

# OPERATIONS REVIEW

## Singapore Remains a Core Market for MPACT

Singapore remains a core market for MPACT, anchored by our flagship assets, VivoCity and MBC. Delivering another year of robust performance, the Singapore properties contributed a total of S\$574.7 million of gross revenue, up 5.4% yoy. NPI contribution from the Singapore properties grew S\$18.7 million or 4.4% yoy to S\$440.4 million, after fully offsetting the increased utility expenses.

VivoCity and MBC continued to lead the way, generating a combined S\$467.9 million in gross revenue and S\$358.9 million in NPI in FY23/24, up 5.0% and 3.8% yoy, respectively. The other Singapore properties also delivered strong results, with gross revenue and NPI growing

7.4% and 7.5% yoy to S\$106.8 million and S\$81.5 million, respectively.

Together, the Singapore properties generated approximately 59% and 60% of MPACT's total contribution to gross revenue and NPI in FY23/24,<sup>1</sup> respectively.

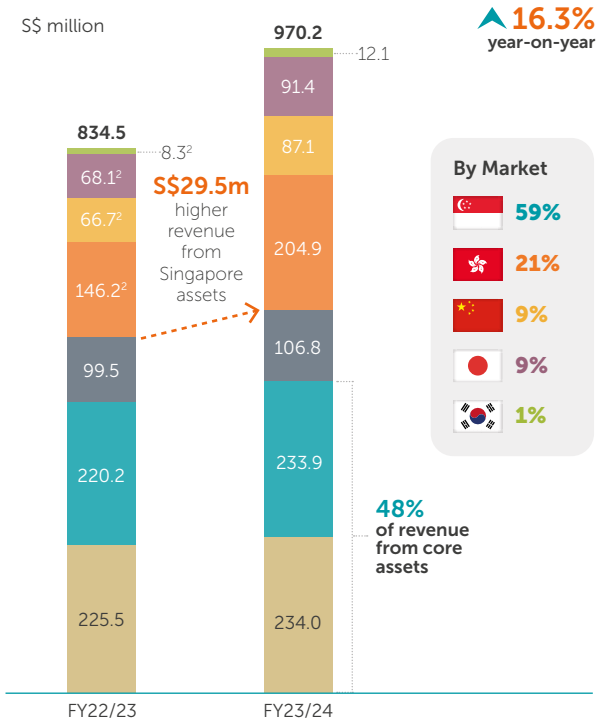
## Merger Gains Moderated by Forex Headwinds

Reporting their inaugural full-year contribution post-merger, the overseas assets (including MPACT's 50% effective share in The Pinnacle Gangnam) delivered S\$395.5 million and S\$296.8 million of contribution to gross revenue and NPI respectively in FY23/24, up 36.7% and 37.0% from FY22/23.<sup>2</sup> The merger gains, however, were moderated by a stronger SGD against all foreign currencies.

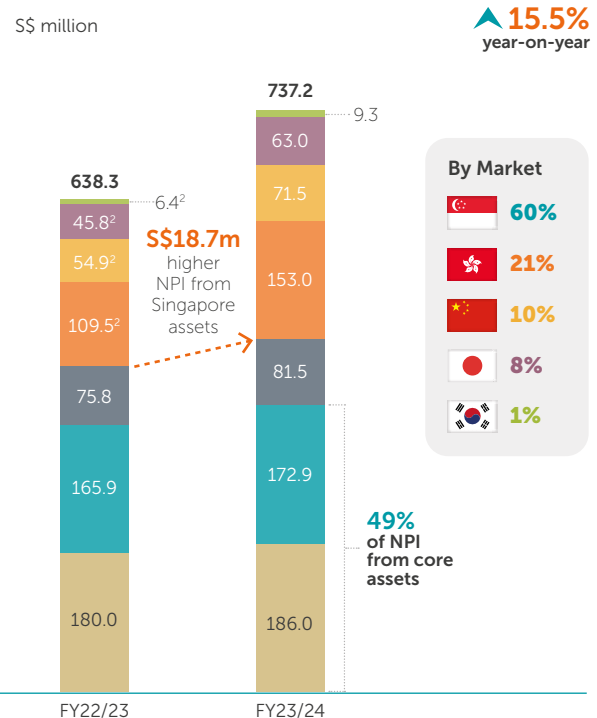
Our Greater China assets continued to navigate market headwinds with resilience despite a slower-than-expected economic recovery post-COVID. Festival Walk in Hong Kong recorded a contribution to gross revenue and NPI of S\$204.9 million and S\$153.0 million, respectively. In particular, our China properties outperformed the market, contributing S\$87.1 million and S\$71.5 million to gross revenue and NPI, respectively.

In FY23/24, our Japan portfolio of nine properties posted gross revenue and NPI contribution of S\$91.4 million and S\$63.0 million, respectively. The Pinnacle Gangnam, our office building in South Korea, contributed S\$12.1 million and S\$9.3 million in gross revenue and NPI contribution, respectively (based on MPACT's 50% effective interest).

### Contribution to Gross Revenue<sup>1</sup>



### Contribution to NPI<sup>1</sup>



■ MBC, SG ■ VivoCity, SG ■ Other SG properties ■ Festival Walk, HK ■ China properties ■ Japan properties ■ The Pinnacle Gangnam, KR

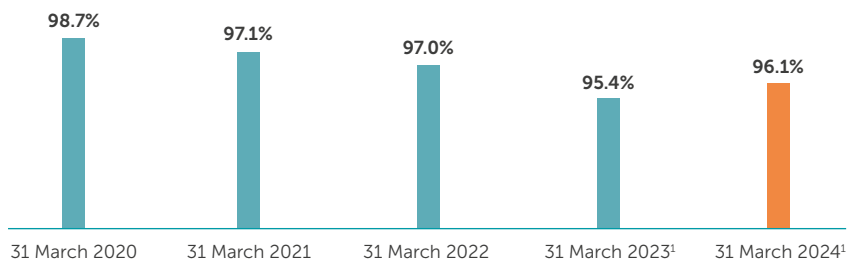
<sup>1</sup> The contribution to gross revenue and NPI include MPACT's 50% effective share of gross revenue and NPI from The Pinnacle Gangnam.

<sup>2</sup> These properties were acquired as a result of the merger that was completed on 21 July 2022. Consequently, contribution to gross revenue and NPI were for the period from 21 July 2022 to 31 March 2023.

## Maintained Healthy Commitment Levels

MPACT's portfolio continued to maintain a high committed occupancy level on the back of our proactive asset management efforts, closing the year with a healthy committed occupancy rate of 96.1%.

## Committed Occupancy



## Over 2.5 Million Square Feet of Lettable Area Renewed or Re-let in FY23/24

In FY23/24, 417 leases totalling over 2.5 million square feet of lettable area were renewed or re-let.<sup>2</sup> They comprise 218 retail leases totalling 515,464 square feet of lettable area and 199 office/business park leases totalling 2,035,711 square feet

of lettable area, respectively. This includes the successful renewal of a major tenant at Sandhill Plaza despite ongoing market challenges, mitigating occupancy risk.

Led by strong positive rental reversions from the Singapore assets, the entire portfolio registered a full-year rental uplift of 2.9%

against preceding average effective fixed rents of the expiring leases.

MPACT's retail leases registered 73.6% retention rate, while the office and business park leases recorded 72.3% retention rate, resulting in an overall portfolio retention rate of 72.5% for FY23/24.

	Number of Leases Committed	Retention Rate by Lettable Area (%)	Rental Reversion <sup>3</sup> (%)
VivoCity, Singapore	83	82.2	14.0
MBC, Singapore	17	81.7	6.7
Other Singapore properties	38	79.8	7.1
Festival Walk, Hong Kong	89	63.2	-8.7
China properties	35	72.4	-2.7
Japan properties	35	71.7	-1.9
The Pinnacle Gangnam, South Korea	6	17.7	39.0
<b>Portfolio</b>	<b>303</b>	<b>72.5</b>	<b>2.9</b>

Note: Information in the above table are on a committed basis for all leases with expiry dates in FY23/24 only.

<sup>1</sup> Includes properties acquired as a result of the merger with MNACT that was completed on 21 July 2022.

<sup>2</sup> On a committed basis for all leases with expiry dates in FY23/24, as well as leases with expiry dates after FY23/24 that were renewed or re-let in advance. Excludes short-term leases that are less than or equal to 12 months. Total area also includes pre-existing vacant units (as at 31 March 2023) and pre-terminated units in FY23/24 (with expiries beyond FY23/24) which were committed during the reporting period.

<sup>3</sup> Rental reversion is calculated based on the change in the average effective fixed rental rates of the new leases compared to the average effective fixed rents of the expiring leases. It takes into account rent-free periods and step-up rental rates over the lease terms (if any). It excludes rental rates for short-term leases that are less than or equal to 12 months where rental rates are not reflective of prevailing market rents that are on normal lease tenure basis.

## OPERATIONS REVIEW

### Well-Staggered Lease Expiry Profile

MPACT proactively manages its leases to ensure that its lease expiry profile remains well-spread. As at 31 March 2024, MPACT had a portfolio weighted average lease expiry ("WALE") on a committed basis of 2.4 years by gross rental income ("GRI"). With a typical lease term of three years, the WALE for MPACT's retail component was 2.1 years. Meanwhile, the WALE for the office and business park component was at a manageable 2.7 years. Based on the date of commencement of leases, MPACT's portfolio WALE was 2.1 years as at 31 March 2024.

As at 31 March 2024, MPACT's portfolio had 1,183 committed leases, of which 21.9% by GRI would be expiring in FY24/25.

The leases entered into in FY23/24 contributed 18.9% of GRI as at 31 March 2024 and had a WALE of 3.7 years.

### Diversified and Quality Tenant Profile

As at 31 March 2024, MPACT's top ten tenants (excluding an undisclosed tenant) accounted for 21.6% of the portfolio GRI.

MPACT has a well-diversified base of 975 tenants across a wide variety of trade sectors. No single trade segment accounted for more than 13.8% of MPACT's GRI as at 31 March 2024.

#### WALE by GRI (by years)

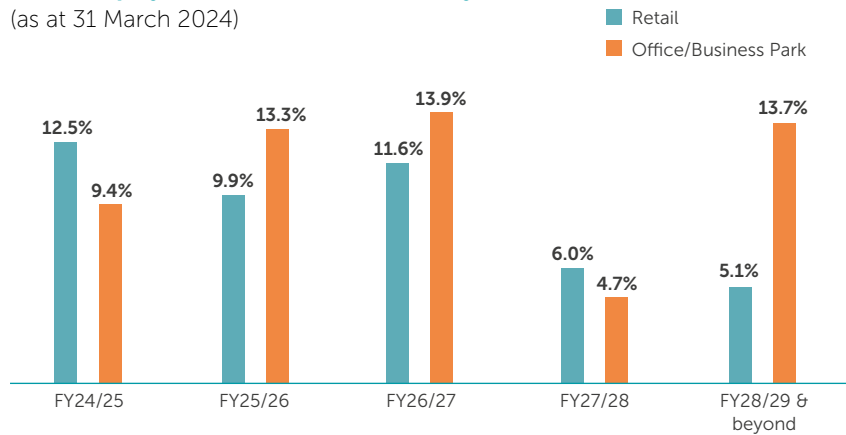
Portfolio  
**2.4**

Retail  
**2.1**

Office/Business Park  
**2.7**

### Lease Expiry Profile as a % of Monthly GRI

(as at 31 March 2024)



#### Number of Leases

338	345	321	103	76
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### Breakdown of Tenants in MPACT's Portfolio

(as at 31 March 2024)

	Number of Tenants
VivoCity	329
MBC	70
Other Singapore properties	138
Festival Walk	206
China properties	123
Japan properties	105
The Pinnacle Gangnam	32
<b>Total</b>	<b>975<sup>1</sup></b>

<sup>1</sup> Total does not add up due to common tenants across properties.

## Top Ten Tenants by GRI

(as at 31 March 2024)

	Tenant	Property(ies)	% of GRI
1	Google Asia Pacific Pte. Ltd.	MBC	6.0%
2	BMW	Gateway Plaza	3.2%
3	TaSTe	Festival Walk	2.0%
4	The Hongkong and Shanghai Banking Corporation Limited	MBC and Festival Walk	2.0%
5	Seiko Instruments Inc.	SMB	1.8% <sup>1</sup>
6	Undisclosed Tenant	–	–
7	Hewlett-Packard Japan, Ltd.	HPB	1.7%
8	Merrill Lynch Global Services Pte. Ltd.	BOAHF	1.7%
9	NTT Urban Development	MBP	1.7% <sup>2</sup>
10	Arup	Festival Walk	1.6%
	<b>Total</b>		<b>21.6%<sup>3</sup></b>

## Trade Mix by GRI

(as at 31 March 2024)

	Trade Mix	% of GRI
1	F&B	13.8%
2	IT Services & Consultancy	13.8%
3	Banking & Financial Services	8.3%
4	Fashion	7.4%
5	Machinery / Equipment / Manufacturing	5.8%
6	Department Store / Supermarket / Hypermarket	5.2%
7	Real Estate / Construction	4.8%
8	Government Related	4.1%
9	Professional & Business Services	4.1%
10	Beauty & Health	3.9%
11	Luxury Jewellery, Watches & Fashion Accessories	3.4%
12	Automobile	3.3%
13	Shipping Transport	2.8%
14	Electronics (Office / Business Park)	2.3%
15	Consumer Electronics	2.2%
16	Sports	2.2%
17	Lifestyle	2.1%
18	Consumer Goods & Services	2.1%
19	Pharmaceutical	2.1%
20	Others <sup>4</sup>	6.4%
	<b>Total</b>	<b>100.0%</b>

<sup>1</sup> Following the lease expiration of Seiko Instruments Inc. at SMB on 30 June 2024, Seiko Instruments Inc. will no longer be a top ten tenant of the portfolio.

<sup>2</sup> Following the lease expiration of NTT Urban Development at MBP on 31 March 2024, NTT Urban Development is no longer a top ten tenant of the portfolio.

<sup>3</sup> Excluding the undisclosed tenant.

<sup>4</sup> Others include Leisure & Entertainment, Convenience & Retail Services, Trading, Optical, Education & Enrichment, Energy, Medical and Others.