mapletree
pan asia commercial

(Constituted in the Republic of Singapore pursuant to a Trust Deed dated 25 August 2005 (as amended))

RESPONSES TO THE SUBSTANTIAL AND RELEVANT QUESTIONS RECEIVED FROM UNITHOLDERS FOR THE ANNUAL GENERAL MEETING ON 29 JULY 2024

24 July 2024 – MPACT Management Ltd., as manager of Mapletree Pan Asia Commercial Trust ("MPACT" and as manager of MPACT, the "Manager"), wishes to thank all unitholders of MPACT (the "**Unitholders**") who have submitted their questions in advance of the 13th Annual General Meeting of MPACT ("**AGM**"), which will be convened and held at 20 Pasir Panjang Road, Mapletree Business City, Town Hall – Auditorium, Singapore 117439 at 2.30 p.m. on Monday, 29 July 2024 (Singapore time).

Please refer to Annex A for the list of substantial and relevant questions, and the Manager's responses to these questions. Where questions overlap or are closely related, they have been merged and rephrased for clarity.

By order of the Board

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

Important Notice

The value of units in MPACT ("Units") and the income derived from them may fall as well as rise. Units are not obligations of, deposits in, or guaranteed by, the Manager, or any of its affiliates. An investment in Units is subject to investment risks, including the possible loss of the principal amount invested.

Investors have no right to request the Manager to redeem their Units while the Units are listed. It is intended that unitholders of MPACT may only deal in their Units through trading on the SGX-ST. Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.

This Announcement is for information only and does not have regard to your specific investment objectives, financial situation or particular needs. This Announcement does not constitute an offer or solicitation of an offer to sell, or invitation to subscribe for, acquire or purchase any Units. The past performance of MPACT and the Manager is not necessarily indicative of the future performance of MPACT or the Manager.

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

Annex A

1	**Are there any planned asset enhancement initiatives (“AEIs”) at VivoCity?**
	• Since the beginning, we have consistently implemented AEIs to position VivoCity at the forefront of competition. • Key initiatives implemented in FY23/24 include the 80,000 square feet AEI which transformed a portion of Level 1 space previously occupied by TANGS into a higher-yielding and vibrant retail zone with diverse F&B options and an enhanced beauty and fragrance cluster; and the reconfiguration of the F&B cluster at the eastern corner of Level 1, improving shopfront visibility and adding a cosy indoor seating area. These two initiatives have delivered return on investment (“ROI”) of more than 20% (based on revenue on stabilised basis and capital expenditures of approximately S$10 million and S$0.9 million, respectively). • For FY24/25, we are currently reconfiguring existing food kiosks and implementing general upgrades at Basement 2. We are also actively looking at the rejuvenation and updating of other areas within the mall. Our objective is to transform lower-yielding spaces into higher-yielding areas, enhancing vibrancy and capitalising on high foot traffic while improving convenience for shoppers. • We will continue with this active management approach to explore suitable AEI options. Relevant announcements will be made when we are ready to roll out any asset enhancement plan.
2	**Will the redevelopment at HarbourFront Centre impact VivoCity? E.g. When and for how long will HarbourFront Centre be closed?**
	• Based on publicly available information, the HarbourFront Centre will be redeveloped into a mixed-use project, primarily office space. • We do not have specific details on the redevelopment plans and timeline. In the long term, VivoCity is expected to benefit from the enlarged office catchment once the redevelopment is completed.
3	**Some of the malls in HK have obtained GFA by incorporating public/community space into malls which also boost customer traffic. Is MPACT also looking to do this and/or boost GFA for Festival Walk?**
	• Festival Walk had already incorporated public and community-based infrastructure such as a public transport terminus, as well as direct connections to the MTR Kwun Tong Line, East Rail Line, and to the City University of Hong Kong.

4	**How is the leasing progress at mBAY POINT Makuhari post the exit of NTT Urban Development? How much of the vacated space has been backfilled and what is the passing rent vs the rent which NTT is paying?** **What is the potential rent / average passing rent for SII Makuhari Building as compared to the rent paid by Seiko Instruments Inc.?** **How long will the conversion/asset enhancement to multi-tenancy at SII Makuhari Building take? When will it be completed?** **Has SII Makuhari Building been marketed out to potential tenants? How has the response been and what kind of tenants is the space mainly targeted at?**
	• Our portfolio of nine properties in Japan has generally generated stable returns. • The three properties in Makuhari, Chiba (namely, mBAY POINT Makuhari ("MBP"), Fujitsu Makuhari Building ("FJM") and Makuhari Bay Tower ("MBT", previously known as SII Makuhari Building ("SMB"))) are navigating some occupancy challenges due to local market softness and lease expirations of NTT Urban Development (on 31 March 2024) and Seiko Instrument Inc. (on 30 June 2024). These three properties contribute approximately 6% to MPACT's gross rental income (as at 31 March 2024). • At MBP, although NTT Urban Development's main lease (for about half the building's lettable area) has ended, various NTT Group entities and third-party tenants remain, occupying close to 40% of MBP's lettable area. The committed occupancy of MBP remains above 80% (as at 30 June 2024). • At MBT, the building is undergoing conversion from single-tenant to multi-tenant following Seiko Instruments Inc's lease expiry. A number of Seiko-related entities have committed to approximately a quarter of MBT's post-conversion lettable area. • Backfilling progress is ongoing with prospects from varied industries including back-end operations for retailing, government-related agencies and engineering firms. • Due to local market softness, we expect increased average vacancies and negative rental reversions, as well as some operational valuation impact to these properties. • To mitigate these, we have implemented leasing campaigns and intensified marketing efforts. At MBT, the conversion exercise will take approximately two to three months per floor. However, the overall timeline is subject to scheduling and will be timed according to leasing progress for prudent capital management. • The other six properties outside Chiba are expected to remain relatively stable as the market softness is largely confined to the local Chiba market. • We will continue to monitor the market closely and adapt our strategies accordingly, focusing on navigating challenges while seizing suitable opportunities when they emerge.

5	**Will the REIT be paying capital distribution to mitigate the loss in income during the asset conversion at SII Makuhari Building?**
	• We focus on maintaining the long-term financial stability and creating long-term value for Unitholders. • Topping up capital distributions for the income shortfall would require additional borrowings which could potentially increase our financing costs and impact our financial flexibility. It is more prudent to conserve our debt headroom and allocate financial resources towards value-enhancing initiatives and opportunities.