swaps designated as cash flow hedges are recognised in the hedging reserve and transferred to the Statements of Total Return when the interest expense on the borrowings and/or the exchange differences arising from the translation of the borrowings is recognised in the Statements of Total Return. The fair value changes on the ineffective portion of cross currency interest rate swaps are recognised immediately in the Statements of Total Return.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.16 Derivative financial instruments and hedging activities (continued)

(a) Cash flow hedge (continued)

(iii) Forward currency contracts

MGCCT has entered into forward currency contracts that qualify as cash flow hedges at MGCCT level and are used to hedge the highly probable forecasted foreign currency income received from the offshore assets, back into Singapore Dollars.

The fair value changes on the effective portion of forward currency contracts designated as cash flow hedges are recognised in the hedging reserve and transferred to the Statements of Total Return as part of dividend income upon the receipt of the dividend income. The fair value changes on the ineffective portion of currency forwards are recognised immediately in the Statements of Total Return.

(b) Derivatives that are not designated or do not qualify for hedge accounting

Fair value changes on forward currency contracts which do not qualify for hedge accounting at Group level, are recognised in the Statements of Total Return when the changes arise. Such derivatives are presented as current assets or liabilities if they are either held for trading or are expected to be realised within 12 months after the balance sheet date.

2.17 Fair value estimation of financial assets and liabilities

The carrying amounts of current financial assets and liabilities carried at amortised cost approximate their fair values.

The fair values of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) are determined by using valuation techniques. The fair values of currency forwards are determined using banks' quoted forward rates and foreign exchange spot rates at the reporting date. The fair values of interest rate swaps and cross currency interest rate swaps are calculated as the present value of the estimated future cash flows, using assumptions based on market conditions existing at the reporting date.

The fair values of non-current financial liabilities carried at amortised cost are determined from adjusted quoted prices or cash flow analysis discounted at the current market interest rates that are available to the Group for similar financial liabilities.

2.18 Operating leases

When the Group is a lessor:

Leases of investment properties where the Group retains substantially all risks and rewards incidental to ownership are classified as operating leases. Rental income from operating leases (net of any incentives given to the lessees) is recognised in the Statements of Total Return on a straight-line basis over the period of the lease.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.19 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of a past event where it is probable that such obligation will result in an outflow of economic benefits that can be reasonably estimated.

2.20 Currency translation

(a) Functional and presentation currency

Items included in the financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("functional currency"). The consolidated financial statements are presented in Singapore Dollars, which is MGCCT's functional currency.

(b) Transactions and balances

Transactions in a currency other than the functional currency ("foreign currency") are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Currency translation gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates at the reporting date are recognised in the Statements of Total Return, except for currency translation differences on the net investment in foreign operations, borrowings in foreign currencies and other currency instruments qualifying as net investment hedges for foreign operations, which are included in the foreign currency translation reserve within the Statements of Movements in Unitholders' Funds of the Group.

(c) Translation of Group entities' financial statements

The results and financial position of all the group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

(i) Assets and liabilities are translated at the closing rates at the reporting date;
(ii) Income and expenses are translated at average exchange rates (unless the average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated using the exchange rates at the dates of the transactions); and
(iii) All resulting exchange differences are taken to the foreign currency translation reserve within the Statements of Movements in Unitholders' Funds of the Group.

(d) Consolidation adjustments

On consolidation, currency translation differences arising from the net investment in foreign operations, borrowings in foreign currencies, and other currency instruments designated as hedges of such investments, are taken to the foreign currency translation reserve. When a foreign operation is sold, such currency translation differences recorded in the foreign currency translation reserve are recognised in the Statements of Total Return as part of the gain or loss on sale.

2.21 Units and unit issuance expenses

Proceeds from the issuance of Units in MGCCT are recognised as Unitholders' funds. Incremental costs directly attributable to the issuance of new Units are deducted directly from the net assets attributable to the Unitholders.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.22 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Manager who is responsible for allocating resources and assessing performance of the operating segments.

2.23 Distribution policy

MGCCT's distribution policy is to distribute, on a semi-annual basis, at least 90.0% of its distributable income, comprising substantially its income from the letting of its properties and related property services income and after deduction of allowable expenses and allowances, and of its tax-exempt income (if any).

3. GROSS REVENUE

	GROUP	
	2018 S$'000	2017 S$'000
Rental income	**301,739**	298,761
Service charges	**7,976**	7,976
Other operating income	**45,315**	43,892
	355,030	350,629

The turnover rental income recognised in rental income during the financial year was S$9,020,000 (2017: S$13,342,000).

Other operating income comprises car park revenue and other income attributable to the operations of the properties, such as additional air-conditioning and chilled water charges, ice rink income, rental from event space and refuse compactor charge.

4. PROPERTY OPERATING EXPENSES

	GROUP	
	2018 S$'000	2017 S$'000
Staff costs *	**13,385**	13,337
Utilities and property maintenance	**13,019**	13,328
Marketing and promotion expenses	**4,926**	4,741
Professional fees	**1,548**	1,254
Property and other taxes	**17,391**	14,871
Property and lease management fees	**14,087**	13,868
Other operating expenses	**3,524**	3,650
	67,880	65,049

* Includes contribution to defined contribution plans of S$810,000 (2017: S$786,000).

The Group's daily operations and administrative functions are provided by the Manager and Property Manager. Staff costs include reimbursements paid/payable to the Property Manager in respect of agreed employee expenditure incurred by the Property Manager for providing its services under the Property Management Agreement.

All of the Group's investment properties generate rental income and the above expenses are direct operating expenses arising therefrom.

5. OTHER TRUST EXPENSES

	GROUP		MGCCT	
	2018 S$'000	2017 S$'000	**2018 S$'000**	2017 S$'000
Consultancy and professional fees	**364**	302	**68**	67
Valuation fees	**24**	27	**–**	–
Other trust expenses	**1,081**	1,066	**307**	544
	1,469	1,395	**375**	611

Total fees to auditors included in other trust expenses are as follows:

	GROUP		MGCCT	
	2018 S$'000	2017 S$'000	**2018 S$'000**	2017 S$'000
Auditors' remuneration	**267**	264	**45**	43
Non-audit fees	**–**	–	**–**	–
	267	264	**45**	43

Auditors of the Group comprise member firms of PricewaterhouseCoopers International Limited.

6. FINANCE COSTS

	GROUP	
	2018 S$'000	2017 S$'000
Interest expense	**63,380**	58,993
Cash flow hedges, reclassified from hedging reserve (Note 20)	**2,660**	7,911
Financing fees *	**3,647**	7,329
	69,687	74,233

* Includes legal fees of S$306,000 (2017: S$164,000).

7. INCOME TAX

(a) Income tax expenses

	GROUP		MGCCT	
	2018 S$'000	2017 S$'000	**2018 S$'000**	2017 S$'000
Tax expense attributable to current financial year's results is made up of:				
Current income tax				
– Singapore	**59**	23	**59**	23
– Foreign	**17,426**	15,969	**–**	–
	17,485	15,992	**59**	23
Withholding tax – Foreign	**8,603**	8,046	**–**	–
	26,088	24,038	**59**	23
Deferred tax (Note 18)	**17,658**	16,122	**–**	–
	43,746	40,160	**59**	23
Under/(Over) provision in preceding financial years:				
Current income tax – Foreign	**165**	(80)	**–**	–
	43,911	40,080	**59**	23

7. INCOME TAX (continued)

(a) Income tax expenses (continued)

The income tax expenses on the results for the financial year differ from the amount that would arise using the Singapore standard rate of income tax due to the following:

	GROUP		MGCCT	
	2018 S$'000	2017 S$'000	**2018 S$'000**	2017 S$'000
Total return for the financial year before income tax	**618,252**	412,579	**147,341**	133,567
Tax calculated at a tax rate of 17% (2017: 17%)	**105,103**	70,138	**25,048**	22,706
Effects of:				
– Expenses not deductible for tax purposes	**5,765**	5,635	**3,956**	3,783
– Income not subject to tax	**(2,821)**	(3,484)	**–**	–
– Gain on revaluation of investment properties not subject to tax	**(55,844)**	(26,684)	**–**	–
– Income not subject to tax due to tax transparency ruling (Note 2.5)	**–**	–	**(28,945)**	(26,466)
– Different tax rates in other countries	**(8,312)**	(5,651)	**–**	–
– Under/(Over) provision in preceding financial years	**165**	(80)	**–**	–
– Others	**(145)**	206	**–**	–
Tax charge	**43,911**	40,080	**59**	23

(b) Movements in current income tax liabilities

	GROUP		MGCCT	
	2018 S$'000	2017 S$'000	**2018 S$'000**	2017 S$'000
Beginning of the financial year	**44,142**	35,257	**70**	55
Income tax paid	**(37,871)**	(14,898)	**(47)**	(8)
Tax expense	**26,088**	24,038	**59**	23
Utilisation of tax benefits (Note 18(a))	**–**	(1,109)	**–**	–
(Over)/Under provision in preceding financial years	**165**	(80)	**–**	–
Translation differences on consolidation	**(2,594)**	934	**–**	–
End of the financial year	**29,930**	44,142	**82**	70

8. EARNINGS PER UNIT

The calculation of basic and diluted earnings per unit is based on:

	GROUP		MGCCT	
	2018	2017	**2018**	2017
Total return attributable to Unitholders of MGCCT (S$'000)	**574,341**	372,499	**147,282**	133,544
Weighted average number of units outstanding during the financial year ('000)	**2,810,988**	2,777,465	**2,810,988**	2,777,465
Basic and diluted earnings per unit (cents)	**20.432**	13.411	**5.239**	4.808

Diluted earnings per unit is the same as the basic earnings per unit as there are no dilutive instruments in issue during the financial year.

9. CASH AND BANK BALANCES

	GROUP		MGCCT	
	2018 S$'000	2017 S$'000	**2018 S$'000**	2017 S$'000
Cash at bank and on hand	**89,863**	112,522	**49,457**	66,844
Short-term bank deposits	**88,118**	122,335	**41,410**	30,000
	177,981	234,857	**90,867**	96,844

Short-term bank deposits at the reporting date have a weighted average maturity of 111 (2017: 45) days from the end of the financial year. The effective interest rates at the reporting date ranged from 1.31% to 3.05% (2017: 0.90% to 2.18%) per annum.

Included in cash and bank balances as at 31 March 2017 was an amount of RMB264,860,000, equivalent to S$54,437,000 which relates to cash receipt set aside to settle the amount due to a related party (Note 16). As at 31 March 2018, this cash amount had been fully paid.

10. TRADE AND OTHER RECEIVABLES

	GROUP		MGCCT	
	2018 S$'000	2017 S$'000	**2018 S$'000**	2017 S$'000
Trade receivables (tenants):				
– Non-related parties	**807**	44,582	**395**	366
– Related parties	**–**	346	**–**	–
Amounts due from subsidiaries (non-trade)	**–**	–	**5,025**	4,615
Accrued revenue	**6,767**	8,027	**–**	–
Other receivables	**1,845**	2,257	**147**	55
	9,419	55,212	**5,567**	5,036

The amounts due from subsidiaries are unsecured, interest-free and repayable on demand.

11. OTHER CURRENT ASSETS

	GROUP	
	2018 S$'000	2017 S$'000
Deposits	**61**	63
Prepayments	**493**	1,100
	554	1,163

12. DERIVATIVE FINANCIAL INSTRUMENTS

		GROUP		
		Contract notional amount	Fair value	
	Maturity	S$'000	Assets S$'000	Liabilities S$'000
2018				
Cash flow hedging instruments:				
Interest rate swaps (current)	July 2018 – March 2019	503,897	**396**	**–**
Interest rate swaps (non-current)	March 2020 – November 2020	529,799	**6,472**	**(20)**
Cross currency interest rate swaps (non-current)	March 2020 – March 2023	500,471	**31,606**	**(2,676)**
Non-hedging instruments:				
Currency forwards (current)	June 2018 – December 2018	78,127	**1,093**	**(244)**
			39,567	**(2,940)**
Represented by:				
Current position			**1,489**	**(244)**
Non-current position			**38,078**	**(2,696)**
Percentage of derivatives to the Group's net asset value				**0.9%**
2017				
Cash flow hedging instruments:				
Interest rate swaps (non-current)	July 2018 – March 2020	956,968	4,551	(529)
Cross currency interest rate swaps (non-current)	March 2020 – March 2023	508,653	3,768	(13,248)
Non-hedging instruments:				
Currency forwards (current)	June 2017 – September 2017	66,344	508	(181)
			8,827	(13,958)
Represented by:				
Current position			508	(181)
Non-current position			8,319	(13,777)
Percentage of derivatives to the Group's net asset value				(0.1%)

At 31 March 2018, the fixed interest rates payable on interest rate swaps and cross currency interest rate swaps vary from 1.09% to 3.58% (2017: 1.09% to 3.70%) per annum and the fixed and floating interest rates receivable vary from 1.02% to 3.96% (2017: 0.81% to 4.38%) per annum.

12. DERIVATIVE FINANCIAL INSTRUMENTS (continued)

		MGCCT		
		Contract	Fair value	
		Notional amount	Assets	Liabilities
	Maturity	S$'000	S$'000	S$'000
2018				
Cash flow hedging instruments:				
Currency forwards (current)	June 2018 – December 2018	78,127	**1,093**	**(244)**
Percentage of derivatives to MGCCT's net asset value				**0.04%**
2017				
Cash flow hedging instruments:				
Currency forwards (current)	June 2017 – September 2017	66,344	508	(181)
Percentage of derivatives to MGCCT's net asset value				0.01%

Periods when the cash flows on cash flow hedges are expected to occur or affect Statements of Total Return

(a) Interest rate swaps

Interest rate swaps are transacted to hedge variable quarterly interest payments on borrowings that will mature on the respective maturity dates. Fair value changes on the interest rate swaps recognised in the hedging reserve are reclassified to the Statements of Total Return as part of finance costs over the period of the borrowings.

(b) Cross currency interest rate swaps

Cross currency interest rate swaps are transacted to hedge:

(i) variable quarterly foreign currency interest payments on borrowings that will mature on the respective maturity dates;

(ii) fixed semi-annual foreign currency interest payments on borrowings that will mature on the respective maturity dates; and

(iii) foreign currency principal payments at maturity of the borrowings.

Fair value changes on the cross currency interest rate swaps recognised in the hedging reserve are reclassified to the Statements of Total Return as part of finance costs and foreign exchange over the period of the borrowings.

(c) Currency forwards

Currency forwards are transacted to hedge the foreign currency income received from the offshore assets, back into Singapore Dollars. At MGCCT level, fair value changes on the currency forwards are recognised in the hedging reserve and transferred to the Statement of Total Return as part of dividend income upon the receipt of the dividend income.

Fair value changes on non-hedging instruments

At Group level, fair value changes on currency forwards are recognised in the Statements of Total Return.

13. INVESTMENT PROPERTIES

(a) Investment properties

	GROUP	
	2018 S$'000	2017 S$'000
Beginning of the financial year	**6,226,345**	5,922,457
Additions	**4,951**	6,898
Net change in fair value of investment properties	**417,122**	218,882
Translation difference on consolidation	**(356,411)**	78,108
End of the financial year	**6,292,007**	6,226,345

Details of the properties are shown in the Portfolio Statement.

(b) Fair value hierarchy

The following level presents the investment properties at fair value and classified by level of fair value measurement hierarchy:

- Level 1: quoted prices (unadjusted) in active markets for identical assets;
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3: inputs for the asset that are not based on observable market data (unobservable inputs).

All properties within the Group's portfolio are classified within Level 3 of the fair value hierarchy.

(c) Reconciliation of movements in Level 3 fair value measurements

	Hong Kong SAR S$'000	PRC S$'000
2018		
Beginning of the financial year	**4,549,220**	**1,677,125**
Additions	**4,637**	**314**
Net change in fair value of investment properties	**338,449**	**78,673**
Translation differences on consolidation	**(378,086)**	**21,675**
End of the financial year	**4,514,220**	**1,777,787**
2017		
Beginning of the financial year	4,253,079	1,669,378
Additions	6,386	512
Net change in fair value of investment properties	161,721	57,161
Translation differences on consolidation	128,034	(49,926)
End of the financial year	4,549,220	1,677,125

13. INVESTMENT PROPERTIES (continued)

(d) Valuation techniques and key unobservable inputs

Fair values of the Group's properties have been derived using the following valuation techniques:

- Income capitalisation – Properties are valued by capitalising the net income on a fully leased basis at a blended rate to arrive at the core capital value. The net income of the building is the estimated current rate and potential future income from existing vacancies after deducting all necessary outgoings and expenses. The adopted yield reflects the nature, location and tenancy profile of the property together with the prevailing property market condition.

- Term and reversion – Properties are valued by capitalising rental income, considering the current passing rental income from existing tenancies and potential reversionary income upon expiries of existing tenancies, at a rate reflective of the prevailing market conditions.

- Discounted cash flow – Properties are valued by discounting the net cash flows over the assumed cash flow period at an appropriate rate to reflect risk.

- Direct comparison – Properties are valued by using transacted prices for comparable properties for which price information is available, with adjustments made for differences in size, location, time, amenities, building age, building quality, remaining land tenure and other relevant factors.

The following table presents the valuation techniques and key inputs that were used to determine the fair value of the investment properties categorised under Level 3 of the fair value hierarchy:

Valuation techniques	Unobservable inputs	Range of unobservable inputs	Relationship of unobservable inputs to fair value
Income capitalisation	Capitalisation rate	4.25% – 6.25% per annum	The higher the capitalisation rate, the lower the fair value.
Term and reversion	Term and reversion rate	2017: 4.50% – 6.50% per annum	The higher the term and reversion rate, the lower the fair value.
Discounted cash flow	Discount rate	8.00% – 9.80% (2017: 8.00% – 10.50%) per annum	The higher the discount rate, the lower the fair value.
Direct comparison (only for PRC properties)	Adjusted price per square metre	RMB 33,105 – RMB 60,429 (2017: RMB32,394 – RMB57,864)	The higher the adjusted price per square metre, the higher the fair value.

The Manager is of the view that the valuation techniques and estimates are reflective of the current market conditions.

(e) Valuation processes of the Group

The Group engages an external, independent and qualified valuer to determine the fair value of the Group's properties at the end of every financial year based on the properties' highest and best use. As at 31 March 2018, the fair values of the properties have been determined by CBRE Limited (2017: Colliers International (Hong Kong) Limited).

14. PLANT AND EQUIPMENT

	Computer equipment S$'000	Other fixed assets S$'000	Total S$'000
Group			
2018			
Cost			
Beginning of the financial year	**1,664**	**1,877**	**3,541**
Additions	**65**	**1,564**	**1,629**
Disposals/Write-offs	**(118)**	**(33)**	**(151)**
Translation difference on consolidation	**(130)**	**(148)**	**(278)**
End of the financial year	**1,481**	**3,260**	**4,741**
Accumulated depreciation			
Beginning of the financial year	**1,290**	**546**	**1,836**
Depreciation charge	**167**	**549**	**716**
Disposals/Write-offs	**(88)**	**(33)**	**(121)**
Translation difference on consolidation	**(107)**	**(61)**	**(168)**
End of the financial year	**1,262**	**1,001**	**2,263**
Net book value			
End of the financial year	**219**	**2,259**	**2,478**
2017			
Cost			
Beginning of the financial year	1,548	1,197	2,745
Additions	94	647	741
Disposals/Write-offs	(19)	–	(19)
Translation difference on consolidation	41	33	74
End of the financial year	1,664	1,877	3,541
Accumulated depreciation			
Beginning of the financial year	1,138	258	1,396
Depreciation charge	137	275	412
Disposals/Write-offs	(19)	–	(19)
Translation difference on consolidation	34	13	47
End of the financial year	1,290	546	1,836
Net book value			
End of the financial year	374	1,331	1,705

15. INVESTMENTS IN SUBSIDIARIES

	MGCCT	
	2018 **S$'000**	2017 S$'000
Equity investments at cost	**1,100,262**	1,087,935
Loans to subsidiaries	**1,221,197**	1,255,512
	2,321,459	2,343,447

The loans to subsidiaries are unsecured, interest-free with no fixed repayment terms and are intended to be a long-term source of additional capital for the subsidiaries. Settlement of these loans is neither planned nor likely to occur in the foreseeable future.

As a result, the Manager considers these loans to be part of the Company's net investment in the subsidiaries and has accounted for these loans in accordance with Note 2.7.

The Group has the following significant subsidiaries as at 31 March 2018 and 31 March 2017:

Name of subsidiary	Principal activities	Country of incorporation	Proportion of ordinary shares held by the Group	
			2018 **%**	2017 %
Festival Walk (2011) Limited [a]	Property investment	Hong Kong SAR	**100**	100
HK Gateway Plaza Company Limited [b]	Property investment	Hong Kong SAR	**100**	100
Shanghai Zhan Xiang Real Estate Company Limited [b]	Property investment	People's Republic of China	**100**	100

[a] Audited by PricewaterhouseCoopers, Hong Kong
[b] Audited by PricewaterhouseCoopers Zhong Tian

16. TRADE AND OTHER PAYABLES

	GROUP		MGCCT	
	2018 **S$'000**	2017 S$'000	**2018** **S$'000**	2017 S$'000
Current				
Trade payables	**445**	1,134	**96**	76
Accruals	**20,094**	24,180	**1,936**	2,328
Amounts due to subsidiaries (non-trade)	**–**	–	**54**	55
Amounts due to related parties (trade)	**9,554**	9,271	**6,338**	5,983
Amount due to a related party (non-trade) (Note 9)	**27**	54,437	**27**	–
Tenancy deposits and advance rental	**45,359**	47,428	**–**	–
Other deposits	**1,197**	1,150	**–**	–
Interest payable	**8,402**	8,598	**–**	–
Other payables	**2,225**	2,395	**–**	–
	87,303	148,593	**8,451**	8,442
Non-current				
Tenancy deposits and advance rental	**60,410**	58,558	**–**	–
	147,713	207,151	**8,451**	8,442

16. TRADE AND OTHER PAYABLES (continued)

Accruals include accrued operating and capital expenditures.

Included in trade amounts due to related parties are amounts due to the Property Manager of S$3,215,000 (2017: S$3,280,000) and the Manager of S$6,338,000 (2017: S$5,983,000).

As at 31 March 2017, amount due to a related party (non-trade), Mapletree India China Fund Ltd. ("MICF"), related to a cash receipt of RMB264,860,000, equivalent to S$54,437,000, which was released from the PRC courts to a subsidiary company HK Gateway Plaza Company Limited ("HKGW"), following the resolution of the Litigation Action in the PRC courts between Beijing Bestride Real Estate Development Co. Ltd. and HKGW in favour of HKGW. As at 31 March 2018, this amount had been fully paid to MICF.

The non-trade amounts due to subsidiaries and a related party are unsecured, interest-free and repayable on demand.

17. BORROWINGS

	GROUP	
	2018 S$'000	2017 S$'000
Current		
Bank loans	**83,906**	163,473
Non-current		
Bank loans	**1,578,098**	1,667,792
Medium-term notes	**706,148**	733,411
Gross borrowings	**2,368,152**	2,564,676
Less: Unamortised transaction costs	**(7,067)**	(8,520)
Net borrowings	**2,361,085**	2,556,156
Represented by:		
Current position	**83,801**	163,143
Non-current position	**2,277,284**	2,393,013
Percentage of total borrowings to net asset value	**60.7%**	70.3%

The above borrowings are unsecured.

(a) Maturity of borrowings

The bank loans mature between 2018 and 2023 (2017: 2017 and 2021), and medium-term notes mature between 2020 and 2023 (2017: 2020 and 2023).

(b) Interest rates

The weighted average effective interest rates of the bank loans and medium-term notes at the reporting date were 2.43% and 3.30% (2017: 2.35% and 3.30%) per annum respectively.

17. BORROWINGS (continued)

(c) Interest rate risks

The exposure of the borrowings of the Group to interest rate changes and the contractual repricing dates at the reporting dates (before taking into account the derivatives to swap the floating rates to fixed rates) are as follows:

	Variable rates 1 to 6 months S$'000	Fixed rates 1 to 5 years S$'000	Fixed rates more than 5 years S$'000	Total S$'000
Group				
2018				
Borrowings	**1,656,510**	**92,390**	**612,185**	**2,361,085**
2017				
Borrowings	1,824,864	100,414	630,878	2,556,156

(d) Carrying amounts and fair values

The carrying amount of the current and non-current bank loans, which are at variable market rates, approximate their fair values at the reporting date.

The fair value of the non-current fixed-rate medium-term notes of S$710,772,000 (2017: S$735,116,000) is within Level 2 of the fair value hierarchy. In 2018, the fair value is determined from adjusted quoted prices.

(e) Medium-term notes

In May 2013, the Group established, together with DBS Trustee Limited, in its capacity as Trustee of MGCCT ("MGCCT Trustee"), a US$1,500,000,000 Euro Medium Term Securities Programme ("MTN Programme") via its subsidiaries, Mapletree Greater China Commercial Trust Treasury Company (S) Pte. Ltd. ("MGCCT S-TCo") and Mapletree Greater China Commercial Treasury Company (HKSAR) Limited ("MGCCT HK-TCo").

Under the MTN Programme, MGCCT Trustee, MGCCT S-TCo and MGCCT HK-TCo (collectively "the Issuers") may, subject to compliance with all relevant laws, regulations and directives, from time to time issue Medium-term notes or perpetual securities in series or tranches in Singapore Dollars or any other currency.

Each series or tranche of Medium-term notes may be issued in various amounts and tenors, and may bear fixed, floating or variable rates of interest. Hybrid notes or zero coupon notes may also be issued under the MTN Programme.

The Medium-term notes shall constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuers and rank pari passu and without any preference among themselves and equally with all other unsecured obligations of the Issuers, from time to time outstanding. All sums payable in respect of the Medium-term notes will be unconditionally and irrevocably guaranteed by DBS Trustee Limited, in its capacity as Trustee of MGCCT.

17. BORROWINGS (continued)

(e) Medium-term notes (continued)

Total Medium-term notes outstanding as at 31 March 2018 under the MTN Programme is S$706,148,000 (2017: S$733,411,000) consisting of:

Maturity date		Fixed Interest rate	Interest payment in arrear	**2018 '000**	2017 '000
(i)	8 September 2021	3.20%	Semi-annually	**S$75,000**	S$75,000
(ii)	11 February 2020	2.80%	Quarterly	**HK$550,000**	HK$550,000
(iii)	9 March 2022	3.43%	Semi-annually	**S$100,000**	S$100,000
(iv)	9 November 2022	3.96%	Semi-annually	**S$100,000**	S$100,000
(v)	22 March 2023	3.50%	Semi-annually	**S$120,000**	S$120,000
(vi)	20 April 2023	3.25%	Semi-annually	**HK$600,000**	HK$600,000
(vii)	20 September 2023	3.00%	Semi-annually	**HK$700,000**	HK$700,000

(f) Undrawn committed borrowing facilities

	GROUP	
	2018 S$'000	2017 S$'000
Expiring beyond one year	**143,942**	94,056

18. DEFERRED TAX

(a) Deferred tax assets

	GROUP	
	2018 S$'000	2017 S$'000
Beginning of the financial year	–	1,533
Utilisation of tax benefits (Note 7(b))	–	(1,109)
Tax charge to hedging reserve (Note 20)	–	(392)
Translation difference on consolidation	–	(32)
End of the financial year	–	–

The movement in deferred income tax assets prior to offsetting of balances within the same tax jurisdiction is as follows:

	Change in fair value of derivative financial instruments S$'000	Tax losses S$'000	Total S$'000
Group			
2017			
Beginning of the financial year	392	1,141	1,533
Utilisation of tax benefits (Note 7(b))	–	(1,109)	(1,109)
Tax charge to hedging reserve (Note 20)	(392)	–	(392)
Translation difference on consolidation	–	(32)	(32)
End of the financial year	–	–	–

Deferred tax assets are recognised for tax losses carried forward to the extent that realisation of the related tax benefits through future taxable profits is probable.

18. DEFERRED TAX (continued)

(b) Deferred tax liabilities

	GROUP 2018 S$'000	GROUP 2017 S$'000
Beginning of the financial year	**71,193**	53,965
Tax charge to Statements of Total Return (Note 7(a))	**17,658**	16,122
Tax charge to hedging reserve (Note 20)	**6,751**	528
Translation difference on consolidation	**(3,273)**	578
End of the financial year	**92,329**	71,193

The movement in deferred income tax liabilities prior to offsetting of balances within the same tax jurisdiction is as follows:

	Accelerated tax depreciation S$'000	Change in fair value of investment properties S$'000	Change in fair value of derivative financial instruments S$'000	Unremitted earnings S$'000	Total S$'000
Group					
2018					
Beginning of the financial year	**43,810**	**28,017**	**(848)**	**214**	**71,193**
Tax charge to Statements of Total Return (Note 7(a))	**7,013**	**9,784**	**–**	**861**	**17,658**
Tax charge to hedging reserve (Note 20)	**–**	**–**	**6,751**	**–**	**6,751**
Translation difference on consolidation	**(3,771)**	**484**	**–**	**14**	**(3,273)**
End of the financial year	**47,052**	**38,285**	**5,903**	**1,089**	**92,329**
2017					
Beginning of the financial year	35,163	20,178	(1,376)	–	53,965
Tax charge to Statements of Total Return (Note 7(a))	7,444	8,464	–	214	16,122
Tax charge to hedging reserve (Note 20)	–	–	528	–	528
Translation difference on consolidation	1,203	(625)	–	–	578
End of the financial year	43,810	28,017	(848)	214	71,193

19. GENERAL RESERVE

Shanghai Zhan Xiang Real Estate Company Limited, an entity incorporated in China, is required to transfer 10% of its profits after taxation, as determined under the accounting principles and relevant financial regulations of China, to the general reserve until the reserve balance reaches 50% of registered capital. The transfer to this reserve must be made before distribution of dividends to its shareholders. This general reserve can be used to make good previous years' losses, if any, and may be converted to registered capital in proportion to the existing interests of the shareholders, provided that the balance after such conversion is not less than 25% of the registered capital.

20. HEDGING RESERVE

	GROUP		MGCCT	
	2018 S$'000	2017 S$'000	**2018 S$'000**	2017 S$'000
Beginning of the financial year	**15,953**	656	**327**	3,164
Fair value changes	**38,576**	(3,461)	**1,816**	327
Tax charge (Note 18)	**(6,751)**	(920)	**–**	–
Reclassification to Statement of Total Return				
– Finance costs (Note 6)	**2,660**	7,911	**–**	–
– Foreign exchange	**(34,434)**	11,767	**–**	–
– Dividend income	**–**	–	**(1,293)**	(3,164)
End of the financial year	**16,004**	15,953	**850**	327

21. UNITS IN ISSUE

	GROUP AND MGCCT	
	2018 '000	2017 '000
Beginning of the financial year	**2,795,382**	2,757,579
Units issued as settlement of Management fees	**30,886**	37,803
End of the financial year	**2,826,268**	2,795,382

During the financial year, MGCCT issued, in respect of the payment of Management fees to the Manager and the Property Manager, 30,886,272 (2017: 37,802,654) new units at the issue price range of S$1.00 to S$1.21 (2017: S$0.94 to S$1.09) per unit. The issue prices were determined based on the volume weighted average traded price for all trades done on SGX-ST in the ordinary course of trading for the last 10 business days of the relevant quarter on which the management fees accrued.

Each unit in MGCCT represents an undivided interest in MGCCT. The rights and interests of Unitholders are contained in the Trust Deed and include the right to:

- Receive income and other distributions attributable to the units held;
- Participate in the termination of MGCCT by receiving a share of all net cash proceeds derived from the realisation of the assets of MGCCT less any liabilities, in accordance with their proportionate interests in MGCCT. However, a Unitholder does not have the right to require that any assets (or part thereof) of MGCCT be transferred to him; and
- Attend all Unitholders' meetings. The Trustee or the Manager (and the Manager shall at the request in writing of not less than 50 Unitholders or Unitholders representing not less than 10.0% of the issued units of MGCCT) may at any time convene a meeting of Unitholders in accordance with the provisions of the Trust Deed.

The restrictions of a Unitholder include the following:

- A Unitholder's right is limited to the right to require due administration of MGCCT in accordance with the provisions of the Trust Deed; and
- A Unitholder has no right to request to redeem his units while the units are listed on SGX-ST.

A Unitholder's liability is limited to the amount paid or payable for any units in MGCCT. The provisions of the Trust Deed provide that no Unitholder will be personally liable to indemnify the Trustee or any creditor of the Trustee in the event that the liabilities of MGCCT exceed its assets.

22. COMMITMENTS

(a) Capital commitments

Development expenditures contracted for at the reporting date but not recognised in the financial statements amounted to S$687,000 (2017: S$1,415,000).

(b) Operating lease commitments – where the Group is a lessor

The Group leases out its investment properties. The future minimum lease receivable under non-cancellable operating leases contracted for at the reporting date but not recognised as receivables, are as follows:

	GROUP	
	2018 S$'000	2017 S$'000
Not later than 1 year	**261,539**	255,011
Later than 1 year but not later than 5 years	**439,821**	440,781
Later than 5 years	**21,446**	56,869
	722,806	752,661

Some of the operating leases are subject to revision of lease rentals at periodic intervals. For the purpose of the above disclosure, the prevailing lease rentals are used.

The future minimum lease receivables under non-cancellable leases exclude the portion of lease receivables which is computed based on a percentage of the sales achieved by some of the lessees. The contingent lease receivables received during the financial year and recognised in the Group's revenue are disclosed in Note 3.

23. FINANCIAL RISK MANAGEMENT

Financial risk factors

The Group's activities expose it to market risk (including currency risk and interest rate risk), credit risk and liquidity risk in the normal course of its business. The Group's overall risk management strategy seeks to minimise adverse effects from the unpredictability of financial markets on the Group's financial performance. The Group uses financial instruments such as currency forwards, interest rate swaps, cross currency interest rate swaps, and foreign currency borrowings to hedge certain financial risk exposures.

The Board of Directors ("BOD") of the Manager is responsible for setting the objectives and underlying principles of financial risk management for the Group. This is supported by comprehensive internal processes and procedures which are formalised in the Manager's organisational and reporting structure, operating manuals and delegation of authority guidelines.

(a) Market risk

(i) Currency risk

The Manager's investment strategy includes investing in the Greater China region. In order to manage the currency risk involved in investing in assets outside Singapore, the Manager adopts strategies that may include:

- the use of foreign currency denominated borrowings to match the currency of the investment asset as a natural currency hedge;
- the use of cross currency interest rate swaps to swap a portion of borrowings and interest in another currency into the currency of the investment asset to reduce the underlying currency exposure on the borrowings and interest; and
- entering into currency forward contracts to hedge the foreign currency income receivable from the offshore assets, back into Singapore Dollars.

23. FINANCIAL RISK MANAGEMENT (continued)

(a) Market risk (continued)

(i) Currency risk (continued)

The Group's currency exposure is as follows:

	SGD S$'000	HKD S$'000	RMB $'000	USD S$'000	Total S$'000
Group					
2018					
Financial assets					
Cash and bank balances	**86,857**	**18,140**	**71,564**	**1,420**	**177,981**
Trade and other receivables and other current assets [1]	**538**	**4,808**	**4,130**	**4**	**9,480**
Derivative financial instruments	**1,093**	**38,474**	**–**	**–**	**39,567**
	88,488	**61,422**	**75,694**	**1,424**	**227,028**
Financial liabilities					
Trade and other payables	**(8,404)**	**(91,163)**	**(48,126)**	**(20)**	**(147,713)**
Derivative financial instruments	**(244)**	**(2,696)**	**–**	**–**	**(2,940)**
Borrowings	**(395,000)**	**(1,811,677)**	**(48,933)**	**(105,475)**	**(2,361,085)**
	(403,648)	**(1,905,536)**	**(97,059)**	**(105,495)**	**(2,511,738)**
Net financial (liabilities)/assets	**(315,160)**	**(1,844,114)**	**(21,365)**	**(104,071)**	**(2,284,710)**
Less: Net financial (assets)/liabilities denominated in the respective entities' functional currencies	**(79,877)**	**1,846,649**	**21,430**	**–**	
Currency forwards	**–**	**(63,525)**	**(14,602)**	**–**	
Cross currency interest rate swaps #	**395,000**	**–**	**–**	**105,471**	
Net currency exposure	**(37)**	**(60,990) ***	**(14,537) ***	**1,400**	
2017					
Financial assets					
Cash and bank balances	96,476	11,351	125,513	1,517	234,857
Trade and other receivables and other current assets [1]	421	4,648	50,206	–	55,275
Derivative financial instruments	508	7,696	623	–	8,827
	97,405	23,695	176,342	1,517	298,959
Financial liabilities					
Trade and other payables	(8,399)	(100,547)	(98,205)	–	(207,151)
Derivative financial instruments	(181)	(13,777)	–	–	(13,958)
Borrowings	(395,000)	(1,977,018)	(70,485)	(113,653)	(2,556,156)
	(403,580)	(2,091,342)	(168,690)	(113,653)	(2,777,265)
Net financial liabilities	(306,175)	(2,067,647)	7,652	(112,136)	(2,478,306)
Less: Net financial (assets)/liabilities denominated in the respective entities' functional currencies	(88,824)	2,067,880	(7,639)	–	
Currency forwards	–	(52,151)	(14,193)	–	
Cross currency interest rate swaps #	395,000	–	–	113,653	
Net currency exposure	1	(51,918) *	(14,180) *	1,517	

[1] Excludes prepayments.

23. FINANCIAL RISK MANAGEMENT (continued)

(a) Market risk (continued)

(i) ***Currency risk*** (continued)

MGCCT's currency exposure is as follows:

	SGD S$'000	HKD S$'000	RMB S$'000	USD S$'000	Total S$'000
MGCCT					
2018					
Financial assets					
Cash and bank balances	**86,855**	**2,535**	**64**	**1,413**	**90,867**
Trade and other receivables	**4,476**	**492**	**–**	**599**	**5,567**
Derivative financial instruments	**1,093**	**–**	**–**	**–**	**1,093**
	92,424	**3,027**	**64**	**2,012**	**97,527**
Financial liabilities					
Trade and other payables	**(8,451)**	**–**	**–**	**–**	**(8,451)**
Derivative financial instruments	**(244)**	**–**	**–**	**–**	**(244)**
	(8,695)	**–**	**–**	**–**	**(8,695)**
Net financial assets	**83,729**	**3,027**	**64**	**2,012**	**88,832**
Less: Net financial assets denominated in MGCCT's functional currency	**(83,729)**	**–**	**–**	**–**	
Add: Highly probable forecast transactions	**–**	**63,525**	**14,602**	**–**	
Less: Currency forwards	**–**	**(63,525)**	**(14,602)**	**–**	
Net currency exposure	**–**	**3,027**	**64**	**2,012**	
2017					
Financial assets					
Cash and bank balances	96,475	233	13	123	96,844
Trade and other receivables	4,169	228	–	639	5,036
Derivative financial instruments	508	–	–	–	508
	101,152	461	13	762	102,388
Financial liabilities					
Trade and other payables	(8,442)	–	–	–	(8,442)
Derivative financial instruments	(181)	–	–	–	(181)
	(8,623)	–	–	–	(8,623)
Net financial assets	92,529	461	13	762	93,765
Less: Net financial assets denominated in MGCCT's functional currency	(92,529)	–	–	–	
Add: Highly probable forecast transactions	–	52,151	14,193	–	
Less: Currency forwards	–	(52,151)	(14,193)	–	
Net currency exposure	–	461	13	762	

\# At 31 March 2018, the Group had cross currency interest rate swaps to swap S$395.0 million (2017: S$395.0 million) Medium-term notes to HK$2,270.0 million (2017: HK$2,270.0 million), and US$80.0 million (2017: US$80.0 million) bank loan to HK$623.2 million (2017: HK$623.2 million).

* Net currency exposure of S$61.0 million and S$14.5 million (2017: S$51.9 million and S$14.2 million) for HKD and RMB respectively mainly relates to currency forward contracts entered into to hedge future foreign currency income receivable from its foreign subsidiaries for FY2018/2019 (2017: FY2017/2018), back into SGD.

23. FINANCIAL RISK MANAGEMENT (continued)

(a) Market risk (continued)

(i) *Currency risk* (continued)

The Group's main foreign currency exposure is in HKD and RMB. If the HKD and RMB change against the SGD by 5.0% (2017: 5.0%) with all other variables including tax being held constant, the effects on total return and Unitholders' funds for the year arising from the net financial asset/liability position will be as follows:

	GROUP Increase/(Decrease)	
	2018 S$'000	2017 S$'000
HKD against SGD		
– strengthened	**(3,049)**	(2,596)
– weakened	**3,049**	2,596
RMB against SGD		
– strengthened	**(727)**	(709)
– weakened	**727**	709

MGCCT's foreign currency exposure is not significant.

(ii) *Cash flow and fair value interest rate risk*

The Group's exposure to changes in interest rates relates primarily to interest-earning financial assets and interest-bearing financial liabilities. Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market interest rates. The Group has no significant interest-bearing assets.

The Group's policy is to maintain at least 50% of its borrowings in fixed-rate instruments. The Group's exposure to cash flow interest rate risks arises mainly from variable-rate borrowings. The Manager manages these cash flow interest rate risks using floating-to-fixed interest rate swaps and cross currency interest rate swaps.

The Group's borrowings at variable rates on which interest rate swaps have not been entered into, are denominated in HKD.

If HKD interest rates increased/decreased by 50 basis points (2017: 50 basis points) per annum:

- Total return and Unitholders' funds would have been lower/higher by S$2,231,000 (2017: S$3,102,000) on unhedged variable rate borrowings; and
- Hedging reserve would have been higher/lower by S$4,850,000 (2017: S$8,000,000) as a result of an increase/decrease in the fair value of interest rate swaps.

(b) Credit risk

Credit risk is the potential financial loss resulting from the failure of a customer or counterparty to settle its financial and contractual obligations to the Group, as and when they fall due.

The Manager has established credit limits for customers and monitors their balances on an ongoing basis. Credit evaluations are performed by the Manager before lease agreements are entered into with customers. The risk is also mitigated due to customers placing security deposits or furnishing bankers guarantees for lease rentals. Cash and short-term bank deposits are placed with financial institutions which are regulated.

23. FINANCIAL RISK MANAGEMENT (continued)

(b) Credit risk (continued)

At the reporting date, there was no significant concentration of credit risk. The maximum exposure to credit risk is represented by the carrying value of each financial asset in the Statements of Financial Position.

The Group's and MGCCT's major classes of financial assets are cash and bank balances and trade and other receivables.

The credit risk for trade receivables is as follows:

	GROUP		MGCCT	
	2018 S$'000	2017 S$'000	**2018 S$'000**	2017 S$'000
By geographical areas				
Singapore	**395**	366	**395**	366
Hong Kong SAR	**256**	585	**–**	–
PRC	**156**	43,977	**–**	–
	807	44,928	**395**	366

(i) Financial assets that are neither past due nor impaired

Bank deposits that are neither past due nor impaired are mainly deposits with banks which are regulated and with high credit-ratings assigned by international credit-rating agencies. Trade and other receivables that are neither past due nor impaired are substantially from companies with a good collection track record with the Group.

(ii) Financial assets that are past due and/or impaired

There is no other class of financial assets that is past due and/or impaired except for trade receivables.

The age analysis of trade receivables past due but not impaired is as follows:

	GROUP		MGCCT	
	2018 S$'000	2017 S$'000	**2018 S$'000**	2017 S$'000
Past due 0 to 3 months	**345**	12,776	**–**	–
Past due 3 to 6 months	**7**	27,379	**–**	–
Past due over 6 months	**9**	1,099	**–**	–
	361	41,254	**–**	–

Trade receivables as at 31 March 2017 mainly related to rentals outstanding due to the value added tax implementation at Gateway Plaza. Clarification from the local tax authorities on the applicable value added tax rate and implementation process at Gateway Plaza had been obtained and collection of rentals were made during the current financial year.

As at 31 March 2018 and 31 March 2017, the Group and MGCCT had no trade receivables which it determined to be impaired and there are no allowances for impairment provided for.

(c) Liquidity risk

The Manager monitors and maintains a level of cash and bank balances deemed adequate to finance the Group's operations. In addition, the Manager also monitors and observes the CCIS issued by the MAS concerning the leverage limits as well as bank covenants imposed by the banks on the various borrowings.

23. FINANCIAL RISK MANAGEMENT (continued)

(c) Liquidity risk (continued)

The table below analyses the maturity profile of the Group's and MGCCT's financial liabilities (including derivative financial liabilities) based on contractual undiscounted cash flows.

	Less than 1 year S$'000	Between 1 and 2 years S$'000	Between 2 and 5 years S$'000	Over 5 years S$'000
Group				
2018				
Derivative financial instruments:				
Net-settled interest rate swaps				
– Net payments	**(392)**	**(393)**	**(9)**	**–**
Gross-settled cross currency interest rate swaps				
– Receipts	**2,393**	**2,400**	**3,452**	**–**
– Payments	**(2,784)**	**(2,791)**	**(4,015)**	**–**
Gross-settled currency forwards				
– Receipts	**26,895**	**–**	**–**	**–**
– Payments	**(29,418)**	**–**	**–**	**–**
Trade and other payables	**(87,303)**	**(22,463)**	**(32,685)**	**(5,262)**
Borrowings	**(147,582)**	**(441,169)**	**(1,683,379)**	**(321,820)**
	(238,191)	**(464,416)**	**(1,716,636)**	**(327,082)**
2017				
Derivative financial instruments:				
Net-settled interest rate swaps				
– Net payments	(1,648)	(1,613)	(1,008)	–
Gross-settled cross currency interest rate swaps				
– Receipts	12,611	12,611	30,979	4,085
– Payments	(13,702)	(13,702)	(32,916)	(4,084)
Gross-settled currency forwards				
– Receipts	23,903	–	–	–
– Payments	(24,084)	–	–	–
Trade and other payables	(148,593)	(23,749)	(31,659)	(3,150)
Borrowings	(229,895)	(447,894)	(1,669,193)	(473,746)
	(381,408)	(474,347)	(1,703,797)	(476,895)
MGCCT				
2018				
Derivative financial instruments:				
Gross-settled currency forwards				
– Receipts	**26,895**	**–**	**–**	**–**
– Payments	**(29,418)**	**–**	**–**	**–**
Trade and other payables	**(8,451)**	**–**	**–**	**–**
	(10,974)	**–**	**–**	**–**
2017				
Derivative financial instruments:				
Gross-settled currency forwards				
– Receipts	23,903	–	–	–
– Payments	(24,084)	–	–	–
Trade and other payables	(8,442)	–	–	–
	(8,623)	–	–	–

23. FINANCIAL RISK MANAGEMENT (continued)

(d) Capital risk

The Manager's objective when managing capital to fund future acquisitions and asset enhancement works at the Group's properties, is to optimise the Group's capital structure within the borrowing limits set out in the CCIS issued by the MAS. To maintain or achieve an optimal capital structure, the Manager may issue new units or source additional borrowings from both financial institutions and capital markets.

The Group is subject to the aggregate leverage limit as defined in Appendix 6 of the CCIS ("Property Funds Appendix"). The Property Funds Appendix stipulates that the total borrowings and deferred payments (collectively, the "Aggregate Leverage") of a property fund should not exceed 45.0% of the fund's deposited property. The Group has complied with the Aggregate Leverage requirements for the financial years ended 31 March 2018 and 31 March 2017.

The aggregate leverage ratio is calculated as total borrowings divided by total assets.

	GROUP	
	2018 S$'000	2017 S$'000
Total borrowings	**2,361,085**	2,556,156
Total assets	**6,522,749**	6,528,920
Aggregate leverage ratio	**36.2%**	39.2%

The Group and MGCCT are in compliance with the borrowing limit requirement imposed by the CCIS and all externally imposed capital requirements for the financial years ended 31 March 2018 and 31 March 2017.

(e) Fair value measurements

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

(i) Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;

(ii) 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

(iii) Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	GROUP		MGCCT	
	2018 S$'000	2017 S$'000	**2018 S$'000**	2017 S$'000
Level 2				
Assets				
Derivative financial instruments	**39,567**	8,827	**1,093**	508
Liabilities				
Derivative financial instruments	**(2,940)**	(13,958)	**(244)**	(181)

23. FINANCIAL RISK MANAGEMENT (continued)

(e) Fair value measurements (continued)

The fair values of derivative financial instruments that are not traded in an active market (for example, over-the-counter derivatives) are determined by using valuation techniques. The fair values of currency forwards are determined using banks' quoted forward rates and foreign exchange spot rates at the reporting date. The fair values of interest rate swaps and cross currency interest rate swaps are calculated as the present value of the estimated future cash flows, using assumptions based on market conditions existing at the reporting date.

The carrying value of cash and bank balances, trade and other receivables, other current assets and trade and other payables approximate their fair values. The fair value of borrowings approximates their carrying amounts as the interest rates of such loans are adjusted for changes in relevant market interest rate except for non-current fixed rate borrowings as disclosed in Note 17(d).

(f) Categories of financial assets and financial liabilities

The following table sets out the different categories of financial instruments as at the reporting date:

	GROUP		MGCCT	
	2018 S$'000	2017 S$'000	**2018 S$'000**	2017 S$'000
Financial derivative assets at fair value through profit or loss	**39,567**	8,827	**1,093**	508
Financial derivative liabilities at fair value through profit or loss	**(2,940)**	(13,958)	**(294)**	(181)
Loans and receivables[1]	**187,461**	290,132	**96,434**	101,880
Financial liabilities at amortised cost	**(2,508,798)**	(2,763,307)	**(8,451)**	(8,442)

[1] Excludes prepayments.

24. PARENT AND ULTIMATE PARENT

For financial reporting purposes under FRS 110 Consolidated Financial Statements, the Group is regarded as a subsidiary of Mapletree Investments Pte Ltd., incorporated in Singapore. The ultimate parent is Temasek Holdings (Private) Limited, incorporated in Singapore.

25. SIGNIFICANT RELATED PARTY TRANSACTIONS

For the purposes of these financial statements, parties are considered to be related to the Group when the Group has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common significant influence. Related parties may be individuals or other entities. The Manager and the Property Manager are indirect wholly-owned subsidiaries of the parent.

25. SIGNIFICANT RELATED PARTY TRANSACTIONS (continued)

During the financial year, other than those disclosed elsewhere in the financial statements, the following significant related party transactions took place at terms agreed between the parties as follows:

	GROUP		MGCCT	
	2018 S$'000	2017 S$'000	**2018 S$'000**	2017 S$'000
Manager's management fees paid/payable	**22,048**	20,953	**22,048**	20,953
Property Manager's management fees paid/payable	**13,458**	13,339	**–**	–
Lease rental received/receivable	**18,807**	16,784	**–**	–
Project management fee paid/payable	**202**	–	**–**	–
Staff costs paid/payable	**9,501**	9,683	**–**	–
Interest expense and financing fees paid/payable	**9,946**	16,445	**–**	–

26. SEGMENT INFORMATION

The Group has determined the operating segments based on the reports reviewed by Management that are used to make strategic decisions. Management comprises the Chief Executive Officer and the Chief Financial Officer.

Management considers the business from a geographic segment perspective. Geographically, Management manages and monitors the business in Greater China, primarily in Hong Kong SAR and PRC. The Group is in the business of investing, directly or indirectly, in a diversified portfolio of income-producing real estate in the Greater China region which is used primarily for commercial purposes (including real estate used predominantly for retail and/or office purposes), as well as real estate-related assets.

Management assesses the performance of the geographic segments based on a measure of Net Property Income ("NPI"). Interest income and finance costs are not allocated to segments, as the treasury activities are centrally managed by the Group.

26. SEGMENT INFORMATION (continued)

The segment information provided to Management for the reportable segments for the financial year ended 31 March 2018 is as follows:

	Hong Kong SAR S$'000	PRC S$'000	Others* S$'000	Total S$'000
Gross revenue	**246,076**	**108,954**	**–**	**355,030**
Net property income	**197,396**	**89,754**	**–**	**287,150**
Interest income				**1,996**
Manager's management fees				**(22,048)**
Trustee's fee				**(651)**
Other trust expenses				**(1,469)**
Net foreign exchange gain				**5,317**
Finance costs				**(69,687)**
Net income				**200,608**
Net change in fair value of financial derivatives				**522**
Net change in fair value of investment properties	**338,449**	**78,673**	**–**	**417,122**
Total return for the financial year before income tax				**618,252**
Income tax expenses				**(43,911)**
Total return for the financial year after income tax before distribution				**574,341**
Other Segment items				
Capital expenditure				
– Investment properties	**4,637**	**314**	**–**	**4,951**
– Plant and equipment	**1,629**	**–**	**–**	**1,629**
	6,266	**314**	**–**	**6,580**
Segment assets				
– Investment properties #	**4,514,220**	**1,777,787**	**–**	**6,292,007**
– Other segment assets	**23,935**	**75,831**	**91,409**	**191,175**
	4,538,155	**1,853,618**	**91,409**	**6,483,182**
Derivative financial instruments				**39,567**
Consolidated total assets				**6,522,749**
Segment liabilities				
– Trade and other payables	**91,182**	**48,125**	**8,406**	**147,713**
– Current income tax liabilities				**29,930**
– Deferred tax liabilities				**92,329**
				269,972
Borrowings and Derivative financial instruments				**2,364,025**
Consolidated total liabilities				**2,633,997**

26. SEGMENT INFORMATION (continued)

The segment information provided to Management for the reportable segments for the financial year ended 31 March 2017 is as follows:

	Hong Kong SAR S$'000	PRC S$'000	Others* S$'000	Total S$'000
Gross revenue	247,181	103,448	–	350,629
Net property income	197,990	87,590	–	285,580
Interest income				1,196
Manager's management fees				(20,953)
Trustee's fee				(641)
Other trust expenses				(1,395)
Net foreign exchange gain				6,980
Finance costs				(74,233)
Net income				196,534
Net change in fair value of financial derivatives				(2,837)
Net change in fair value of investment properties	161,721	57,161	–	218,882
Total return for the financial year before income tax				412,579
Income tax expenses				(40,080)
Total return for the financial year after income tax before distribution				372,499
Other Segment items				
Capital expenditure				
– Investment properties	6,386	512	–	6,898
– Plant and equipment	741	–	–	741
	7,127	512	–	7,639
Segment assets				
– Investment properties#	4,549,220	1,677,125	–	6,226,345
– Other segment assets	19,464	177,020	97,264	293,748
	4,568,684	1,854,145	97,264	6,520,093
Derivative financial instruments				8,827
Consolidated total assets				6,528,920
Segment liabilities				
– Trade and other payables	100,547	98,205	8,399	207,151
– Current income tax liabilities				44,142
– Deferred tax liabilities				71,193
				322,486
Borrowings and Derivative financial instruments				2,570,114
Consolidated total liabilities				2,892,600

* Others segment comprises MGCCT and a subsidiary, which are not reportable segments individually.

\# Investment properties contribute significantly to total non-current assets.

The Group provides a single product/service - commercial business.

27. FINANCIAL RATIOS

	GROUP	
	2018 **%**	2017 %
Ratio of expenses to weighted average net assets [1]		
– including performance component of Manager's management fees	**0.68**	0.68
– excluding performance component of Manager's management fees	**0.66**	0.67
Ratio of total operating expenses to net asset value [2]	**2.37**	2.42
Portfolio turnover ratio [3]	**–**	–

[1] The ratios are computed in accordance with the guidelines of Investment Management Association of Singapore. The expenses used in the computation relate to expenses of the Group, excluding property expenses, finance costs, foreign exchange gain/(loss) and income tax expenses.

[2] The ratio is computed based on the total property expenses, which include fees and charges paid/payable to interested persons, Manager's management fees, trustee's fee and other trust expenses amounting to S$92,048,000 (2017: S$88,038,000) for the financial year and as a percentage of net asset value at the reporting date.

[3] In accordance with the formulae stated in the CCIS, the ratio reflects the number of times per year that a dollar of assets is reinvested. The ratio is computed based on the lesser of purchases or sales of underlying investment properties of the Group expressed as a percentage of daily average net asset value.

28. EVENTS OCCURRING AFTER REPORTING DATE

(i) The Manager announced a distribution of 3.767 cents per unit, which amounts to S$106,466,000 for the period from 1 October 2017 to 31 March 2018.

(ii) On 6 April 2018, the Manager announced the proposed acquisition by MGCCT of an effective interest of 98.47% in a portfolio of six freehold commercial real estate assets located in Japan (the "Japan Properties", collectively the "Japan Portfolio") for an estimated total acquisition cost of S$770.5 million (approximately JPY62,307.7 million). The proposed acquisition was approved by Unitholders at an Extraordinary General Meeting held on 24 April 2018.

The expected completion date is in May 2018.

(iii) MGCCT'S distribution policy has been to distribute at least 90.0% of its Distributable Income on a semi-annual basis. On 25 April 2018, the Manager announced that MGCCT will amend its distribution policy to make distributions on a quarterly basis with effect from the financial quarter ending 30 June 2018.

29. NEW OR AMENDED FINANCIAL REPORTING STANDARDS EFFECTIVE FOR FUTURE FINANCIAL PERIODS

A number of new or amended financial reporting standards ("FRS") are effective for annual periods beginning on or after 1 April 2018, and have not been applied in the preparation of the Group financial statements for the financial year ended 31 March 2018.

29. NEW OR AMENDED FINANCIAL REPORTING STANDARDS EFFECTIVE FOR FUTURE FINANCIAL PERIODS (continued)

The new or amended FRS which are relevant for the Group are listed below, and the Group plans to adopt these RAP and FRS on the required effective date. These standards are not expected to have any significant impact on the financial statements of the Group.

RAP/FRS	Title	Effective date (annual periods beginning on or after)
FRS 109	Financial Instruments	1 April 2018
FRS 115	Revenue from Contracts with Customers	1 April 2018
FRS 116	Leases	1 April 2019

FRS 109 *Financial Instruments*
FRS 109 replaces FRS 39 *Financial Instruments: Recognition and Measurement* and its relevant interpretations. FRS 109 retains but simplifies the mixed measurement model and establishes three primary measurement categories for financial assets: amortised cost, fair value through other comprehensive income (OCI) and fair value through profit or loss. The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial asset. Investments in equity instruments are required to be measured at fair value through profit or loss or OCI where the option to present changes in fair value through OCI is irrevocable. There was no change to classification and measurement of the Group's financial liabilities except for liabilities designated at fair value through profit or loss where the changes in own credit risk is recognised in OCI.

There is now a new expected credit loss model that replaces the incurred loss impairment model used in FRS 39.

FRS 109 relaxes the requirements for hedge effectiveness by replacing the bright line hedge effectiveness tests. It requires an economic relationship between the hedged item and hedging instrument and for the 'hedged ratio' to be the same as the one management actually uses for risk management purposes. Contemporaneous documentation is still required but is different to that currently prepared under FRS 39.

The Group plans to adopt the new standard retrospectively from 1 April 2018, in line with the transition provisions permitted under the standard. Comparatives for 2018 will not be restated and the Group will recognise any difference between the carrying amounts at 31 March 2018 and 1 April 2018 in the opening Unitholders' funds. The Group does not expect any significant impact on the financial statements arising from the adoption of this standard.

29. NEW OR AMENDED FINANCIAL REPORTING STANDARDS EFFECTIVE FOR FUTURE FINANCIAL PERIODS (continued)

FRS 115 *Revenue from contracts with customers*

FRS 115 establishes a comprehensive framework for determining whether, how much and when revenue is recognised. It also introduces new cost guidance which requires certain costs of obtaining and fulfilling contracts to be recognised as separate assets when specified criteria are met. When effective, FRS 115 replaces existing revenue recognition guidance, including FRS 18 *Revenue*, FRS 11 *Construction Contracts* and related interpretations.

The Group plans to adopt the new standard using the full retrospective approach which means that the cumulative impact of the adoption will be recognised in the opening Unitholders' funds at 1 April 2017 and comparative information for 2018 will be restated. The Group does not expect any significant impact on the financial statements arising from the adoption of this standard.

FRS 116 *Leases*

FRS 116 will result in almost all leases being recognised on the balance sheet, as the distinction between operating and finance leases is removed. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognised. The only exceptions are short-term and low-value leases. The accounting for lessors will not change significantly.

The Group plans to adopt the new standard using the full retrospective approach which means that the cumulative impact of the adoption will be recognised in the opening Unitholders' funds at 1 April 2018 and comparative information for 2019 will be restated. The Group does not expect any significant impact on the financial statements arising from the adoption of this standard.

30. AUTHORISATION OF THE FINANCIAL STATEMENTS

The financial statements were authorised for issue by the Manager and the Trustee on 25 April 2018.

STATISTICS OF UNITHOLDINGS

As at 31 May 2018

ISSUED AND FULLY PAID UNITS

3,146,007,149 units (voting rights: one vote per unit)
Market Capitalisation: S$3,649,368,292.84 (based on closing price of S$1.160 per unit on 31 May 2018)

DISTRIBUTION OF UNITHOLDINGS

Size of Unitholdings	No. of Unitholders	%	No. of Units	%
1 – 99	11	0.04	292	0.00
100 – 1,000	4,962	20.44	4,884,179	0.16
1,001 – 10,000	12,190	50.23	63,638,152	2.02
10,001 – 1,000,000	7,069	29.13	285,612,418	9.08
1,000,001 and above	38	0.16	2,791,872,108	88.74
Total	**24,270**	**100.00**	**3,146,007,149**	**100.00**

LOCATION OF UNITHOLDERS

Country	No. of Unitholders	%	No. of Units	%
Singapore	23,706	97.68	3,065,889,206	97.45
Malaysia	370	1.52	15,241,300	0.48
Others	194	0.80	64,876,643	2.07
Total	**24,270**	**100.00**	**3,146,007,149**	**100.00**

TWENTY LARGEST UNITHOLDERS

No.	Name	No. of Units	%
1.	Kent Assets Pte. Ltd.	718,661,000	22.84
2.	DBS Nominees (Private) Limited	501,953,872	15.96
3.	Citibank Nominees Singapore Pte Ltd	416,645,458	13.24
4.	HBSC (Singapore) Nominees Pte Ltd	330,090,828	10.50
5.	Suffolk Assets Pte. Ltd.	133,086,000	4.23
6.	Raffles Nominees (Pte.) Limited	128,443,823	4.08
7.	DBSN Services Pte. Ltd.	121,803,221	3.87
8.	Mapletree North Asia Commercial Trust Management Ltd.	114,220,408	3.63
9.	Mapletree North Asia Property Management Limited	58,475,741	1.86
10.	ABN Amro Clearing Bank N.V.	34,084,100	1.08
11.	United Overseas Bank Nominees (Private) Limited	32,431,176	1.03
12.	Morgan Stanley Asia (Singapore) Securities Pte Ltd	32,425,807	1.03
13.	BPSS Nominees Singapore (Pte.) Ltd.	28,668,551	0.91
14.	DB Nominees (Singapore) Pte Ltd	26,527,951	0.84
15.	DBS Vickers Securities (Singapore) Pte Ltd	25,249,300	0.81
16.	OCBC Securities Private Limited	17,378,100	0.55
17.	UOB Kay Hian Private Limited	15,744,300	0.50
18.	NTUC Fairprice Co-operative Limited	6,000,000	0.19
19.	OCBC Nominees Singapore Private Limited	5,884,400	0.19
20.	BNP Paribas Nominees Singapore Pte. Ltd.	5,370,000	0.17
	Total	**2,753,144,036**	**87.51**

SUBSTANTIAL UNITHOLDINGS AS AT 31 MAY 2018

No.	Name of Company	Direct Interest	Deemed Interest	% of Total Issued Capital
1.	Temasek Holdings (Private) Limited[1]	–	1,050,430,173	33.38
2.	Fullerton Management Pte Ltd[1]	–	1,024,443,149	32.56
3.	Mapletree Investments Pte Ltd[2]	–	1,024,443,149	32.56
4.	Kent Assets Pte. Ltd.	718,661,000	–	22.84
5.	Schroders plc[3]	–	188,410,200	5.99

Notes:

(1) Each of Temasek Holdings (Private) Limited ("**Temasek**") and Fullerton Management Pte Ltd ("**Fullerton**") is deemed to be interested in the 718,661,000 units held by Kent Assets Pte. Ltd. ("**Kent**"), 133,086,000 units held by Suffolk Assets Pte. Ltd. ("**Suffolk**"), 114,220,408 units held by Mapletree North Asia Commercial Trust Management Ltd. ("**MNACTM**") and 58,475,741 units held by Mapletree North Asia Property Management Limited ("**MNAPM**"). In addition, Temasek is deemed to be interested in the 25,987,024 units in which an associated company of Temasek has a direct and/or deemed interest. Kent and Suffolk are wholly-owned subsidiaries of Mapletree Investments Pte Ltd ("**MIPL**"). MNACTM and MNAPM are wholly-owned subsidiaries of Mapletree Capital Management Pte. Ltd. and Mapletree Property Services Pte. Ltd. respectively, which are wholly-owned subsidiaries of MIPL. MIPL is a wholly-owned subsidiary of Fullerton which in turn wholly-owned subsidiary of Temasek. Each of MIPL and the associated company referred to above is an independently-managed Temasek portfolio company. Temasek and Fullerton are not involved in their business or operating decisions, including those regarding their unitholdings.

(2) MIPL is deemed to be interested in the 718,661,000 units held by Kent, 133,086,000 units held by Suffolk, 114,220,408 units held by MNACTM and 58,475,741 units held by MNAPM.

(3) Schroders plc is deemed to be interested in the 188,410,200 units held on behalf of clients as Investment Managers.

UNITHOLDINGS OF THE DIRECTORS OF THE MANAGER AS AT 21 APRIL 2018

No.	Name	Direct Interest	Deemed Interest	% of Total Issued Capital
1.	Paul Ma Kah Woh	940,000	100,000	0.036
2.	Kevin Kwok	540,000	–	0.019
3.	Lok Vi Ming	190,000	–	0.006
4.	Michael Kok Pak Kuan	540,000	–	0.019
5.	Tan Su Shan	–	–	–
6.	Hiew Yoon Khong	830,000	3,150,000	0.140
7.	Chua Tiow Chye	1,550,000	–	0.054
8.	Cindy Chow Pei Pei	–	650,000	0.022

FREE FLOAT

Based on the information made available to the Manager as at 31 May 2018, approximately 60.31% of the units in MNACT were held in the hands of the public. Accordingly, Rule 723 of the Listing Manual of the SGX-ST has been complied with.

INTERESTED PERSON TRANSACTIONS

For the financial year ended 31 March 2018

The transactions entered into with interested persons during the financial year, which fall under the Listing Manual of the Singapore Exchange Securities Trading Limited ("SGX-ST") and the Property Funds Appendix of the Code on Collective Investment Schemes (excluding transactions of less than S$100,000 each) are as follows:

Name of interested person	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than $100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920) S$'000	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than $100,000) S$'000
Mapletree Investments Pte Ltd and its subsidiaries		
– Management fees	22,048	–
– Property & lease management fees	13,458	–
– Project Management fee	202	–
– Staff cost	9,501	–
– Lease related income	200	–
DBS Group Holdings Ltd and its subsidiaries		
– Trustee fees	651	–
– Lease rental and lease related income	3,180	–
Total	**49,240**	–

For the purpose of the disclosure, the full contract sum was used where an interested person transaction had a fixed term and contract value, while the annual amount incurred and/or accrued was used where an interested person transaction had an indefinite term or where the contract sum was not specified.

Save as disclosed above, there were no interested person transactions (excluding transactions of less than S$100,000 each), nor material contracts entered into by MGCCT Group that involved the interests of the CEO or Director of the Manager, or any controlling Unitholder of the Trust, during the financial year under review.

As set out in the MGCCT's Prospectus dated 27 February 2013, fees and charges payable by MGCCT to the Manager under the Trust Deed and to the Property Manager under the Property Management Agreement are not subject to Rules 905 and 906 of the SGX-ST's Listing Manual. MGCCT Group has not obtained a general mandate from Unitholders pursuant to Rule 920 for any interested person transactions.

Please also see Significant Related Party Transactions in Note 25 of the Financial Statements.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 5th Annual General Meeting of the holders of units of Mapletree North Asia Commercial Trust ("**MNACT**", and the holders of units of MNACT, "**Unitholders**") will be held on 18 July 2018 (Wednesday) at 2.30 p.m. at 10 Pasir Panjang Road, Mapletree Business City, Town Hall - Auditorium, Singapore 117438 to transact the following businesses:

(A) AS ORDINARY BUSINESS

1. To receive and adopt the Report of DBS Trustee Limited, as trustee of MNACT (the "**Trustee**"), the Statement by Mapletree North Asia Commercial Trust Management Ltd., as manager of MNACT (the "**Manager**"), and the Audited Financial Statements of MNACT for the financial year ended 31 March 2018 and the Auditor's Report thereon. **(Ordinary Resolution 1)**

2. To re-appoint PricewaterhouseCoopers LLP as the Auditor of MNACT to hold office until the conclusion of the next Annual General Meeting of MNACT, and to authorise the Manager to fix their remuneration. **(Ordinary Resolution 2)**

(B) AS SPECIAL BUSINESS

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution, with or without any modifications:

3. That approval be and is hereby given to the Manager, to

(a) (i) issue units in MNACT ("**Units**") whether by way of rights, bonus or otherwise; and/or

(ii) make or grant offers, agreements or options (collectively, "**Instruments**") that might or would require Units to be issued, including but not limited to the creation and issue of (as well as adjustments to) securities, warrants, debentures or other instruments convertible into Units,

at any time and upon such terms and conditions and for such purposes and to such persons as the Manager may in its absolute discretion deem fit; and

(b) issue Units in pursuance of any Instruments made or granted by the Manager while this Resolution was in force (notwithstanding that the authority conferred by this Resolution may have ceased to be in force at the time such Units are issued),

provided that:

(1) the aggregate number of Units to be issued pursuant to this Resolution (including Units to be issued in pursuance of Instruments made or granted pursuant to this Resolution) shall not exceed fifty per cent. (50%) of the total number of issued Units (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of Units to be issued other than on a pro rata basis to Unitholders (including Units to be issued in pursuance of Instruments made or granted pursuant to this Resolution) shall not exceed twenty per cent. (20%) of the total number of issued Units (as calculated in accordance with sub-paragraph (2) below);

(2) subject to such manner of calculation as may be prescribed by Singapore Exchange Securities Trading Limited (the "**SGX-ST**") for the purpose of determining the aggregate number of Units that may be issued under sub-paragraph (1) above, the total number of issued Units shall be based on the total number of issued Units at the time this Resolution is passed, after adjusting for:

(a) any new Units arising from the conversion or exercise of any Instruments which are outstanding or subsisting at the time this Resolution is passed; and

(b) any subsequent bonus issue, consolidation or subdivision of Units;

(3) in exercising the authority conferred by this Resolution, the Manager shall comply with the provisions of the Listing Manual of the SGX-ST for the time being in force (unless such compliance has been waived by the SGX-ST) and the trust deed constituting MNACT (as amended) (the "**Trust Deed**") for the time being in force (unless otherwise exempted or waived by the Monetary Authority of Singapore);

(4) (unless revoked or varied by Unitholders in a general meeting) the authority conferred by this Resolution shall continue in force until (i) the conclusion of the next Annual General Meeting of MNACT or (ii) the date by which the next Annual General Meeting of MNACT is required by applicable regulations to be held, whichever is earlier;

(5) where the terms of the issue of the Instruments provide for adjustment to the number of Instruments or Units into which the Instruments may be converted in the event of rights, bonus or other capitalisation issues or any other events, the Manager is authorised to issue additional Instruments or Units pursuant to such adjustment notwithstanding that the authority conferred by this Resolution may have ceased to be in force at the time the Instruments or Units are issued; and

(6) the Manager and the Trustee be and are hereby severally authorised to complete and do all such acts and things (including executing all such documents as may be required) as the Manager or, as the case may be, the Trustee may consider expedient or necessary or in the interest of MNACT to give effect to the authority conferred by this Resolution.

(Please see Explanatory Note) **(Ordinary Resolution 3)**

BY ORDER OF THE BOARD
Mapletree North Asia Commercial Trust Management Ltd.
(Company Registration No. 201229323R)
As Manager of Mapletree North Asia Commercial Trust

Wan Kwong Weng
Joint Company Secretary

Singapore
29 June 2018

Notes:

1. A Unitholder who is not a Relevant Intermediary (as defined herein) entitled to attend and vote at the Annual General Meeting is entitled to appoint one or two proxies to attend and vote in his/her stead. A proxy need not be a Unitholder. Where a Unitholder appoints more than one proxy, the appointments shall be invalid unless he/she specifies the proportion of his/her holding (expressed as a percentage of the whole) to be represented by each proxy.

2. A Unitholder who is a Relevant Intermediary entitled to attend and vote at the Annual General Meeting is entitled to appoint more than one proxy to attend and vote instead of the Unitholder, but each proxy must be appointed to exercise the rights attached to a different Unit or Units held by such Unitholder. Where such Unitholder appoints more than one proxy, the appointments shall be invalid unless the Unitholder specifies the number of Units in relation to which each proxy has been appointed in the Proxy Form (defined below).

   "**Relevant Intermediary**" means:

   (a) a banking corporation licensed under the Banking Act, Chapter 19 of Singapore, or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds Units in that capacity;

   (b) a person holding a capital market services licence to provide custodial services for securities under the Securities and Futures Act, Chapter 289 of Singapore, and who holds Units in that capacity; or

   (c) the Central Provident Fund Board ("**CPF Board**") established by the Central Provident Fund Act, Chapter 36 of Singapore, in respect of Units purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the CPF Board holds those Units in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.

3. The instrument appointing a proxy or proxies (the "**Proxy Form**") must be deposited at the office of MNACT's Unit Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623 not later than 2.30 p.m. on 15 July 2018 being 72 hours before the time fixed for the Annual General Meeting.

Personal data privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Annual General Meeting and/or any adjournment thereof, a Unitholder (i) consents to the collection, use and disclosure of the Unitholder's personal data by the Manager and the Trustee (or their agents) for the purpose of the processing, administration and analysis by the Manager and the Trustee (or their agents) of proxies and representatives appointed for the Annual General Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Annual General Meeting (including any adjournment thereof), and in order for the Manager and the Trustee (or their agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the Unitholder discloses the personal data of the Unitholder's proxy(ies) and/or representative(s) to the Manager and the Trustee (or their agents), the Unitholder has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Manager and the Trustee (or their agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the Unitholder will indemnify the Manager and the Trustee in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the Unitholder's breach of warranty.

Explanatory Note:

Ordinary Resolution 3

The Ordinary Resolution 3 above, if passed, will empower the Manager from the date of this Annual General Meeting until (i) the conclusion of the next Annual General Meeting of MNACT, (ii) the date by which the next Annual General Meeting of MNACT is required by the applicable regulations to be held, or (iii) the date on which such authority is revoked or varied by the Unitholders in a general meeting, whichever is the earliest (the "**Mandated Period**"), to issue Units, to make or grant Instruments and to issue Units pursuant to such Instruments, up to a number not exceeding fifty per cent. (50%) of the total number of issued Units of which up to twenty per cent. (20%) of the total number of issued Units may be issued other than on a pro rata basis to Unitholders.

The Ordinary Resolution 3 above, if passed, will also empower the Manager to issue Units during the Mandated Period, as either full or partial payment of fees which the Manager is entitled to receive for its own account pursuant to the Trust Deed.

For determining the aggregate number of Units that may be issued, the percentage of issued Units will be calculated based on the total number of issued Units at the time the Ordinary Resolution 3 above is passed, after adjusting for new Units arising from the conversion or exercise of any Instruments which are outstanding or subsisting at the time the Ordinary Resolution 3 is passed and any subsequent bonus issue, consolidation or subdivision of Units.

Fund raising by issuance of new Units may be required in instances of property acquisitions or debt repayments. In any event, if the approval of Unitholders is required under the Listing Manual of the SGX-ST and the Trust Deed or any applicable laws and regulations, in such instances, the Manager will then obtain the approval of Unitholders accordingly.

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MAPLETREE NORTH ASIA COMMERCIAL TRUST

(Constituted in the Republic of Singapore
pursuant to a Trust Deed dated 14 February 2013 (as amended))

PROXY FORM

5TH ANNUAL GENERAL MEETING

IMPORTANT

1. A Relevant Intermediary may appoint more than one proxy to attend and vote at the Annual General Meeting (please see Note 2 for the definition of "Relevant Intermediary").
2. For CPF/SRS investors who have used their CPF monies to buy Units of Mapletree North Asia Commercial Trust, this Report is forwarded to them at the request of their CPF Agent Banks/SRS Operators and is sent solely FOR INFORMATION only.
3. This Proxy Form is not valid for use by CPF/SRS investors and shall be ineffective for all intents and purposes if used or is purported to be used by them.
4. **PLEASE READ THE NOTES TO THE PROXY FORM.**

Personal data privacy

By submitting an instrument appointing a proxy(ies) and/or representative(s), a Unitholder of Mapletree North Asia Commercial Trust accepts and agrees to the personal data privacy terms set out in the Notice of Annual General Meeting dated 29 June 2018.

I/We ____

(Name(s) and NRIC/Passport/Company Registration Number(s))

of ____ (Address)

being a Unitholder/Unitholders of Mapletree North Asia Commercial Trust ("**MNACT**"), hereby appoint:

Name	Address	NRIC/Passport Number	Proportion of Unitholdings	
			No. of Units	%

and/or (delete as appropriate)

Name	Address	NRIC/Passport Number	Proportion of Unitholdings	
			No. of Units	%

or, both of whom failing, the Chairman of the 5th Annual General Meeting as my/our proxy/proxies to attend and to vote for me/us on my/our behalf and if necessary, to demand a poll, at the 5th Annual General Meeting of MNACT to be held on 18 July 2018 (Wednesday) at 2.30 p.m. at 10 Pasir Panjang Road, Mapletree Business City, Town Hall – Auditorium, Singapore 117438 and at any adjournment thereof. I/We direct my/our proxy/proxies to vote for or against the resolutions to be proposed at the 5th Annual General Meeting as indicated hereunder. If no specific direction as to voting is given, the proxy/proxies will vote or abstain from voting at his/her/their discretion, as he/she/they may on any other matter arising at the 5th Annual General Meeting.

No.	Ordinary Resolutions	For *	Against *
	ORDINARY BUSINESS		
1.	To receive and adopt the Trustee's Report, the Manager's Statement, the Audited Financial Statements of MNACT for the financial year ended 31 March 2018 and the Auditor's Report thereon.		
2.	To re-appoint PricewaterhouseCoopers LLP as the Auditor of MNACT and to authorise the Manager to fix the Auditor's remuneration.		
	SPECIAL BUSINESS		
3.	To authorise the Manager to issue Units and to make or grant instruments convertible into units.		

* If you wish to exercise all your votes "For" or "Against", please tick (✓) within the box provided. Alternatively, please indicate the number of votes as appropriate.

Dated this ____________ day of ____________ 2018

Total number of Units held

____

Signature(s) of Unitholder(s) or
Common Seal of Corporate Unitholder

1st fold (this flap is for sealing)

Do not staple. Glue all sides firmly.

Postage will be paid by addressee. For posting in Singapore only.

BUSINESS REPLY SERVICE
PERMIT NO. 08984

The Company Secretary
Mapletree North Asia Commercial Trust Management Ltd.
(As Manager of Mapletree North Asia Commercial Trust)
c/o Boardroom Corporate & Advisory Services Pte. Ltd.
50 Raffles Place #32-01
Singapore Land Tower
Singapore 048623

2nd fold

IMPORTANT: PLEASE READ THE NOTES TO PROXY FORM BELOW

Notes to Proxy Form

1. A unitholder of MNACT ("**Unitholder**") who is not a Relevant Intermediary (as defined herein) entitled to attend and vote at the Annual General Meeting is entitled to appoint one or two proxies to attend and vote in his/her stead. A proxy need not be a Unitholder. Where a Unitholder appoints more than one proxy, the appointments shall be invalid unless he/she specifies the proportion of his/her holding (expressed as a percentage of the whole) to be represented by each proxy.

2. A Unitholder who is a Relevant Intermediary entitled to attend and vote at the Annual General Meeting is entitled to appoint more than one proxy to attend and vote instead of the Unitholder, but each proxy must be appointed to exercise the rights attached to a different Unit or Units held by such Unitholder. Where such Unitholder appoints more than one proxy, it should annex to the Proxy Form (defined below) the proxy, or the list of proxies, setting out, in respect of each proxy, the name, address, NRIC/Passport Number and proportion of unitholding (number of units and percentage) in relation to which the proxy has been appointed. For the avoidance of doubt, a CPF Agent Bank/SRS Operator who intends to appoint CPF/SRS investors as its proxies shall comply with this Note. The appointments shall be invalid unless the Unitholder specifies the number of Units in relation to which each proxy has been appointed in the Proxy Form (defined below).

   "**Relevant Intermediary**" means:

   (a) a banking corporation licensed under the Banking Act, Chapter 19 of Singapore, or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds Units in that capacity;

   (b) a person holding a capital market services licence to provide custodial services for securities under the Securities and Futures Act, Chapter 289 of Singapore, and who holds Units in that capacity; or

   (c) the Central Provident Fund Board ("**CPF Board**") established by the Central Provident Fund Act, Chapter 36 of Singapore, in respect of Units purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the CPF Board holds those Units in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.

3. A Unitholder should insert the total number of Units held in the Proxy Form (defined below). If the Unitholder has Units entered against his/her name in the Depository Register maintained by The Central Depository (Pte) Limited ("**CDP**"), he/she should insert that number of Units. If the Unitholder has Units registered in his/her name in the Register of Unitholders of MNACT, he/she should insert that number of Units. If the Unitholder has Units entered against his/her name in the said Depository Register and registered in his/her name in the Register of Unitholders, he/she should insert the aggregate number of Units. If no number is inserted, the proxy form will be deemed to relate to all the Units held by the Unitholder.

4. The instrument appointing a proxy or proxies (the "**Proxy Form**") must be deposited at the office of MNACT's Unit Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623 not later than 2.30 p.m. on 15 July 2018, being 72 hours before the time set for the Annual General Meeting.

5. Completion and return of the Proxy Form shall not preclude a Unitholder from attending and voting at the Annual General Meeting. Any appointment of a proxy or proxies shall be deemed to be revoked if a Unitholder attends the Annual General Meeting in person, and in such event, the Manager reserves the right to refuse to admit any person or persons appointed under the Proxy Form, to the Annual General Meeting.

6. The Proxy Form must be executed under the hand of the appointor or of his/her attorney duly authorised in writing. Where the Proxy Form is executed by a corporation, it must be executed either under its common seal or under the hand of its attorney or a duly authorised officer.

7. Where the Proxy Form is signed on behalf of the appointor by an attorney or a duly authorised officer, the power of attorney or other authority (if any) under which it is signed, or a duly certified copy of such power of attorney must (failing previous registration with the Manager) be lodged with the Proxy Form, failing which the Proxy Form may be treated as invalid.

8. The Manager shall be entitled to reject any Proxy Form which is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified on and/or attached to the Proxy Form (including any related attachment). In addition, in the case of Unitholders whose Units are entered against their names in the Depository Register, the Manager may reject any Proxy Form if the Unitholder, being the appointor, is not shown to have Units entered against his/her name in the Depository Register as at 72 hours before the time appointed for holding the Annual General Meeting, as certified by CDP to the Manager.

9. All Unitholders will be bound by the outcome of the Annual General Meeting regardless of whether they have attended or voted at the Annual General Meeting.

10. On a poll, every Unitholder who is present in person or by proxy shall have one vote for every Unit of which he/she is the Unitholder. There shall be no division of votes between a Unitholder who is present in person and voting at the Annual General Meeting and his/her proxy(ies). A person entitled to more than one vote need not use all his/her votes or cast them the same way.

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CORPORATE DIRECTORY

MANAGER

Mapletree North Asia Commercial Trust Management Ltd.[1]
(formerly known as Mapletree Greater China Commercial Trust Management Ltd.)
(Company Registration Number: 201229323R)

MANAGER'S REGISTERED OFFICE

10 Pasir Panjang Road #13-01
Mapletree Business City
Singapore 117438
T: +65 6377 6111
F: +65 6273 2753
W: www.mapletreenorthasiacommercialtrust.com
E: enquiries_mnact@mapletree.com.sg

BOARD OF DIRECTORS

Mr. Paul Ma Kah Woh
Non-Executive Chairman and Director

Mr. Kevin Kwok
Independent Non-Executive Director and Chairman of the Audit and Risk Committee

Mr. Lok Vi Ming
Lead Independent Non-Executive Director, Chairman of the Nominating and Remuneration Committee and Member of the Audit and Risk Committee

Mr. Michael Kok Pak Kuan
Independent Non-Executive Director and Member of the Audit and Risk Committee

Ms. Tan Su Shan
Independent Non-Executive Director and Member of the Nominating and Remuneration Committee

Mr. Hiew Yoon Khong
Non-Executive Director and Member of the Nominating and Remuneration Committee

Mr. Chua Tiow Chye
Non-Executive Director

Ms. Cindy Chow Pei Pei
Executive Director and Chief Executive Officer

MANAGEMENT

Ms. Cindy Chow Pei Pei
Executive Director and Chief Executive Officer

Mr. Ng Wah Keong
Chief Financial Officer

Mr. Ng Chern Shiong
General Manager, Investment and Asset Management

Ms. Elizabeth Loo Suet Quan
Vice President, Investor Relations

CORPORATE SERVICES

Mr. Wan Kwong Weng
Joint Company Secretary

Ms. See Hui Hui
Joint Company Secretary

UNIT REGISTRAR

Boardroom Corporate & Advisory Services Pte. Ltd.
50 Raffles Place #32-01
Singapore Land Tower
Singapore 048623
T: +65 6536 5355
F: +65 6438 8710

TRUSTEE

DBS Trustee Limited
12 Marina Boulevard
Level 44
DBS Asia Central @ Marina Bay Financial Centre Tower 3
Singapore 018982
T: +65 6878 8888
F: +65 6878 3977

AUDITOR

PricewaterhouseCoopers LLP
7 Straits View
Level 12
Marina One, East Tower
Singapore 018936
T: +65 6236 3388
F: +65 6236 3300

Partner-in-charge
Mr. Yeow Chee Keong
(appointed since financial year ended 31 March 2015)

1 With effect from 25 May 2018, Mapletree Greater China Commercial Trust has been renamed Mapletree North Asia Commercial Trust ("MNACT"), following the completion of acquisition of an effective interest of 98.47% in a portfolio of six freehold office properties located in Tokyo, Chiba and Yokohama (the "Japan Portfolio"). Please refer to MNACT's SGX-ST Announcement dated 28 March 2018 titled "Proposed Acquisition of a Portfolio of Six Freehold Office Properties in Greater Tokyo, Japan. The transaction was approved by Unitholders at the Extraordinary General Meeting held on 24 April 2018.

Mapletree North Asia Commercial Trust Management Ltd.
As Manager of Mapletree North Asia Commercial Trust
(Company Registration Number: 201229323R)

10 Pasir Panjang Road
#13-01 Mapletree Business City
Singapore 117438

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