mapletree
greater china commercial

Annual Report
2016/2017

Changing Landscape Sustaining Value

SHANGHAI

HONG KONG

BEIJING

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 both Hong Kong[1] and China. MGCCT is also 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.

As at 31 March 2017, MGCCT has a portfolio of three commercial assets, Festival Walk, Gateway Plaza and Sandhill Plaza, with a total lettable area of approximately 2.6 million square feet and combined valuation of S$6,226.3 million[2]. Festival Walk is a landmark territorial retail mall with an office component located in Hong Kong. Gateway Plaza is a premier Grade-A office building with a podium area in Beijing, China. Sandhill Plaza is a premium quality business park development situated in Zhangjiang Hi-tech Park, Pudong, Shanghai.

MGCCT is managed by Mapletree Greater China Commercial Trust Management Ltd. ("MGCCTM" or the "Manager"), a wholly-owned subsidiary of MIPL. 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").

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

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

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.

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BEIJING

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Changing Landscape Sustaining Value

SANDHILL PLAZA
SHANGHAI

2.6m sq ft
TOTAL LETTABLE AREA

The business landscape for MGCCT continued to evolve

Hong Kong's retail sector remained challenging amid the strong Hong Kong Dollar, changing consumption patterns and a subdued consumer sentiment. In China, there was a change in the basis of assessing property tax which resulted in higher property tax payable for Gateway Plaza in Beijing, and generally weaker leasing demand due to a moderating economic growth. Growing global macroeconomic uncertainties led to volatility in the capital markets.

Through our strategy of investing in strategically-located and high quality income-generating assets, coupled with proactive asset management and disciplined capital management, we continued to adapt to the changing demands of the new landscape. We believe this will underpin our future growth and sustain value for our Unitholders.

S$6.2b
PORTFOLIO VALUATION[1]

S$2.9b
MARKET CAPITALISATION
(Based on closing unit price of S$1.020 on 31 March 2017)

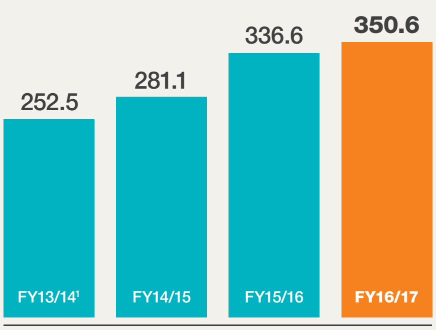
[1] Valuation on each property was carried out by Colliers International (Hong Kong) Limited as of 31 March 2017.

Overview

Financial Highlights

GROSS REVENUE
FY16/17

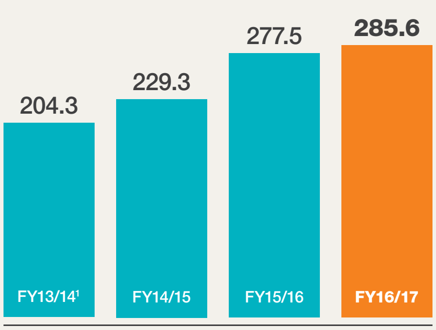
S$350.6m



(S$ million)

NET PROPERTY INCOME
FY16/17

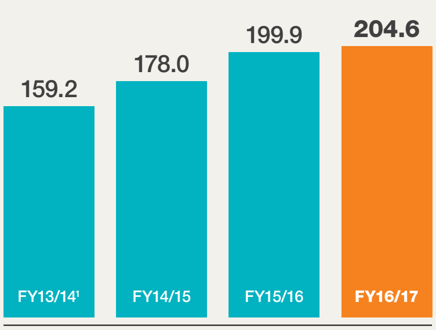
S$285.6m



(S$ million)

DISTRIBUTABLE INCOME
FY16/17

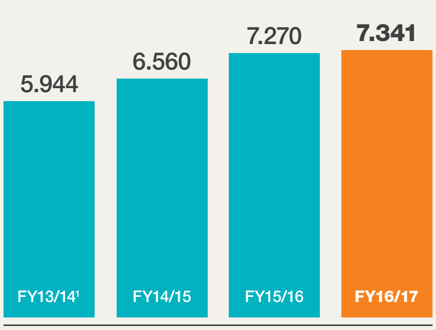
S$204.6m



(S$ million)

DISTRIBUTION PER UNIT (PAID)[2]
FY16/17

7.341 cents

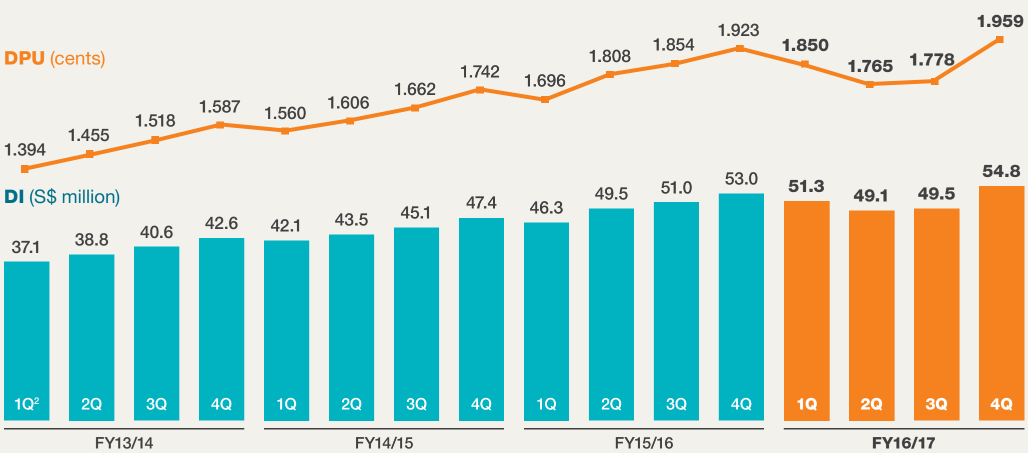


(cents)

[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.

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



Note (a): 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 Fees ("Manager's Base Fee and the Property Manager's Management 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.

DELIVERED HEALTHY RETURNS TO UNITHOLDERS

	1 April 2016 to 31 March 2017 (1-Year)	1 April 2014 to 31 March 2017 (3-Year)	Listing on 7 March 2013 to 31 March 2017
Total Return (%)	**14.5[3]**	**51.2[4]**	**38.9[5]**
Unit Price Appreciation (%)	6.8	25.2	9.7
Total Distribution Yield (%)	7.7	26.0	29.2

PROACTIVE CAPITAL & RISK MANAGEMENT

(As of 31 March 2017)

Average Term to Maturity for Debt	Effective Interest Rate for FY16/17	Percentage of Debt with Fixed Interest Cost	Expected 1H FY17/18[6] DI Hedged into SGD
3.73 yrs	2.72% p.a.	71%	65%

[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.

[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.

[3] Sum of unit price appreciation and total distribution yield for FY16/17. Unit price appreciation is based on the opening unit price of S$0.955 on 1 April 2016 and the closing unit price of S$1.020 on 31 March 2017, and total distribution yield is based on the sum of first-half and second-half DPU paid for FY16/17 of 7.341 cents over the opening unit price.

[4] Sum of unit price appreciation and total distribution yield for the period. Unit price appreciation is based on the opening unit price of S$0.815 on 1 April 2014 and the closing unit price of S$1.020 on 31 March 2017, and total distribution yield is based on the sum of first-half and second-half DPU paid for the period from FY14/15 to FY16/17 of 21.171 cents over the opening unit price.

[5] 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$1.020 on 31 March 2017, 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 FY16/17 of 27.115 cents over the opening IPO price.

[6] For the period from 1 April 2017 to 30 September 2017.

Overview

Letter to Unitholders

MR PAUL MA KAH WOH
Non-Executive Chairman and Director

MS CINDY CHOW PEI PEI
Executive Director and Chief Executive Officer

"Since MGCCT's public listing on 7 March 2013, we have delivered a cumulative DPU of 27.115 cents paid to Unitholders and a total return of 38.9%."

7.341 cents

DPU (PAID)
FY16/17

DISTRIBUTION YIELD OF **7.2%** BASED ON CLOSING UNIT PRICE OF **S$1.020** ON 31 MARCH 2017.

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 2016 to 31 March 2017 ("FY16/17").

CHANGING LANDSCAPE, SUSTAINING VALUE

The macro-economic environment and business conditions affecting MGCCT continued to evolve in the financial year. Following a 6.4% decline in the previous financial year, retail sales[1] in Hong Kong continued to slide, albeit to a lesser extent, by 5.2% in FY16/17. China's economic growth[2] moderated further to 6.7% in 2016 from 6.9% a year ago. The overall weak business climate in the respective retail and office markets where we operate in had affected our tenants, who became more cautious on costs and space requirements. In Beijing, the change in the property tax regime with effect from 1 July 2016 added to the business costs for Gateway Plaza.

Despite the changing landscape in Hong Kong and China, the Manager remained focused on its strategy of proactive portfolio management and prudent capital management to deliver sustainable value for MGCCT's Unitholders.

[1] Figures are from the Hong Kong Census and Statistics Department's Monthly Survey of Retail Sales Reports as published for the months from April 2015 to March 2017.
[2] China's National Bureau of Statistics.

In FY16/17, MGCCT recorded portfolio gross revenue of S$350.6 million, up 4.2% from S$336.6 million a year ago. NPI also increased 2.9% to S$285.6 million, from S$277.5 million in FY15/16. Total distributable income of S$204.6 million was higher by 2.4%, compared to the previous financial year. The total DPU of 7.341 cents[1] paid to Unitholders for FY16/17 translated to a distribution yield of 7.2%, based on the closing unit price of S$1.020 on 31 March 2017. Since MGCCT's public listing on 7 March 2013, we have delivered a cumulative DPU[2] of 27.115 cents paid to Unitholders and a total return[3] of 38.9%.

Our consistent efforts to deliver organic growth and maintain high portfolio occupancy across all three assets continued to bear results. MGCCT's appraised portfolio value[4] increased 5.1% from S$5,922 million as of 31 March 2016 to S$6,226 million as of 31 March 2017. Correspondingly, Net Asset Value[5] ("NAV") per Unit over the same period improved from S$1.239 to S$1.301.

Festival Walk – Attractive Retail Location for Local and International Brands

Against a soft retail backdrop, Festival Walk sustained its steady performance and delivered a 4.5% increase in gross revenue and a 5.7% rise in NPI in FY16/17, compared to FY15/16. Demand for space from existing and new tenants remained firm, resulting in full occupancy and an average rental reversion[6] of 12% for all retail leases that expired in FY16/17. Though annual retail sales were 8.8% lower compared to a year ago, mainly due to weak retail sentiment and the temporary closedown of the cinema for six months before its grand opening in July 2016, the mall remained a popular retail destination in Hong Kong, attracting a steady footfall of about 40.4 million shoppers.

Building on its comprehensive retail offerings, Festival Walk continued to freshen up its tenant mix by bringing in new brands and concepts with an emphasis on food and beverages ("F&B"), lifestyle, and cosmetics. FY16/17 also saw the grand opening of the 'Festival Grand' cinema, equipped with eight screens, around 1,200 seats, as well as a state-of-the-art movie entertainment system. To drive sales and footfall, Festival Walk organised exciting promotional events year-round, including the popular '*Disney Tsum Tsum Walk N' Roll Festival*', which was held for the second year running, as well as the '*Festival Walk•PlayStation® Sports Arena*', which featured sports apparel and gear from tenants, virtual reality games, a treasure hunt and an indoor six-metre rock climbing wall. Refurbishments to upgrade the toilets, the baby care room and the food court, 'FoodFest', further enhanced shoppers' comfort and experience. To reach out to more shoppers, the Manager will explore new customer-centric programmes and engage in multiple digital platforms.

Resilient Performance by Gateway Plaza

In view of the difficult office environment in Beijing, we continued to focus on proactive leasing efforts and tenant retention at Gateway Plaza, which translated into a high occupancy rate of 96.9% as at 31 March 2017 and an average rental reversion of 10% for leases which expired during the financial year. However, the additional property tax payable by Gateway Plaza due to a change from cost to revenue basis, a regulatory revision that took effect from 1 July 2016, as well as the lower average rate of RMB against SGD compared to a year ago, resulted in a 11.8% year-on-year decline in NPI for FY16/17.

1 Full-year DPU of 7.341 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. FY16/17 DPU of 7.320 cents, as shown in the full-year results announcement dated 26 April 2017, 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.

2 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 FY16/17.

3 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$1.020 on 31 March 2017, 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 FY16/17 of 27.115 cents over the opening IPO price of S$0.930.

4 Valuation on each property was carried out by Colliers International (Hong Kong) Limited as of 31 March 2016 and 31 March 2017.

5 After taking into account distribution payments to Unitholders on 27 May 2016 and 29 May 2017, NAV per unit would be S$1.201 and S$1.264 respectively.

6 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 leases that were renewed or re-let over the lease term.

Festival Walk was named as one of Hong Kong's top ten favourite shopping malls by Hong Kong Economic Times and Apple Daily Action News.

Overview

Upgraded three-storey podium area and new Western cafe at Gateway Plaza.

3.73 years

AVERAGE TERM TO MATURITY FOR DEBT
As of 31 March 2017

COMPARED TO 3.01 YEARS AS OF 31 MARCH 2016

To improve performance, we also seek opportunities to evaluate and execute asset enhancement initiatives ("AEIs") which can enhance the asset's relevance and appeal. Gateway Plaza's three-storey podium area, which was upgraded last financial year, provided better accessibility and convenience to tenants and visitors alike. FY16/17 saw the opening of a new Western cafe/restaurant, which added to the range of F&B offerings available at the building. Upcoming AEI works to the common areas are expected to further add to the attractiveness of the property.

Full-year Contribution from Sandhill Plaza

Sandhill Plaza, which was acquired on 17 June 2015, is a testament to the Manager's successful execution of its strategy to pursue investment opportunities that will enhance returns to Unitholders. Enjoying full occupancy, the business park property in Shanghai made a full-year contribution of S$24.3 million and S$22.6 million to the portfolio's FY16/17 gross revenue and NPI respectively, as compared to gross revenue of S$17.8 million and NPI of S$16.5 million in FY15/16. All leases with expiries in FY16/17 have been renewed or re-let at an average rental reversion of 16%.

PRUDENT CAPITAL MANAGEMENT

In the midst of volatile market conditions, the Manager continued to strengthen MGCCT's balance sheet. Close to 90% of the refinancing requirements due in March 2018 have been completed as of end FY16/17, ahead of expiry. The debt maturity profile remains well-staggered with the average term to maturity at a healthy 3.73 years as of 31 March 2017, from 3.01 years a year ago. To limit exposure to rising interest rates, the Manager maintained the percentage of debt with fixed interest cost at approximately 71%. For FY16/17, the effective interest rate was 2.72% per annum, compared to 2.43% for FY15/16. We have also hedged about 65% of the expected HKD and RMB distributable income for the period from 1 April 2017 to 30 September 2017 ("1H FY17/18") into SGD, to manage foreign currency exposure.

SUSTAINABILITY REPORTING

Promoting sustainable development in our business activities is important to MGCCT's success. Building on the prior years' disclosure of our sustainability practices, we are pleased to present MGCCT's inaugural sustainability report aligned with the Global Reporting Initiative's 2016 Standards. The report is also in close alignment with the Sponsor's group-wide sustainability initiatives. We will continue to work towards disclosing our commitments in accordance with SGX-ST's sustainability reporting requirements, which will take effect in 2018.

"We will stay focused on proactive lease management, as well as achieve healthy occupancy and positive rental reversion for our assets."

OUTLOOK

Looking ahead, the International Monetary Fund[1] expects global economic growth to pick up in 2017, barring unforeseen circumstances. For China, gross domestic product growth[1] is expected to stabilise, supported by continued policy stimulus and rebalancing of the economy to services and consumption. Hong Kong's economy[2] is expected to grow modestly, given the recent rebound in visitor arrivals and regional trade flows.

While Hong Kong's retail market[3] showed signs of improvement in the first quarter of 2017, the outlook for the year remains uncertain. However, given a stable labour market, domestic consumption is expected to remain resilient, supporting Festival Walk's stable gross revenue outlook, as well as moderate rental reversion expectation for leases expiring in the next financial year.

At Gateway Plaza in Beijing, leasing demand is expected to be dominated by domestic companies in view of the weaker business sentiments especially among multinational corporations. Average rental reversion is expected to grow modestly for leases expiring next year, with downward pressure on occupancy rate. For Sandhill Plaza in Shanghai, the asset is expected to benefit from a healthy rental reversion as tenants remain attracted to decentralised office locations which provide rental cost savings, as well as easy accessibility to key business districts and transportation hubs. As China continues its transitioning towards a high value-added economy, tenants in the services and hi-tech sectors are likely to underpin demand for space at both assets.

Going forward, we will stay focused on proactive lease management to achieve healthy occupancy and positive rental reversion for our assets. At the same time, we will continue to assess opportunities to augment and add value to our portfolio, together with prudent management of interest rate and foreign exchange exposure.

ACKNOWLEDGEMENTS

Mr Frank Wong Kwong Shing, who served as our Chairman from March 2013 to July 2016, resigned as a Board member on 31 July 2016. On behalf of the Board of Directors and the Manager, we wish to express our heartfelt gratitude to Mr Wong for his leadership and invaluable contribution to MGCCT.

We welcomed Ms Tan Su Shan to the Board on 1 November 2016 as an Independent Non-Executive Director. She has also been appointed as a Member of the Nominating and Remuneration Committee with effect from 1 March 2017. We are also delighted to have Mr Lok Vi Ming appointed as Lead Independent Non-Executive Director with effect from 1 August 2016. We look forward to their counsel and contributions in the years ahead.

In closing, we would like to express our deep appreciation to our Board of Directors for their stewardship in guiding MGCCT forward. We would also like to thank our Unitholders, tenants, shoppers and business partners for their continued support and confidence in MGCCT. To our management and employees, we commend you for your teamwork and continuous dedication in delivering another steady set of results in FY16/17.

In navigating the changing landscape, we remain committed to driving the performance of the assets, and to continually 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 2017).

2 The Government of the Hong Kong Special Administrative Region, "2016 Economic Background and 2017 Prospects", 22 February 2017.

3 Savills World Research, Hong Kong Retail Leasing (March 2017).

Overview

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[1] 2016年4月1日至2017年3月31日财政年度（“16/17财政年度”）的年度报告。

多变的环境，持续的价值

在16/17财政年度，影响MGCCT的宏观经济和营商环境不断演变。继15/16财政年度下降6.4%，香港零售业总销售[2]尽管在16/17财政年度跌势稍缓，仍继续下降了5.2%。中国经济增长率[3]也从2015年的6.9%进一步放缓至2016年的6.7%。我们业务所涉及的零售和办公楼市场整体疲软的营商环境直接影响了我们的租户，使他们在考量成本和租赁空间需求时更为谨慎。在北京，于2016年7月1日起生效的房产税制改革亦增加了佳程广场的经营成本。

尽管香港和中国的经济环境不断演变，我们仍然专注于实施积极的资产组合管理和审慎的资本管理战略，为MGCCT的单位信托持有人提供可持续的价值。

在16/17财政年度，MGCCT资产组合总营收达3.506亿新元，比去年同期的3.366亿新元上升4.2%。净房地产收入增长至2.856亿新元，比15/16财政年度的2.775亿新元上升2.9%。可分派收入总计2.046亿新元，比上一财政年度高出2.4%。16/17财政年度已派发给单位信托持有人的每单位可派发收入总额为7.341分[4]，按2017年3月31日1.020新元的闭市价格计算，派息率达7.2%。自2013年3月7日MGCCT上市至2017年3月31日，我们已派发给单位信托持有人的每单位可派发收入累计[5]达到27.115分，总回报率[6]高达38.9%。

我们一贯致力于实现内生增长，并保持旗下三大资产的高出租率。坚持不懈的努力不断取得成果，MGCCT的资产组合估值[7]从2016年3月31日的59.22亿新元增加至2017年3月31日的62.26亿新元，增幅达5.1%。每单位的净资产值[8]亦相应地从1.239新元增至1.301新元。

又一城——深受当地和国际品牌青睐的商场

在零售业疲软的环境下，又一城的业绩稳中有升，与15/16财政年度相比，16/17财政年度的全年总营收增长4.5%，净房地产收入上升5.7%。新租户和现有租户对租赁空间的需求依然保持稳定，致又一城商场在16/17财政年度满租，平均租金调升率[9]为12%。受零售业疲软的影响，加上电影院装修暂时停业6个月至2016年7月新的影院（‘Festival Grand’）盛大开幕，又一城的租户销售额比去年同期下降了8.8%；但商场仍吸引了约4039万的客流量，仍是香港受欢迎的购物胜地。

建基于为消费者提供的全面购物选择，又一城继续更新租户组合，引入新品牌和概念，着重于餐饮，生活时尚和化妆品上。16/17财政年度Festival Grand盛大开幕，配备了8间影厅，约1200个座位以及最先进的电影娱乐系统。为了推动销售额和客流量，又一城全年举办了精彩纷呈的营销活动，其中包括连续两年大受欢迎的‘*Disney Tsum Tsum Walk N' Roll Festival*’，以及‘*Festival Walk•PlayStation® Sports Arena*’。后者除了宣传租户提供的运动服饰和装备，也展示了虚拟现实游戏，还有寻宝游戏和一个六米高的室内攀岩墙。除此之外，翻新升级的卫生间、婴儿护理室和美食场‘FoodFest’，也进一步加强了消费者的舒适度和体验。为了拓展客户群，我们将寻找新的以消费者为中心的项目，并扩展到多个数码平台。

佳程广场稳健的表现

鉴于北京地区的办公楼租赁市场处于困难时期，我们继续专注于佳程广场，实施积极的租赁措施与保留现租户的策略。截至2017年3月31日，佳程广场的出租率高达96.9%，且本财政年度内到期租约的平均租金调升率达到10%。但是，自2016年7月1日起，因房产税政策的修订由从价计证改为从租计征，以房产租金收入为计税依据，致使佳程广场应缴房产税税金增加。兼之人民币对新币平均汇率的降低，16/17财政年度的净房地产收入比去年同期下降11.8%。

为提升业绩，我们也寻求契机来评估和执行资产增值项目，从而增加资产的相关性和吸引力。佳程广场上个财政

1 Mapletree Greater China Commercial Trust (“MGCCT”).
2 数据来自香港政府统计处2015年4月至2017年3月发表的零售业销货额按月统计调查报告。
3 数据来自中国国家统计局。
4 全年每单位可派发收入为7.341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。2017年4月26日发布的全年业绩报告中所公布的16/17财政年度的每单位可派发收入为7.320分，是按全年的可派发收入除以截至年底的已发行单位数计算。
5 13/14财政年度（不包括汇报期末段—2013年3月7日至31日）至16/17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。
6 上市后单位升值和总派发收益合计。单位升值是按2013年3月7日0.930新元的上市价和2017年3月31日1.020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16/17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27.115分，除以上市价0.930新元。
7 由高力国际（香港）有限公司于2016年3月31日和2017年3月31日对每项物业进行的估值。
8 扣除2016年5月27日和2017年5月29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1.201新元和1.264新元。
9 三大资产的租金调升率都是根据过期租赁的加权平均有效基本租金，与续约租赁或改签给新租户租赁的租赁加权平均有效基本租赁计算的。

年度升级的三层楼高的中庭为租户和访客提供了便利。16/17财政年度新增的西式咖啡厅/餐馆，也为租户提供了更广泛的餐饮。公共区域即将进行的资产增值项目有望进一步增加物业的吸引力。

展想广场贡献全年收益

于2015年6月17日收购的展想广场的强劲表现应归功于经理人成功地实施投资战略，为单位信托持有人提供更高的回报。此上海商业园物业在16/17财政年度取得满租，总营收和净房地产收入分别为0.243亿新元和0.226亿新元，超出15/16财政年度0.178亿新元的总营收和0.165亿新元的净房地产收入。所有16/17财政年度到期的租约都已续签或改签给新租户，平均租金上升率为16%。

审慎的资本管理

在不明朗的市场波动下，经理人继续改善MGCCT的资产负债状况。对于2018年3月到期的债务，接近90%的再融资需求已在16/17财政年底完成。债务到期状况良好，债务平均到期期限从2016年3月31日的3.01年延长到2017年3月31日的3.73年。为了限制利率上升的风险，经理人将定息成本的债务百分比保持在71%左右。实际利率从15/16财政年度的2.43%增加到16/17财政年度的2.72%。本着管理外汇风险的策略，我们还为2017年4月1日到9月30日(17/18财政年度上半年度)65%的预期港币和人民币可派发收入进行套期保值转为新元。

可持续发展报告

促进可持续发展对于MGCCT的成功至关重要。建基于过去几年我们公开的可持续发展的实践，我们很荣幸地提交MGCCT首个与全球报告倡议组织(“Global Reporting Initiative”)2016年标准一致的可持续发展报告。报告也与赞助人的集团公司可持续发展计划保持一致。我们将继续公开我们对可持续发展的承诺，以符合新交所将于2018年生效的可持续发展报告的要求。

前景展望

展望未来，国际货币基金组织[1]预计：除非出现不可预测的情况，2017年全球经济增长将回升。得益于持续的政策刺激及进一步趋向服务和消费型经济，中国的国内生产总值[1]增长预计会日趋稳定。鉴于近期入境旅客人数和区域贸易流量出现反弹，预计香港经济[2]将会小幅增长。

虽然香港的零售市场[3]在2017年第一季有改善迹象，但今年的前景仍然不明朗。而鉴于稳定的就业市场，当地消费预计将保持强劲，这将支持又一城稳定总营收的前景和下个财政年度到期租赁租金预计适度的调升。

对于北京的佳程广场来说，鉴于跨国公司受商业情绪较差的影响，租金需求预计将由国内公司主导。明年到期租约的平均租金调升率预计将适度增长，而出租率有下行压力。因为办公地点去中心化而给租户带来办公楼租金成本上的节省，及通往主要商业区和交通枢纽的便利交通，上海的展想广场预期将继续受益于健康的租金提升率。随着中国继续向高附加值经济转型，服务业和高新技术产业的租户较可能会支撑这两个资产的租赁需求。

展望未来，我们将继续专注于积极的租赁管理，以实现资产健康的出租率和租金上升率。同时，我们将继续寻找契机以加强扩大资产组合并为之增值，同时审慎地管理利率和汇率风险。

致谢

曾于2013年3月至2016年7月担任董事会主席的黄钢城先生于2016年7月31日卸任董事会成员，谨代表董事会及经理人衷心感谢黄先生对MGCCT的领导和宝贵的贡献。

我们欢迎陈淑珊女士于2016年11月1日就任独立非执行董事，她也于2017年3月1日被任命为提名和薪酬委员会的成员。我们也很高兴骆维明先生于2016年8月1日就任首席独立非执行董事。我们期待着他们在未来几年的建议和贡献。

最后，我们要对指导MGCCT向前迈进的董事会表示由衷的感谢。我们还要感谢我们的单位信托持有人、租户、购物者和商业伙伴对MGCCT一贯以来的支持和信心。对于我们的管理层和员工，我们赞扬诸位在16/17财政年度的努力贡献和精诚合作，是你们为MGCCT带来又一年的稳定业绩。

经济环境风云变幻，我们将继续致力于推动资产的业绩，不断向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

[1] 国际货币基金组织，《世界经济前景报告》(2017年4月)。
[2] 香港特别行政区政府，《2016年经济背景与2017年展望》，2017年2月22日。
[3] 第一太平戴维斯世界研究，香港零售租赁(2017年3月)。

Overview

Year in Brief FY16/17

2016

April

Mrs Ow Foong Pheng stepped down as an Independent Non-Executive Director and Member of the Nominating and Remuneration Committee of the Manager with effect from 20 April 2016.

July

MGCCT held its 3rd Annual General Meeting on 29 July 2016.

Mr Frank Wong Kwong Shing resigned as Chairman and Independent Non-Executive Director of the Manager with effect from 31 July 2016.

Mr Paul Ma Kah Woh was appointed as Non-Executive Director of the Manager with effect from 1 July 2016 and as Chairman of the Manager with effect from 1 August 2016.

Mr Lok Vi Ming was appointed as Lead Independent Non-Executive Director with effect from 1 August 2016.

MGCCT received *'Best Annual Report (Silver)'* at the Singapore Corporate Awards.

Festival Walk garnered four awards at the Marketing Events Awards: *'Best Exhibition Event (Silver)'*, *'Best CSR Event (Silver)'*, *'Best PR Strategy (Bronze)'*, and *'Best Use of Multi-Channel (Bronze)'*.

October

Festival Walk won *'2016 Gold Stevie® Award'* for Corporate Social Responsibility Program of the Year in Asia (China, Japan and Korea) and *'2016 Silver Stevie® Award'* for Best Exhibition Display, Stand or Feature at the International Business Awards held in Rome, Italy.

2017

November

Ms Tan Su Shan was appointed as an Independent Non-Executive Director with effect from 1 November 2016.

Festival Walk was accorded the '*Top Ten Experiential Marketing Brilliance Awards*' and the '*Brilliance in Integrated Digital Media Experience*' awards for the second consecutive year, as well as the '*Brilliance in Collaboration Related Event*' at the Experiential Marketing Brilliance Awards Hong Kong.

Festival Walk was presented with Silver for '*Excellence in Mass Event*' and Bronze for '*Excellence in Gaming*' at the Marketing Excellence Awards.

February

Festival Walk swept ten awards at the 2017 Stevie® Awards for Sales & Customer Service: '*Inbound Marketing Program of the Year (Gold)*', five Silver and four Bronze Awards.

Festival Walk was voted the '*Top 10 My Favorite Mall*' and the '*Most Trendy Shopping Mall*' at the Apple Daily Action News' Best Mall Awards for the third consecutive year.

Hong Kong Economic Times presented Festival Walk with the '*Top 10 Favourite Shopping Mall*' award.

At both the Asian Licensing Awards 2016 and Hong Kong Licensing Awards 2016 organised by the Asian Licensing Association, Festival Walk was presented with the '*Best Promotion Campaign Award*' by the Hong Kong Trade Development Council.

March

Ms Tan Su Shan was appointed as a Member of the Nominating and Remuneration Committee of the Manager with effect from 1 March 2017.

Strategy

Mission

To deliver regular and stable returns to Unitholders and to achieve long-term sustainable growth in DPU and Net Asset Value ("NAV") per unit

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 the Greater China region

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)

KEY STRATEGIES	STRATEGIC OBJECTIVES
Active Asset Management	• Achieve growth in revenue and NPI • Maintain high occupancy levels • Drive organic growth • Build strong relationships with tenants
Active Asset Enhancement	• Increase property value through AEI to support and enhance organic growth • Convert under-utilised space into leasable space
Value-Creating Acquisition Growth	• Acquire good quality income-producing commercial properties that are aligned with our investment strategy
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

Vision – To be a leading Greater China-focused commercial REIT by portfolio size, quality of assets and returns

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

Refer to: Operations Review *pg 38-41*

- Offer better amenities and upgrade 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: Operations Review *pg 38-41* and Sustainability Reporting *pg 81-100*

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

- 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 *pg 33-37*, Risk Management *pg 64-66*, Financial Statements *pg 101-151*


RIGBY & PELLER
PANDORA
PANDORA

MAINTAINING RESILIENCE IN PORTFOLIO

Adopting proactive asset management and providing better amenities through asset enhancement initiatives, our properties offer compelling experiences to shoppers and tenants alike. These strategies help to sustain healthy occupancies and rental reversions, thus preserving income stability for our portfolio.

PORTFOLIO OCCUPANCY
As of 31 March 2017

98.6%

RENTAL REVERSION[1]
FY16/17

Festival Walk

+12%

Gateway Plaza

+10%

Sandhill Plaza

+16%

[1] Rental reversion is computed based on the weighted average effective base rental rate for leases which expired in FY16/17 vs. the weighted average effective base rental rate of leases that were renewed or re-let over the lease term.

FESTIVAL WALK
又一城

UPHOLDING PRUDENCE & DISCIPLINE

Maintaining a well-staggered debt profile and a strong balance sheet will support MGCCT's financial flexibility and provide sufficient liquidity for operational and acquisition needs. Meanwhile, a framework of capital management strategies reduces MGCCT's exposure to interest and foreign exchange rate volatilities amid macroeconomic uncertainties.

AVERAGE TERM TO MATURITY FOR DEBT[1]
3.73 yrs

% OF DEBT WITH FIXED INTEREST COST[1]
71%

EFFECTIVE INTEREST RATE FOR FY16/17
2.72%

EXPECTED 1H FY17/18[2] **DISTRIBUTABLE INCOME HEDGED INTO SGD**
65%

[1] As of 31 March 2017.
[2] For the period from 1 April 2017 to 30 September 2017.

GATEWAY PLAZA
佳程广场

BALANCE IN BUSINESS & SUSTAINABILITY

Our business impacts the environment and communities where we operate in. Recognising the increasing importance of environmental, social and governance issues, we strive to balance business and sustainability when developing responsible practices, as well as foster synergies among our stakeholders to achieve a sustainable future for MGCCT.

ENERGY CONSUMPTION SAVED Y-O-Y[1]

2.4%

WATER CONSUMPTION SAVED Y-O-Y[1]

3.7%

WASTE RECYCLED

2,209 tonnes

[1] Figures for FY16/17 compared to FY15/16.

SANDHILL PLAZA
展想广场


Sandhill Plaza

Performance

Property Portfolio
Summary[1]

GROSS REVENUE
FY16/17
S$350.6m

NPI
FY16/17
S$285.6m

OCCUPANCY RATE
As of 31 March 2017
98.6%

MARKET VALUATION
As of 31 March 2017[2]
S$6,226m

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

LETTABLE AREA
2,625,438 sq ft

Office: 1,621,114 sq ft
Retail: 1,004,324 sq ft

WEIGHTED AVERAGE LEASE EXPIRY ("WALE") BY MONTHLY GRI[5]
2.5 years

NUMBER OF TENANTS
354

NUMBER OF LEASES
425

TOP TENANTS[4] BY MONTHLY GROSS RENTAL INCOME ("GRI")

- Apple Store
- Arup
- Bank of China
- BMW
- China Fortune Land Development ("CFLD")
- Cummins
- Festival Grand
- I.T
- Spreadtrum
- TaSTe

MGCCT's 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.

The footnotes below apply to this Property Portfolio section.

1 All portfolio information and numbers presented in this section are as of 31 March 2017 unless otherwise specified.
2 Based on valuation on each property carried out by Colliers International (Hong Kong) Limited as of 31 March 2017.
3 Sq ft (square feet).
4 Top 10 tenants by GRI for the month of March 2017.
5 Based on committed leases.

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. Near two universities and neighbouring schools, the mall is also accessible by bus and road networks. The mall is well-supported by commuters passing through the busy transport node, as well as a catchment area with a population of more than 1.4 million. Key tenants include the Apple store, H&M, LOG-ON, Marks and Spencer, 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 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.

Hong Kong, Beijing and Shanghai
Retail and Office

GATEWAY PLAZA
佳程广场

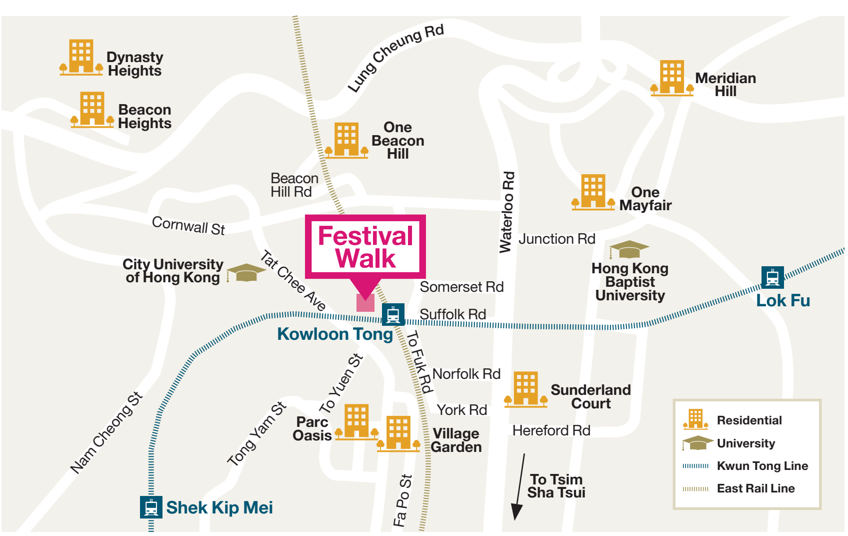
Strategically located in the well-established Lufthansa commercial hub within the Third Ring Road in Beijing, Gateway Plaza is a Grade-A office building which is home to a diverse group of well-known multinationals and local companies including BASF, BMW, CFLD and Doosan. It occupies a vantage position, well-linked by major train, bus and road networks and next to the Airport Expressway with direct access to the Beijing Capital International Airport. The building's podium area, which was refurbished in FY15/16, offers amenities including Bank of China, Nanyang Commercial Bank, a medical 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 a well-accessible location with lush greenery, a wide range of amenities, as well as a modern interior, the business park is a choice location for leading corporations including Analog Devices, Axalta, Borouge, Disney, Pixelworks and Spreadtrum.

Performance

Property Portfolio
Festival Walk Hong Kong



POPULAR RETAIL DESTINATION FOR LOCAL SHOPPERS

Festival Walk delivered another year of good results, despite a weak retail environment in Hong Kong. In FY16/17, 111 retail leases which expired in the year were renewed or re-let at an average rental reversion of 12%. Although annual retail sales have declined by 8.8%, the mall continued to attract a steady footfall of 40.4 million during the financial year. Both retail and office units remained fully occupied. Accordingly, gross revenue and NPI for the same period grew 4.5% and 5.7% respectively on a year-on-year basis.

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

ADDRESS
80 Tat Chee Avenue, Kowloon Tong

GROSS REVENUE
FY16/17
S$247.2m

NPI
FY16/17
S$198.0m

MARKET VALUATION
Local Currency/S$
HK$24,870m
(S$4,549m)

OCCUPANCY RATE
As of 31 March 2017
100%
As of 31 March 2016: 100%

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

[1] Rental reversion is computed based on the weighted average effective base rental rate for leases which expired in FY16/17 vs. the weighted average effective base rental rate of leases that were renewed or re-let over the lease term.

DATE OF PURCHASE
7 March 2013

GOVERNMENT LEASE TERM/LAND USE RIGHT EXPIRY
30 June 2047

RENTAL REVERSION[1]
FY16/17
+12% Retail
+7% Office

NUMBER OF TENANTS
189

NUMBER OF LEASES
265

WALE BY MONTHLY GRI
OVERALL: 2.1 years
Office: 1.4 years
Retail: 2.2 years

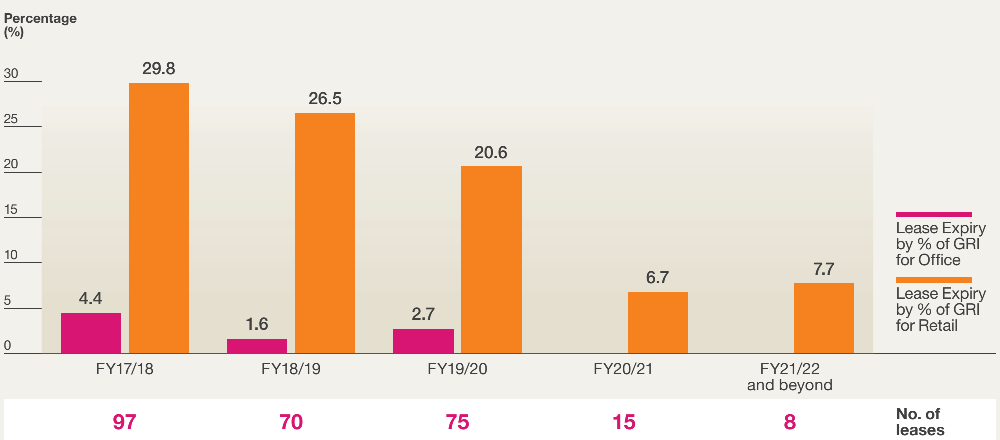
TOP TENANTS BY MONTHLY GRI
RETAIL
- Apple Store
- Festival Grand
- H&M
- I.T
- LOG-ON
- Marks & Spencer
- TaSTe
- UNIQLO

OFFICE
- Arup
- Prudential

RETAIL SALES
FY16/17
HK$4,853m
FY15/16: HK$5,321m

FOOTFALL
FY16/17
40.4m
FY15/16: 40.4m

FESTIVAL WALK'S LEASE EXPIRY PROFILE BY MONTHLY GRI
As of 31 March 2017



97	70	75	15	8	No. of leases

FESTIVAL WALK'S TENANT MIX BY GRI
As of 31 March 2017

- **32.1%** Apparel & Fashion Accessories
- **15.3%** Food & Beverages
- **11.5%** Leisure & Entertainment
- **8.6%** Personal Cosmetics
- **7.9%** Departmental Store & Supermarket
- **7.0%** Services
- **6.4%** Houseware, Electronics & Furnishings
- **5.4%** Professional & Business Services
- **4.1%** Luxury Jewellery, Watches & Accessories
- **1.7%** Financial Institution/ Insurance/Banking/ Real Estate

Performance

Property Portfolio

Camper
(re-location)

Festival Grand Cinema

Festival Walk

NARS

Panino Giusto

Tai Hing
(new store at 'FoodFest' food court)

LeTAO kiosk

Smiggle

Phase Eight

TUMI

LOG-ON
(refreshing new look after renovation)

New Concepts & Brands

Petite House
(dessert café)

Anteprima

Performance

Property Portfolio

Chinese New Year's opening ceremony by Hong Kong celebrity Myolie Wu.

Showcase of beauty products at the Estee Lauder/Origins roadshow.

Festival Walk

Showcase of exciting products and events at the *'Festival Walk•PlayStation® Sports Arena'*.

Car shows continue to draw shoppers.


Ice hockey competition at the 'Glacier'.

'*Disney on Ice*' Press Performance at the 'Glacier' ice rink.

Held for the second year, the '*Disney Tsum Tsum Walk N' Roll Festival*' remains a crowd favourite.

Galore of Exciting Activities

'*Line Walker*' movie premiere starring Hong Kong celebrities Louis Koo, Nick Cheung and Charmaine Sheh.

An enchanting experience with the '*Secret Garden*' themed Christmas performances.

Performance

Property Portfolio
Gateway Plaza Beijing

RESILIENT PERFORMANCE DESPITE WEAK ENVIRONMENT

During FY16/17, Gateway Plaza maintained a high occupancy level of 96.9%. A total of 25 office and podium leases with expiries in the year were renewed or re-let at an average rental reversion of 10%. This resilient set of results, despite weaker business sentiments in Beijing, is a testament to the quality property's appeal to multinational corporations and local conglomerates.

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

ADDRESS
18 Xiaguangli, East 3rd Ring Road North, Lufthansa Area

GROSS REVENUE
FY16/17
S$79.1m

NPI
FY16/17
S$65.0m

MARKET VALUATION
Local Currency/S$
RMB6,120m
(S$1,258m)

OCCUPANCY RATE
As of 31 March 2017
96.9%
As of 31 March 2016: 96.8%

GROSS FLOOR AREA
106,456 sqm[1]
Office: 94,715 sqm (89%)
Podium: 11,741 sqm (11%)

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

NUMBER OF CAR PARK LOTS
692

BUILDING COMPLETION DATE
August 2005

DATE OF PURCHASE
7 March 2013

GOVERNMENT LEASE TERM/LAND USE RIGHT EXPIRY
25 February 2053

RENTAL REVERSION[2]
FY16/17
+10%

NUMBER OF TENANTS
102

NUMBER OF LEASES[3]
92

WALE BY MONTHLY GRI
OVERALL: 3.6 years
Office: 3.2 years
Podium: 6.9 years

TOP TENANTS BY MONTHLY GRI

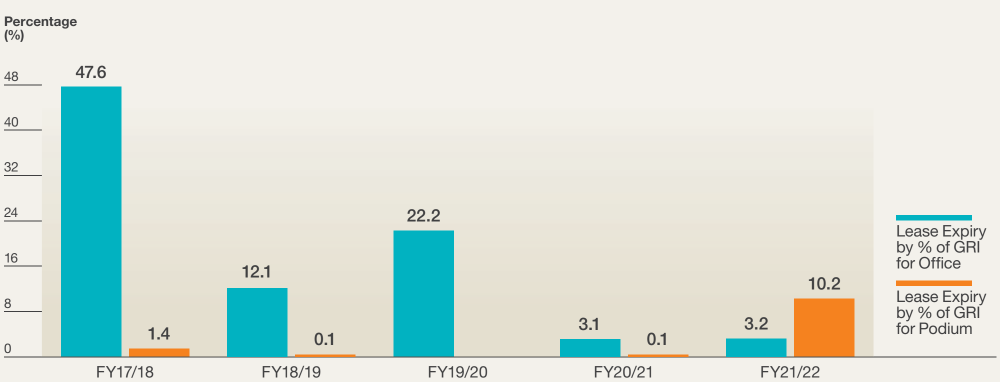
OFFICE
- BASF
- BMW
- CFLD
- Changjiu Group
- Cummins
- Doosan
- SBC Business Service
- SPX

PODIUM
- Bank of China
- Nanyang Commercial Bank

1 Square metres (sqm) is the standard convention for area in China.
2 Rental reversion is computed based on the weighted average effective base rental rate for leases which expired in FY16/17 vs. the weighted average effective base rental rate of leases that were renewed or re-let over the lease term.
3 There were two leases with expiry dates on 31 March 2017 which were not renewed or re-let and were not included in the lease expiry profile below.

GATEWAY PLAZA'S LEASE EXPIRY PROFILE BY MONTHLY GRI

As of 31 March 2017



FY17/18	FY18/19	FY19/20	FY20/21	FY21/22 and beyond	
28	17	28	8	9	No. of leases

GATEWAY PLAZA'S TENANT MIX BY GRI

As of 31 March 2017

- **33.1%** Financial Institution/ Insurance/Banking/ Real Estate
- **31.0%** Automobile
- **15.5%** Machinery/Equipment/ Manufacturing
- **8.5%** Professional & Business Services
- **4.0%** Natural Resources
- **3.2%** Services
- **2.1%** Leisure & Entertainment
- **1.3%** Pharmaceutical/ Medical
- **0.4%** Food & Beverages
- **0.9%** Others

Performance

Property Portfolio

Sandhill Plaza Shanghai

A BOOST TO PORTFOLIO PERFORMANCE

Acquired on 17 June 2015, Sandhill Plaza delivered gross revenue and NPI of S$24.3 million and S$22.6 million respectively in FY16/17, well-supported by the decentralisation trend with businesses seeking cost-effective and quality office spaces. As of end-March 2017, the property maintained full occupancy and achieved a healthy average rental reversion of 16% for leases that had expired during the year.

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

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

GROSS REVENUE
FY16/17
S$24.3m

NPI
FY16/17
S$22.6m

MARKET VALUATION
Local Currency/S$
RMB2,040m
(S$419m)

OCCUPANCY RATE
As of 31 March 2017
100.0%
As of 31 March 2016: 100.0%

GROSS FLOOR AREA
83,801 sqm

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

NUMBER OF CAR PARK LOTS
460

BUILDING COMPLETION DATE
December 2012

DATE OF ACQUISITION
17 June 2015

GOVERNMENT LEASE TERM/LAND USE RIGHT EXPIRY
3 February 2060

RENTAL REVERSION[2]
FY16/17
+16%

NUMBER OF TENANTS
63

NUMBER OF LEASES
68

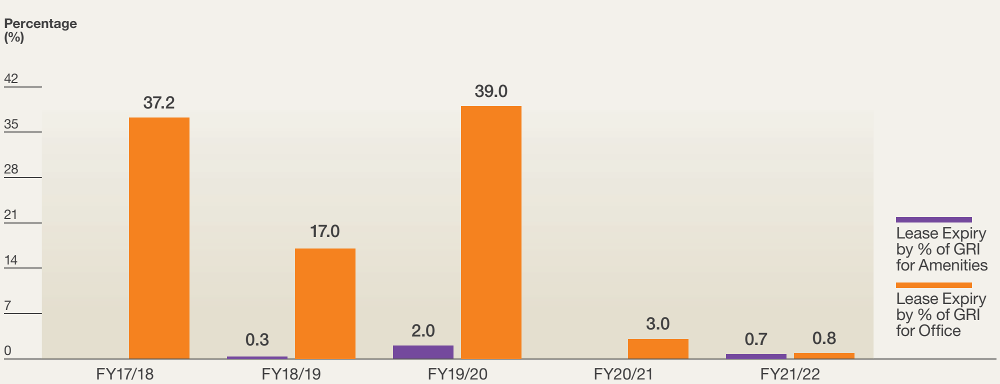
WALE BY MONTHLY GRI
OVERALL: 2.2 years
Office: 2.2 years
Amenities: 3.0 years

TOP TENANTS BY MONTHLY GRI
- Analog Devices
- Axalta
- Borouge
- Disney
- Hanting
- Hexagon
- Huaxingtong
- Pixelworks
- Spreadtrum
- Xinweilai

[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 leases which expired in FY16/17 vs. the weighted average effective base rental rate of leases that were renewed or re-let over the lease term.

SANDHILL PLAZA'S LEASE EXPIRY PROFILE BY MONTHLY GRI
As of 31 March 2017



18	14	30	3	3	No. of leases

SANDHILL PLAZA'S TENANT MIX BY GRI
As of 31 March 2017

- 58.0% Machinery/Equipment/Manufacturing
- 21.1% Information Technology
- 8.7% Financial Institution/Insurance/Banking/Real Estate
- 5.0% Leisure & Entertainment
- 1.5% Food & Beverages
- 1.4% Renewable Energy
- 1.2% Houseware, Electronics & Furnishings
- 1.2% Automobile
- 1.1% Pharmaceutical/Medical
- 0.8% Others

Performance

Unit Price Performance

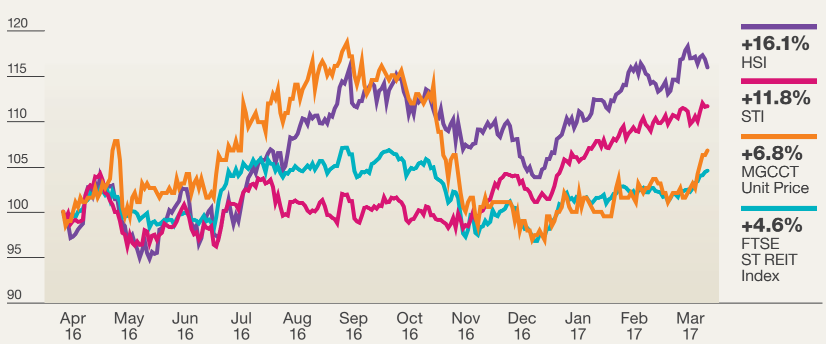
TRADING PERFORMANCE SINCE IPO[1]

1 Excludes first three days of trading to remove IPO effect. Period is from 12 March 2013 to 31 March 2017.

TRADING PERFORMANCE VS MAJOR INDICES IN FY16/17

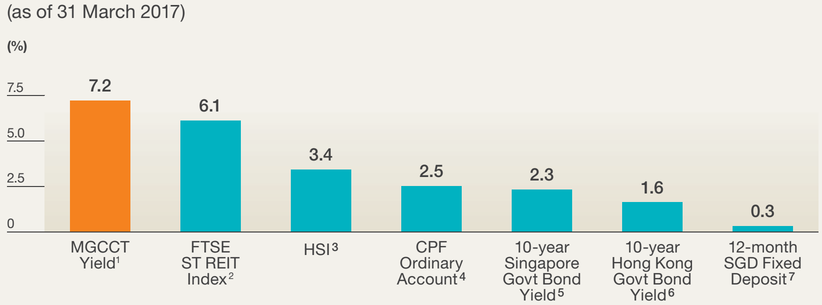
(1 April 2016 to 31 March 2017)

Rebased opening prices on 1 April 2016 to 100



MGCCT OFFERS A HIGHER RETURN VS OTHER COMPARABLE INSTRUMENTS

(as of 31 March 2017)



1 Based on actual DPU paid to Unitholders of 7.341 cents (sum of first-half and second-half DPU) for FY16/17 and closing unit price of $1.020 on 31 March 2017.
2 12-month gross dividend yield of FTSE ST REIT Index as of 31 March 2017, Bloomberg.
3 12-month gross dividend yield of HSI as of 31 March 2017, Bloomberg.
4 Prevailing interest rate on Central Provident Fund ("CPF") Ordinary Account Savings from CPF Board, January to March 2017.
5 Singapore Government Bond Yield from Monetary Authority of Singapore as of 31 March 2017.
6 Hong Kong Government Bond Yield from Hong Kong Government Bond Programme website as of 31 March 2017.
7 12-month SGD fixed deposit savings rate from Monetary Authority of Singapore as of 31 March 2017.

FY16/17 was a year marked by uncertainties in the global economy, with BREXIT, volatility in oil prices and concerns on the timing of further interest rate hikes. However, in the second half of 2016, renewed confidence in the strength of the US economy post the US elections led to a broad based stock rally lifting indices around the world including the Straits Times Index ("STI") and Hang Seng Index ("HSI"). Viewed as a relatively stable high-yield asset, MGCCT's unit price increased 6.8% to close at S$1.020 on 31 March 2017, compared to S$0.955 on 31 March 2016. MGCCT also performed slightly better than the FTSE Straits Times ("ST") REIT Index during the same period as the Hong Kong retail sector showed signs of bottoming out while China's economy continued to stabilise. From its listing price of S$0.930, MGCCT's unit price has increased 9.7% as of 31 March 2017. At an attractive distribution yield of 7.2% as of 31 March 2017, MGCCT offers a higher return than the FTSE ST REIT Index and HSI at yields of 6.1% and 3.4% respectively.

TRADING PERFORMANCE HIGHLIGHTS

(1 April 2016 to 31 March 2017)

Average Unit Closing Price
S$1.008

Total Volume Traded
1,244.6 million units

Highest Closing Price
S$1.135

Average Daily Trading Volume
4.8 million units

Lowest Closing Price
S$0.925

Market Capitalisation as at 31 March 2017
S$2.9 billion

Financial Review and Capital Management

OVERVIEW OF STATEMENT OF TOTAL RETURN AND DISTRIBUTION STATEMENT

	FY16/17 (S$'000)	FY15/16 (S$'000)	Variance % Positive/ (Negative)
Gross Revenue [1]	350,629	336,638	4.2
Property Operating Expenses	(65,049)	(59,172)	(9.9)
Net Property Income	**285,580**	**277,466**	**2.9**
Manager's Management Fees			
– Base Fee	(20,463)	(19,987)	(2.4)
– Performance Fee	(490)	(4,884)	90.0
Finance Costs (Net)	(73,037)	(64,451)	(13.3)
Foreign Exchange Gain	6,980	32,340	(78.4)
Trustee's Fee	(641)	(620)	(3.4)
Other Trust Expenses	(1,395)	(2,219)	37.1
Total Non-operating Expenses	**(89,046)**	**(59,821)**	**(48.9)**
Net Change in Fair Value of Investment Properties	218,882	239,921	(8.8)
Net Change in Fair Value of Financial Derivatives	(2,837)	8,378	NM
Income Tax Expenses	(40,080)	(37,843)	(5.9)
Total Return for the Year	**372,499**	**428,101**	**(13.0)**
Distribution Adjustments [2]	(167,872)	(228,227)	26.4
Income Available for Distribution to Unitholders	**204,627**	**199,874**	**2.4**

NM – Not Meaningful

1 Gross revenue is presented net of Value Added Tax from May 2016 onwards (previously, Business Tax).

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$350.6 million from 1 April 2016 to 31 March 2017 ("FY16/17"), representing an increase of 4.2% compared to the same period last year ("FY15/16"). The revenue growth was mainly driven by higher rental income from Festival Walk, as well as a full-year contribution from Sandhill Plaza, acquired in June 2015, partially offset by the lower average rate of Renminbi ("RMB") against Singapore Dollar ("SGD") during FY16/17. By asset, Festival Walk, Gateway Plaza and Sandhill Plaza contributed 70%, 23% and 7% respectively to the portfolio gross revenue.

PROPERTY OPERATING EXPENSES

Property operating expenses for FY16/17 totalled S$65.0 million, 9.9% higher compared to FY15/16 largely due to additional property tax (S$5.4 million) incurred by Gateway Plaza as a result of the change in the basis of assessment of property tax, effective from July 2016.

NET PROPERTY INCOME

Consequently, NPI was S$285.6 million in FY16/17, which was 2.9% higher compared to S$277.5 million a year ago. By percentage contribution to NPI, Festival Walk, Gateway Plaza and Sandhill Plaza accounted for 69%, 23% and 8% respectively in FY16/17.

FINANCE COSTS (NET) AND FOREIGN EXCHANGE GAIN

Finance costs (net) for FY16/17 were 13.3% or S$8.6 million higher compared to last year mainly due to the refinancing of maturing debt with medium-term notes and bank borrowings (S$5.0 million) to extend the debt maturity, as well as additional borrowings to finance the acquisition of Sandhill Plaza (S$2.6 million) and for working capital (S$1.0 million). Furthermore, the effect of rising interest rate on floating rate debt (S$0.6 million) also increased finance costs.

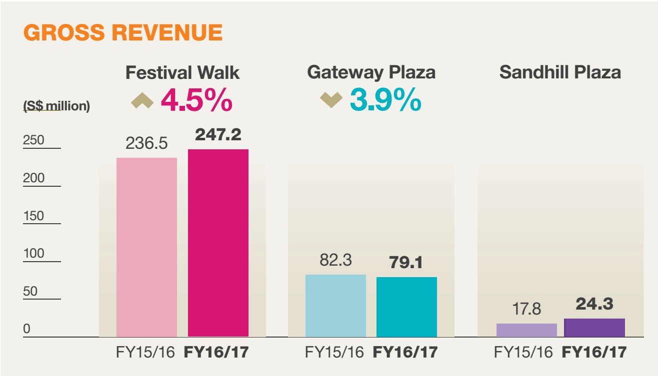
The foreign exchange gain of S$7.0 million in FY16/17 (FY15/16: S$32.3 million) mainly comprised exchange gain of S$6.9 million (FY15/16: S$36.2 million) from the partial settlement of inter-company loans, which are capital in nature and not distributable, as well as realised exchange gain of S$0.2 million (FY15/16: loss of S$4.3 million) from the settlement of currency forward contracts undertaken to hedge Hong Kong Dollar ("HKD") and RMB income.

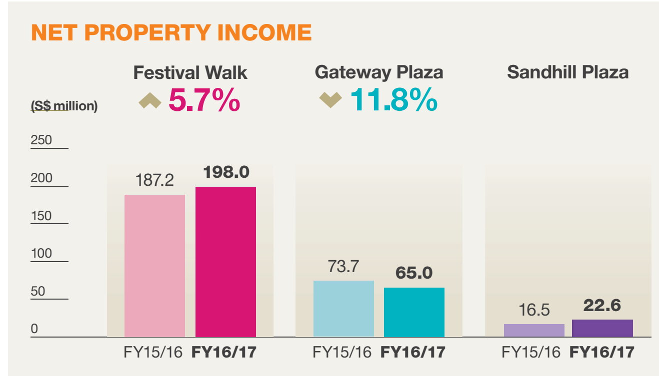
NET CHANGE IN FAIR VALUE OF INVESTMENT PROPERTIES AND NET CHANGE IN FAIR VALUE OF FINANCIAL DERIVATIVES

Net change in fair value of investment properties of S$218.9 million (FY15/16: S$239.9 million) represents the fair value gain recognised based on the valuation of each property carried out by Colliers International (Hong Kong) Limited as of 31 March 2017. Festival Walk, Gateway Plaza and Sandhill Plaza contributed S$161.7 million (FY15/16: S$172.6 million), S$38.9 million (FY15/16: S$48.2 million) and S$18.3 million (FY15/16: S$19.1 million) to revaluation gain respectively. The fair

Performance

Financial Review and Capital Management





value gain is unrealised and has no impact on the distribution to Unitholders.

Net change in fair value of financial derivatives of S$2.8 million in FY16/17 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.

INCOME AVAILABLE FOR DISTRIBUTION AND DPU

Income available for distribution to Unitholders for FY16/17 was S$204.6 million, 2.4% higher than last financial year.

During FY16/17, MGCCT issued 37,802,654 new units, in respect of the payment of management fees to the Manager and the Property Manager. The total number of units in issue stood at 2,795,381,671 as of 31 March 2017.

UNITS ISSUED IN FY16/17

Type of Fees[a]	For Period	Issued Date	Number of Units	Issued Price[b] (S$)
Base Fee & Property Manager's Fees	1 January to 31 March 2016	27 May 2016	8,621,860	0.9610
Performance Fee	1 April 2015 to 31 March 2016	27 May 2016	5,082,685	0.9610
Base Fee & Property Manager's Fees	1 April to 30 June 2016	24 August 2016	8,155,456	0.9890
Base Fee & Property Manager's Fees	1 July to 30 September 2016	25 November 2016	7,205,312	1.0902
Base Fee & Property Manager's Fees	1 October to 31 December 2016	24 February 2017	8,737,341	0.9365
		Total:	**37,802,654**	

[a] 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.
[b] 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 accrued.

SEMI-ANNUAL DISTRIBUTIONS

	Period[a]	Payment Date	Distributable Income for the Period S$'000	Number of Issued Units as at End Period[b]	DPU (paid) cents
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
FY15/16	1 April to 30 September 2015 ("1H FY15/16")	26 November 2015	95,879	2,739,815,998	3.499
	1 October 2015 to 31 March 2016 ("2H FY15/16")	27 May 2016	103,995	2,757,579,017	3.771

[a] MGCCT's distribution policy is to distribute on a semi-annual basis.
[b] The number of issued units at the end of the period. There were no convertibles, treasury units and subsidiary holdings as of 31 March 2017 and 31 March 2016.

DPU paid for FY16/17 was 7.341 cents, 1.0% more compared to the DPU paid for FY15/16 of 7.270 cents (refer to footnote 2 on page 2 of this Annual Report).

ANALYSIS OF QUARTERLY DPU

For the first quarter of FY16/17, DPU of 1.850 cents was 9.1% higher compared to the same quarter a year ago mainly due to an enlarged portfolio with the acquisition of Sandhill Plaza, and higher rental income from Festival Walk. This was partially offset by higher finance costs due to additional borrowings for the acquisition, and the refinancing of maturing debt with medium-term notes and bank borrowings.

DPU for the second quarter and third quarter of FY16/17 saw a decline of 2.4% and 4.1% year-on-year respectively mainly due to the lower average rate of RMB against SGD, additional property tax, Value Added Tax ("VAT") implementation[1] at Gateway Plaza, as well as increased finance costs, partially offset by higher rental income from Festival Walk and Sandhill Plaza.

In March 2017, following the clarification obtained from the local tax authorities on the applicable VAT rate and implementation process at Gateway Plaza, DPU for the fourth quarter of FY16/17 improved by 1.9% to 1.959 cents compared to last financial year.

The increase was mainly attributed to the reversal of VAT payable[1], previously assumed at a higher rate for the previous three quarters, offset by additional property tax.

VALUATION OF PROPERTIES

As of 31 March 2017, MGCCT's properties were valued at S$6,226.3 million by Colliers International (Hong Kong) Limited, 5.1% or S$303.9 million higher. The increased portfolio value was mainly due to fair valuation gain for all three properties of S$218.9 million and net translation gain of S$78.1 million from stronger HKD against SGD, offset by weaker RMB against SGD.

NET ASSETS AND NET ASSET VALUE ("NAV")

Total Group assets as of 31 March 2017 increased by 6.1% or S$375.4 million compared to 31 March 2016, as a result of the increase in the value of investment properties, as well as an increase in trade and other receivables of S$44.5 million relating to rentals outstanding as a result of the VAT implementation[1] at Gateway Plaza. With the clarification obtained from the local tax authorities, this will expedite the billing and collection of rentals subsequent to year end.

Cash balances were also higher by S$28.8 million mainly due to net cash from operating activities and additional borrowings, reduced by interest payments and distribution payments to Unitholders. The increase also includes a cash amount of RMB51.5 million (equivalent to S$10.6 million), being the remaining balance released from the PRC courts to a subsidiary company, HK Gateway Plaza Company Limited ("HKGW"), relating to the resolution of

ANALYSIS OF QUARTERLY DPU

(cents)	1Q*	2Q	3Q*	4Q
FY16/17	1.850	1.765	1.778	1.959
FY15/16	1.696	1.808	1.854	1.923
% Change Year-on-year	9.1	-2.4	-4.1	1.9

* Refer to Note (a) below the "Distributable Income and DPU Since IPO" graph on page 3 of this Annual Report.

VALUATION OF PROPERTIES

	Valuation (Local Currency/S$)		Valuation Cap Rate (Gross)	
$ million	As of 31 March 2017[(a)]	As of 31 March 2016[(b)]	As of 31 March 2017	As of 31 March 2016
Festival Walk	HK$24,870 **S$4,549**	HK$23,930 S$4,253	**4.5%**	4.5%
Gateway Plaza	RMB6,120 **S$1,258**	RMB5,930 S$1,256	**6.5%**	6.5%
Sandhill Plaza	RMB2,040 **S$419**	RMB1,950 S$413	**5.75%**	5.75%
Portfolio	**S$6,226**	S$5,922		

(a) Valuation methodologies used as of 31 March 2017 by independent valuer include: Direct Comparison (for Gateway Plaza and Sandhill Plaza), Term & Reversion and Discounted Cash Flow. Based on exchange rates S$1 = HK$5.4669 and S$1 = RMB4.8655.

(b) Based on exchange rates S$1 = HK$5.6265 and S$1 = RMB4.7203.

STATEMENT OF FINANCIAL POSITION HIGHLIGHTS

	As of 31 March 2017 (S$'000)	As of 31 March 2016 (S$'000)	Variance %
Total Assets	**6,528,920**	6,153,504	6.1
Total Liabilities	**2,892,600**	2,737,317	(5.7)
Net Assets Attributable to Unitholders	**3,636,320**	3,416,187	6.4
NAV per Unit (S$)	**1.301**	1.239	5.0

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.

Performance

Financial Review and Capital Management

the Litigation Action[1] in the PRC courts between Beijing Bestride Real Estate Development Co. Ltd. and HKGW. This cash amount of RMB51.5 million (equivalent to S$10.6 million) and the RMB213.4 million (equivalent to S$43.9 million) released from the PRC courts in FY15/16 are due to be repaid to a related party, Mapletree India China Fund Ltd.

Total Group liabilities was 5.7% or S$155.3 million higher mainly due to an increase in borrowings of S$133.9 million for additional loans drawn for working capital and distribution payments to Unitholders. There was also an increase in deferred tax liabilities of S$17.2 million, mainly relating to the fair value gain on investment properties.

Correspondingly, net assets attributable to Unitholders increased by 6.4% over the previous financial year, to S$3,636.3 million, and NAV per Unit was higher at $1.301[2] as at 31 March 2017.

CASH FLOWS AND LIQUIDITY

As of 31 March 2017, cash and bank balances of MGCCT Group stood at S$234.9 million, compared with S$206.1 million as of 31 March 2016. Net cash provided by operating activities for FY16/17 was lower at S$226.8 million compared with S$264.9 million for FY15/16, mainly due to outstanding rentals at Gateway Plaza arising from the VAT implementation. In March 2017, clarification was obtained from the local tax authorities and this will expedite the billing and collection of rentals (refer to footnote 1 on page 35).

Net cash used in investing activities mainly comprised payments for additions to investment properties and plant and equipment, as well as acquisition of subsidiaries. Net cash used in investing activities for FY16/17 was S$7.0 million, compared to S$335.4 million last financial year. The net cash used in FY15/16 was mainly for the acquisition of Sandhill Plaza.

Net cash used in and from financing activities mainly comprised distribution payments to Unitholders, interest payment and borrowings. For FY16/17, net cash used in financing activities of S$198.9 million was mainly due to distribution payments to Unitholders. For FY15/16, net cash provided by financing activities of S$108.1 million was mainly due to proceeds from borrowings to finance the acquisition of Sandhill Plaza, partially offset by distribution payments to Unitholders.

CAPITAL MANAGEMENT

The Manager continues to adopt a proactive capital management strategy which aims to provide financial stability and flexibility through mitigating exposure to interest rate and foreign exchange volatilities, as well as diversifying sources of funding.

As of 31 March 2017, MGCCT's borrowings was HK$14,133 million, comprising bank debt of HK$10,013 million and HK$4,120 million equivalent of notes issued. Aggregate gearing ratio decreased by 0.3 percentage points to 39.2% compared to 31 March 2016 largely due to fair value gain recorded on investment properties offset by additional loan drawn down. The gearing ratio is below the Monetary Authority of Singapore's ("MAS") regulatory limit of 45%.

In addition, MGCCT has an untapped balance of approximately US$984 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$514 million.

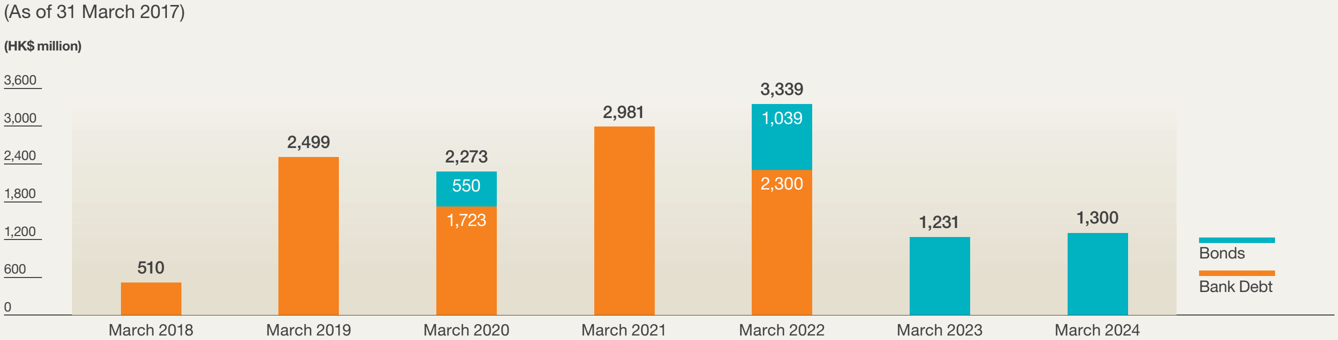
All borrowings continue to be unsecured and bear minimal financial covenants. The financial position of the MGCCT Group remained healthy with an interest cover ratio at 3.6 times as of

[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 27 May 2016 and 29 May 2017, NAV per Unit would be S$1.201 and S$1.264 respectively.

WELL-STAGGERED DEBT MATURITY PROFILE

(As of 31 March 2017)



March 2018	March 2019	March 2020	March 2021	March 2022	March 2023	March 2024	
3	18	16	21	24	9	9	% of total debt maturing

KEY FINANCIAL INDICATORS

	As of 31 March 2017	As of 31 March 2016
Total Debt Outstanding (HK$ million)	**14,133**	13,733
Gearing Ratio[1] (%)	**39.2**	39.5
Average Term to Maturity for Debt (years)	**3.73**	3.01
Unencumbered Assets as % of Total Assets	**100**	100
MGCCT Corporate Rating by Moody's	**Baa1 Stable**	Baa1 Stable
	FY16/17	**FY15/16**
Interest Cover Ratio[2] (times)	**3.6**	3.9
Effective Interest Rate (% p.a.)	**2.72**	2.43

1 Gearing ratio is calculated based on total debt outstanding over total assets.
2 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.

31 March 2017. On 21 November 2016, Moody's Investor Services reaffirmed MGCCT's Baa1 issuer rating with a stable outlook.

During the financial year, Mapletree Greater China Commercial Treasury Company (HKSAR) Limited ("MGCCT HK-TCo")[1] successfully completed two note issuances: (a) in April 2016, HK$600 million 7-year notes bearing a coupon rate of 3.25%; and (b) in September 2016, HK$700 million 7-year notes bearing a coupon rate of 3.00%. MGCCT also entered into facility agreements for new four-year and five-year term loan facilities, as well as a five-year revolving credit facility during FY16/17.

As a result of MGCCT's proactive refinancing efforts, about HK$2,498 million of the debt due in March 2017 and HK$3,500 million of the debt due in March 2018 were refinanced during the financial year, ahead of their maturities, with only HK$510 million refinancing requirement due in March 2018. The refinancing extended MGCCT's average debt maturity from 3.01 years as of 31 March 2016 to 3.73 years as of 31 March 2017. The longer term to maturity, coupled with the effects of higher interest rates on the floating rate debt, resulted in a higher effective interest rate of 2.72% p.a. for FY16/17 compared to 2.43% p.a for FY15/16.

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 2017, interest cost on 71% 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 2017, about 65% of the expected HKD and RMB distributable income for the period from 1 April 2017 to 30 September 2017 ("1H FY17/18") has been hedged into SGD. The Manager will continue to actively monitor the markets and progressively hedge distributable income 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. 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 2017, interest cost on 71% 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 would result in a 1.1% reduction in FY16/17 distributable income. MGCCT has a gearing ratio of 39.2% as of 31 March 2017. A 1.0% increase in portfolio valuation would decrease gearing by approximately 0.4 percentage point.

MGCCT's total return for FY16/17 will decrease or increase by S$2.6 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 S$0.7 million[2].

1 A wholly-owned subsidiary of MGCCT.
2 The foreign currency sensitivity analysis is performed using the similar methodology of FRS 107 disclosed in the financial statements page 143. This analysis includes financial assets and liabilities (but does not include investment properties), as well as "mark-to-market" losses/gains on currency forwards.

Performance

Operations Review

The Manager's proactive asset management and asset enhancement strategies in FY16/17 have resulted in positive rental reversions at each of the three properties and a consistently high occupancy rate of 98.6% across the portfolio as of 31 March 2017, despite the difficult operating environment. This set of performance underscored the resilience of the assets to deliver stable growth.

Opening of Christmas celebrations at Festival Walk by Hong Kong celebrity Moses Chan.

FESTIVAL WALK

Festival Walk continued to maintain full occupancy in FY16/17 for both retail and office units. The average rental reversion achieved for expired leases in the year was 12% for retail units and 7% for office units, reflecting the asset's position as a preferred mall and office location among local and international tenants.

Fine-tuning Tenant Mix

In spite of the weak retail sentiment in Hong Kong, Festival Walk remains a popular shopping destination. During the financial year, the Manager continued to strengthen and widen the mall's range of brands in the apparel, cosmetics and lifestyle categories and brought in Anteprima, NARS, Phase Eight, Scotch & Soda, Smiggle and TUMI, to name a few. As the mall was fully occupied throughout the year, pop-up stores remained popular and brands including Bare Minerals, Repetto and Tom Ford added to the diverse tenant mix.

Several tenants underwent renovation to create more inviting shopfronts and new concepts. Catering to experiential retail, LOG-ON, one of the mini anchors, unveiled a new look with six product and experiential zones including a digital nail printing service, a personalised gift centre, a puzzle bar, as well as an ice cream bar.

Festival Walk also refreshed its F&B offerings with the addition of Tai Hing, a Chinese eatery; Venchi, a specialty confectionery, as well as ANA Gura, a Japanese restaurant converted from an apparel unit. To maximise sales efficiency and house more F&B choices for shoppers, the mall will continue to identify suitable space to meet re-configuration needs. With the changes in tenant mix, the tenant retention rate for the retail leases was 88% in FY16/17.

Upgrading Facilities

As part of the AEI works to enhance the appeal of the mall, 'FoodFest', Festival Walk's foodcourt, was upgraded during the year with increased seating capacity, brighter ambience and custom-made seats and tables. In addition, amenities such as the toilets and the baby care room at the mall were fully refurbished, improving the overall shopper experience.

Exciting Events and Promotions

We continued to delight our shoppers at Festival Walk during the year with exciting customer engagement events held. Since the grand opening of our new cinema operator, 'Festival Grand' in July 2016, the mall has hosted numerous movie premieres, including the '*Line Walker*', '*Jackie*' and '*Power Rangers*'. These, in addition to the high-profile festive opening events, were graced by Hong Kong celebrities and attracted media, fans and shoppers to the mall. The popular '*Disney Tsum Tsum Walk N' Roll Festival*' event also returned for the second year with overwhelming response. Shoppers were treated to interactive installations, exclusive merchandise, photo kiosks, as well as a seven-metre tall Clockwork Tower that "came to life" every hour. Our partnership with Disney was further strengthened with the month-long joint promotion of '*The Wonderful World of Disney*' presented by Disney on Ice at the mall in collaboration with the Bank of China.

The mall's ice skating rink, 'Glacier', remains a preferred venue for skating performances and competitions. During the year, it played host to the kick-off ceremony for the Special Olympics Hong Kong 40th Anniversary Games, which was opened by Yao Ming, a Special Olympics Global Ambassador. Other mainstay events that continued to draw crowds include tenants' product launches, car shows and beauty product roadshows. Committed to sustainable marketing practices, the mall recycled existing materials to build the world's first life-size and three-dimensional '*Secret Garden*' themed Christmas decoration in collaboration with the internationally acclaimed illustrator, Johanna Basford.

To cater to a new age of technologically-savvy shoppers, Festival Walk hosted the '*Festival Walk•PlayStation® Sports Arena*' event which showcased virtual reality games, as well as products and gears from participating sports tenants. A treasure hunt mobile application game, based on 'iBeacon' technology, was made available for shoppers to win attractive discount offers from tenants, while sports enthusiasts also experienced the thrill of scaling an indoor six-metre tall rock climbing wall. Other digital marketing platforms including the mall's university student loyalty '*U Card*' programme, Instagram and Facebook pages, as well as a WeChat microsite continued to offer shoppers a seamless online-to-offline shopping experience.

During the year, cross promotional initiatives involving the mall's two largest retail-tainment tenants, 'Festival Grand' and 'Glacier', as well as other tenants also helped to attract footfall and boost sales. Movie-goers and ice-skaters received discounts and complimentary gifts from the participating tenants, an added treat and experience all under one roof at Festival Walk.

These activities helped to generate a steady footfall of 40.4 million in FY16/17. However, amid the challenging retail environment and temporary closure of the cinema for renovation in the first half of 2016, tenant sales were affected and saw a decline of 8.8% in FY16/17 compared to FY15/16.

GATEWAY PLAZA

While Beijing's office market saw softer leasing demand amid the weak global macro-economic environment, Gateway Plaza remained resilient with an average rental reversion of 10% and a tenant retention rate of 62% in FY16/17. While transitional dips in vacancy occurred during the year, the Manager continued with proactive leasing to maintain occupancy rate as of 31 March 2017 at 96.9%. Demand was mainly supported by expansion and renewal of existing tenants in the information technology ("IT"), leisure, medical and real estate industries, in line with China's shift towards services-led growth.

The three-storey podium area at Gateway Plaza completed an AEI in FY15/16 that further reinforced its prime position as a Grade-A office tower. Tenants can now enjoy more dining options with the addition of Cup One, a western restaurant with alfresco dining and the first F&B outlet at Gateway Plaza to serve alcoholic beverages. A few more outlets will be introduced progressively. Other enhancements at the podium area during the year included a new customer service desk and security turnstiles to further tighten the building's security. Following the success of the AEI, the Manager will explore further improvement works to boost the building's leasing appeal.

SANDHILL PLAZA

Sandhill Plaza, a business park property acquired in June 2015, delivered strong operational performance in FY16/17, reflecting healthy demand for good quality decentralised office space. Located in Zhangjiang Hi-tech Park, a Free Trade Zone, the property enjoyed full occupancy and an average rental reversion of 16%. New tenants were mainly from the Machinery/ Equipment/Manufacturing and IT industries. Tenant retention rate was 65% during the year.

The upgraded amenities, including the baby care room, at Festival Walk helped to enhance the attractiveness of the mall.

Tenants at Gateway Plaza can now enjoy more dining options with the addition of Cup One, a western restaurant with alfresco dining.

Performance

Operations Review

PORTFOLIO MANAGEMENT UPDATE

The office and retail leases of MGCCT's properties are typically structured with three-year lease terms, consistent with the usual market practice in Hong Kong and China. Festival Walk's leases comprise base rent and turnover rent which is pegged to tenants' sales. The turnover rent makes up about 4.0% of the portfolio's gross revenue. As of 31 March 2017, at least 97% of leases at Festival Walk (including both retail and office leases), 22% of leases at Gateway Plaza and about 6% of leases at Sandhill Plaza have step-up structures in the base rent, which contribute to the portfolio's stable and growing income streams.

Favourable Lease Expiry Profile

During FY16/17, the Manager continued to proactively manage the portfolio's lease expiry profile to ensure it remains well-staggered. As of 31 March 2017, based on committed leases, MGCCT achieved a healthy portfolio WALE by GRI of 2.5 years, and a WALE of 2.1 years, 3.6 years and 2.2 years for Festival Walk, Gateway Plaza and Sandhill Plaza respectively. As of 31 March 2017, the WALE for new or renewed leases that commenced in FY16/17 was 2.8 years and accounted for 28.8% of the portfolio's GRI.

Of the leases comprising 38.0% portfolio GRI that are up for renewal in FY17/18, the Manager has renewed or re-let about one third of the leases as of 31 March 2017. Approximately 24.0% of portfolio GRI remains to be renewed or re-let in FY17/18, mitigating lease renewal risks.

Strong and Diverse Tenant Base

The Manager maintained a well-diversified portfolio with 354 international and local tenants from across a wide range of key trade sectors as of 31 March 2017.

For the month of March 2017, MGCCT's top 10 tenants accounted for not more than 28.8% of the monthly portfolio GRI, with the largest tenant, BMW, contributing 7.7%. Apparel & Fashion Accessories was the dominant

MGCCT PORTFOLIO OCCUPANCY

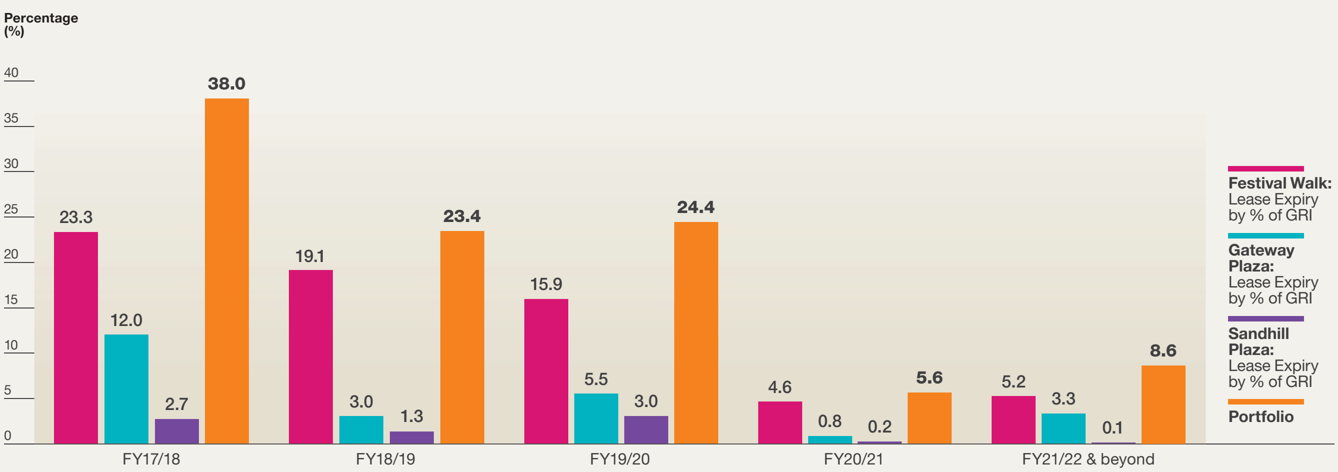
(As of 31 March) (%)

	2017	2016	2015	2014
Festival Walk	**100.0**	100.0	100.0	100.0
Gateway Plaza	**96.9**	96.8	98.0	97.5
Sandhill Plaza[1]	**100.0**	100.0	n.a.	n.a.
Portfolio	**98.6**	**98.6**	**98.8**	**98.5**

[1] Acquired in June 2015.

PORTFOLIO LEASE EXPIRY PROFILE BY PERCENTAGE OF MONTHLY GRI[2]

(As of 31 March 2017)



	FY17/18	FY18/19	FY19/20	FY20/21	FY21/22 & beyond
No. of leases[3]	143	101	133	26	20

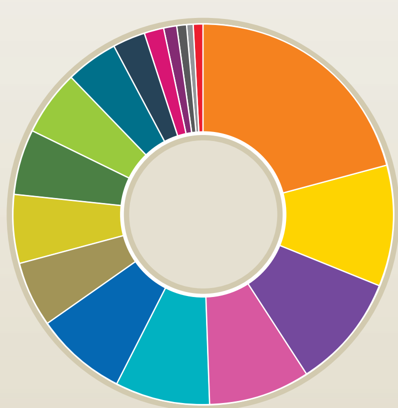
[2] Approximately 14.0% of leases expiring in FY17/18 have been renewed or re-let as of 31 March 2017.

[3] There were two leases with expiry dates on 31 March 2017 which were not renewed or re-let and thus, not included in the property lease expiry profile.

MGCCT'S TOP 10 TENANTS BY MONTHLY GRI
(As of 31 March 2017)

	Building	Tenant	Sector	Trade Sector	% of Monthly GRI
1	Gateway Plaza	BMW	Office	Automobile	7.7
2	Festival Walk	Arup	Office	Professional & Business Services	3.7
3	Gateway Plaza	CFLD	Office	Financial Institution/Insurance/Banking/Real Estate	3.6
4	Festival Walk	TaSTe	Retail	Departmental Store & Supermarket	3.1
5	Festival Walk	Festival Grand	Retail	Leisure & Entertainment	2.3
6	Festival Walk	Apple	Retail	Houseware, Electronics & Furnishings	2.1
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	Gateway Plaza	Cummins	Office	Machinery/Equipment/Manufacturing	1.5
10	Sandhill Plaza	Spreadtrum	Office	Machinery/Equipment/Manufacturing	1.3

MGCCT TRADE MIX BY MONTHLY GRI
(As of 31 March 2017)



21.9% Apparel & Fashion Accessories
10.6% Food & Beverages
10.0% Financial Institution/ Insurance/Banking/ Real Estate
8.7% Leisure & Entertainment
8.0% Machinery/ Equipment/ Manufacturing
7.7% Automobile
5.8% Personal Cosmetics
5.8% Professional & Business Services
5.6% Services
5.4% Departmental Store & Supermarket
4.4% Houseware, Electronics & Furnishings
2.8% Luxury Jewellery, Watches & Accessories
1.5% Information Technology
1.0% Natural Resources
0.4% Pharmaceutical/ Medical
0.1% Renewable Energy
0.3% Others

trade sector, accounting for 21.9% of the monthly portfolio GRI, a decline from 22.8% a year ago. Correspondingly, the contribution from F&B and Financial Institution/ Insurance/Banking/Real Estate sectors increased slightly to 10.6% and 10.0% respectively, from 10.3% and 9.0% a year ago. This shift reflects the Manager's proactive efforts to continually refresh and strengthen the portfolio's tenant mix.

SPONSOR'S PIPELINE

Mapletree Bay Point, a Grade-A office building located in Hong Kong, is currently under construction by the Sponsor. Located in Kowloon East (earmarked as Hong Kong's new Central Business District) with a gross floor area ("GFA") of 660,300 sq ft, the building is on track for completion in the later part of 2017. Pre-leasing activities have commenced. Another asset is Arca Building, a single-tenanted three-storey business park property with a GFA of 19,695 sqm, located in Zhongguancun, Beijing. MGCCT has been granted a right of first refusal to acquire both assets in the event that the Sponsor decides to divest.

UPDATE ON FESTIVAL WALK

On 28 October 2015, Festival Walk (2011) Limited ("FW (2011)"), a Hong Kong company which is 100% wholly owned by MGCCT, as the registered owner of Festival Walk, filed an application to the Hong Kong High Court for a declaratory order, in response to a letter dated 30 September 2015 from the Lands Department (the "Letter"), to seek the Court to declare that two kiosks in Festival Walk, cited in the Letter, did not contravene the Conditions of Sale issued by the Government of Hong Kong (which Conditions were dated 30 March 1993).

A consent order was entered on 5 October 2016 between FW (2011) and the Lands Department. In accordance with the terms of the consent order, upon payment of the prevailing administrative and registration fees to the Lands Department, FW (2011) is allowed to continue to use the two kiosks in Festival Walk.

Performance

Independent Market Research

BY COLLIERS INTERNATIONAL (HONG KONG) LIMITED

HONG KONG

HONG KONG ECONOMY

According to the Census and Statistics Department, Hong Kong's Gross Domestic Product ("GDP") growth moderated to 1.9% in 2016, compared to 2.4% growth in 2015, due to a weaker external trade performance, falling visitor arrivals and declining retail sales amid global uncertainties. For 2017, Hong Kong's economy is predicted to increase by 2% to 3% with the US economy gathering further momentum and the China's economy maintaining solid growth. Uncertainties still abound, given the uncertain pace of interest rate normalisation and those related to political events, such as the new US Administration that would pose an impact on global trade and economic growth. From 2018 to 2021, the economy is however predicted to improve to grow at an average of 3% per annum, compared to the previous five-year (2012-2016) average of 2.4% per annum. 01

HONG KONG RETAIL MARKET

Existing Supply

Total retail stock amounted to 159.7 million sq ft of gross floor area ("GFA") by the end of 2016, of which shopping malls accounted for 52.2 million sq ft or 32.7%. 12.6 million sq ft of major retail space was concentrated within the four core retail areas of Central, Causeway Bay/Wanchai, Tsim Sha Tsui and Mong Kok. For the rest of Hong Kong, there are three key decentralised retail locations namely Kowloon East, Sha Tin and Island East.

In 2016, newly completed shopping malls added a total of 693,142 sq ft (GFA), none of which was situated in the core retail districts or in the vicinity of Festival Walk. Festival Walk is located in the decentralised district of Kowloon East, the eastern part of Kowloon. 02

Potential Supply

Between 2017 and 2021, approximately 3.7 million sq ft (GFA) of shopping mall space is expected to be added in Hong Kong. The development pipeline includes six sizable retail malls (with a mall size of over 200,000 sq ft) in Tsim Sha Tsui, Causeway Bay/Wan Chai, Kowloon (Nam Cheong) and the New Territories (Yuen Long, Tsuen Wan and Tung Chung).

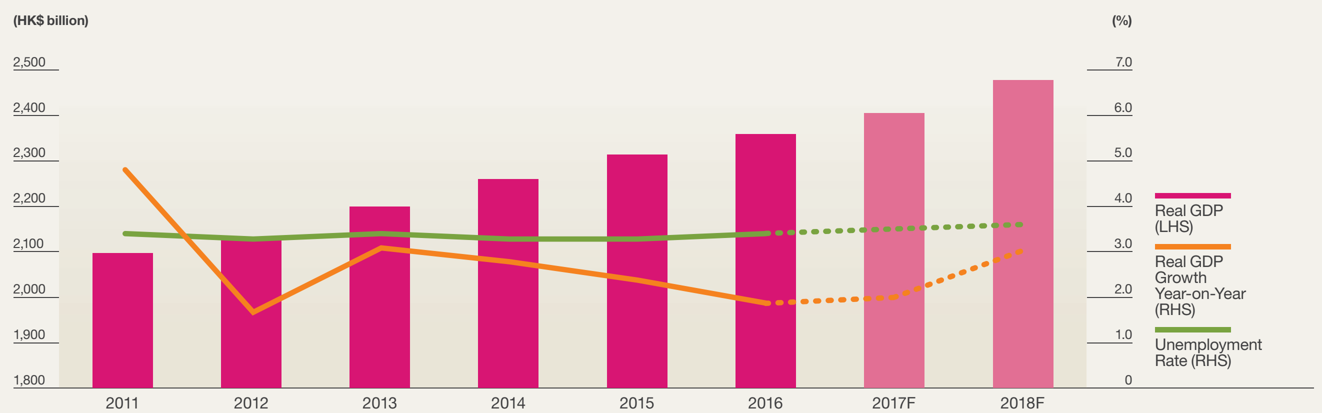
Demand and Vacancy

Hong Kong's retail sales declined 8.1% in 2016 to HK$436.6 billion. The volume of inbound visitors decreased by 4.5% to 56.7 million in 2016, with a sharper decline of 6.7% in Mainland tourist arrivals to 42.8 million. With the HKD currency pegged to the US Dollar, Hong Kong's products have become more expensive to overseas travellers, especially those from China. Merchants of jewellery, watches and luxury items continued to be one of the hardest hit, with sales down by 17.2% in 2016. Lower sales were also seen in electrical goods and photographic equipment (-23.8%), clothing and footwear (-4.6%), as well as the commodities in department store (-6.2%) categories. In contrast, sales of food, alcoholic drinks and tobacco, and commodities in supermarkets increased by 1.7% and 0.8% respectively. The food and beverage sector outperformed other retail segments with an increase in total food and beverage receipts of 2.9% in 2016 compared with a year ago. 03

Although the rate of decline in retail sales moderated in the first quarter of 2017 to 1.3% with signs of improvement in visitor arrivals, challenges remained in the retail sector due to China's economic slowdown, a depreciating RMB against HKD, the on-going anti-corruption campaign by the Chinese government

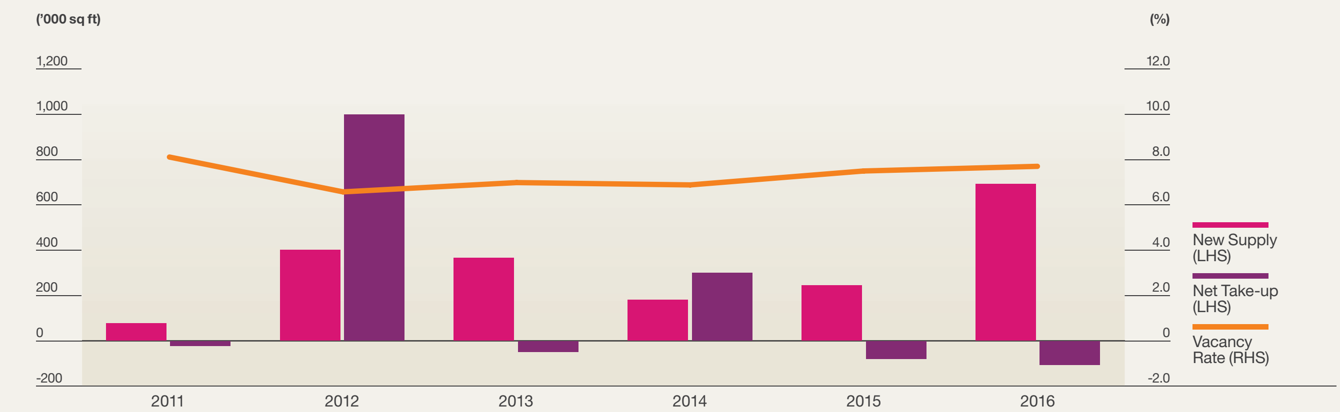
> "The rental rate at shopping malls, especially those with good transport connectivity, is expected to continue growing in the next two years, albeit at a moderate pace."

01 HONG KONG REAL GDP, REAL GDP GROWTH AND UNEMPLOYMENT RATE, 2011 – 2018F



Source: Census and Statistics Department
Note: Figures for 2017 to 2018 are based on forecasts.

02 NEW SUPPLY, NET TAKE-UP AND VACANCY RATES OF SHOPPING MALLS IN HONG KONG'S FOUR CORE RETAIL AREAS AND THREE KEY DECENTRALISED RETAIL DISTRICTS, 2011 – 2016



Source: Rating and Valuation Department, Colliers International

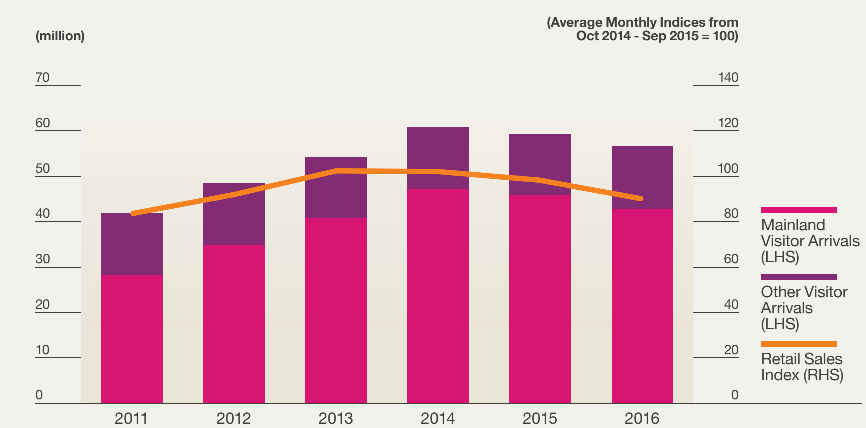
and a change in tourist consumption patterns. In terms of domestic consumption, the buying sentiment of locals was affected by an uncertain and volatile market environment although the labour market remained stable with a consistently low unemployment rate. As such, the percentage contribution by local spending increased from 62% in 2015 to 65% in 2016. **04**

Shopping malls have been adapting well to the changing retail landscape by exploring exciting retail concepts, new business models and tailoring their services to suit local consumers. The average vacancy rate of shopping malls in the seven key retail districts (comprising the four core and three key decentralised areas) stood at 7.7% in 2016, compared to a vacancy rate of 7.5% in 2015. **02**

In addition, the impact from e-commerce on physical stores continues to be limited. According to Statista, while Hong Kong's online retail revenue increased 13.6% from HK$22.8 billion in 2015, the HK$25.9 billion in 2016 contributed only 5.9% of the total Hong Kong retail revenue.

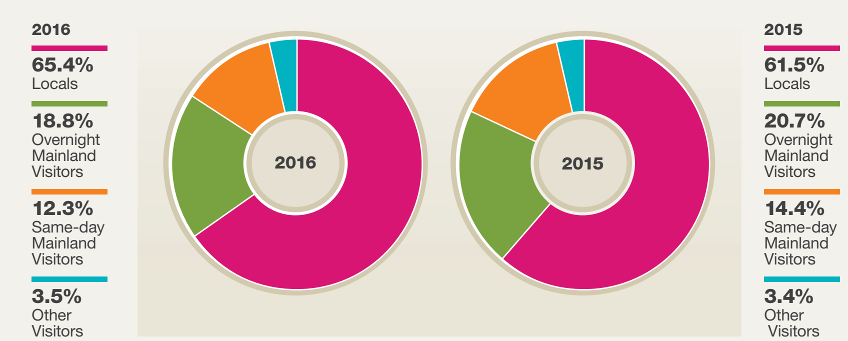
Note: The figures relating to stock, new supply, net take-up are detailed as "internal floor area" unless otherwise stated, which is defined as the area of all enclosed space of the unit measured to the internal face of enclosing external and/or party walls.
Net take-up refers to the change in occupied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

03 HONG KONG VISITOR ARRIVALS AND RETAIL SALES INDEX, 2011 – 2016



Source: Census and Statistics Department, Hong Kong Tourism Board

04 PERCENTAGE BREAKDOWN OF HONG KONG'S TOTAL RETAIL SALES BY LOCAL CONSUMPTION & VISITORS



Source: Census and Statistics Department, Hong Kong Tourism Board

Performance

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BY COLLIERS INTERNATIONAL (HONG KONG) LIMITED

Rents

Despite strong headwinds in the retail sector, shopping malls remained well-positioned as landlords took the opportunity to revamp their tenant mix to embrace new trends and cater to a wider variety of international brands. As a result, the overall rents for shopping malls increased by 5.8% in 1Q/2017 over the same quarter last year, while retail rents in Kowloon East recorded an above average growth of 13.5%. 05

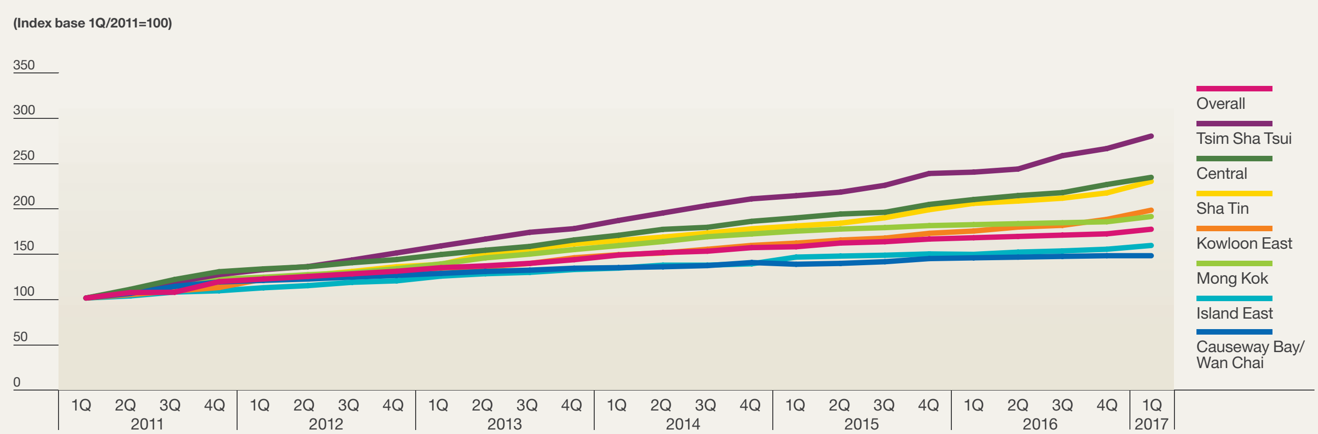
Retail Yields and Retail Property Price Index

The low interest rate environment and the low cost of capital, coupled with tight stock availability, pushed retail property prices up from 2011 onwards, with 82.1% growth between 1Q/2011 and 4Q/2015. Retail yields have plateaued at very tight levels of around 2.4% from 2013 to 2015. Given the challenging retail environment in 2016, overall retail property prices decreased 3.6% year-on-year in 4Q/2016 and retail yields increased to 2.5%. For the first three months of 2017, the rate of decline in retail property prices in core areas had started to taper off, as investors have shown a growing interest in retail shops in decentralised locations that sell mass market goods. Consequently, retail yields in 1Q/2017 held steady at 2.5%, while overall retail property prices increased 2.7% over the preceding quarter. 06

Outlook

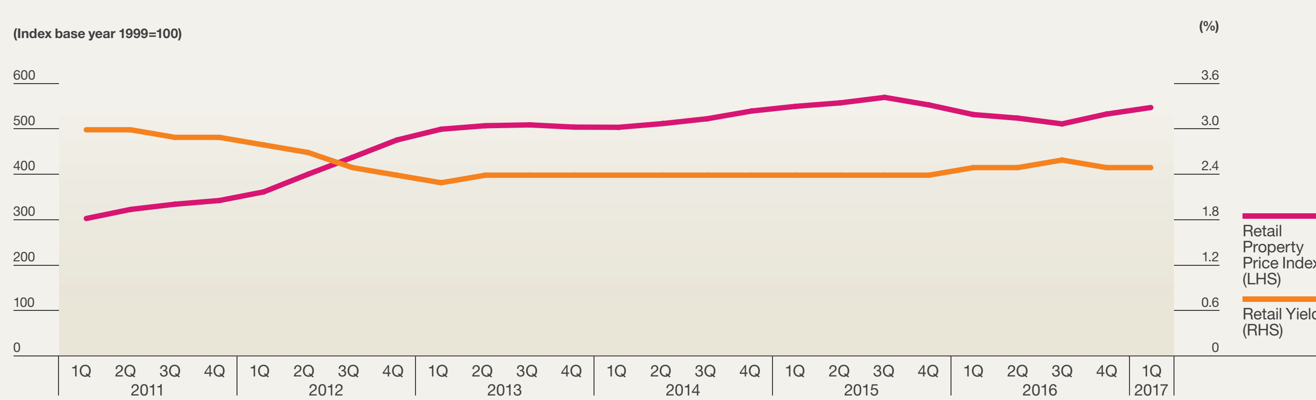
Given a soft tourism market, local consumers' share of total retail sales value is expected to increase further and shopping malls will continue to fine-tune the tenancy mix by increasing the number of tenants from food and beverage, lifestyle, advanced skincare, as well as sports and outdoor product categories. While the overall vacancy rates of shopping malls in both core and decentralised locations are expected to stay at current levels, the rental rate at shopping malls, especially those with good transport connectivity, is expected to continue growing in the next two years, albeit at a moderate pace.

05 HONG KONG SHOPPING MALL RENTAL INDEX BY DISTRICT, 1Q/2011 – 1Q/2017



Source: Colliers International

06 HONG KONG RETAIL PROPERTY PRICE INDEX AND RETAIL YIELDS, 1Q/2011 – 1Q/2017



Source: Rating and Valuation Department, Colliers International

HONG KONG OFFICE MARKET

Existing Supply

Central district is the core business district ("CBD") in Hong Kong, with a concentrated cluster of banking, legal and financial services, as well as the Asia or global headquarters of many multinationals. Other key business clusters are Causeway Bay/Wanchai, Island East, Tsim Sha Tsui, West Kowloon and Kowloon East (where Festival Walk is located).

Total Grade-A office stock reached 79.2 million sq ft as of end-2016 (GFA). During the year, 1.6 million sq ft of new Grade-A office supply was completed, representing an increase of 21.5% compared to a year ago. Most of the new Grade-A office developments were located outside of the CBD. Kowloon East, also planned as the second CBD of Hong Kong ("CBD2") by the Hong Kong government, accounted for the lion's share (52.6%) of new supply completed in 2016, of approximately 852,400 sq ft. 07

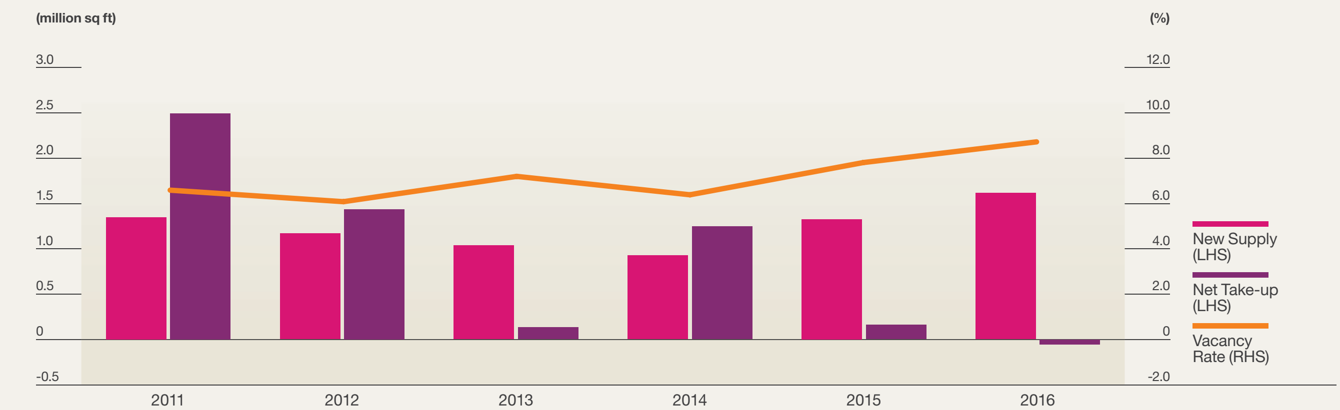
Potential Supply

Between 2017 and 2021, approximately 9.1 million sq ft of new Grade-A office space is expected to be added in Hong Kong. About 47.3% (4.3 million sq ft) will be concentrated in Kowloon East. According to Colliers' estimates, Kowloon East will eventually surpass Central, accounting for about 23.7% of the total stock of Grade-A office space in Hong Kong in a few years' time from the current 17.5% contribution in 2016, as it evolves into an attractive location amid high rentals and limited supply on Hong Kong Island. Notable upcoming new supply in Kowloon East includes Mapletree Bay Point (about 660,300 sq ft of GFA) due for completion in end-2017. 08

Demand and Vacancy

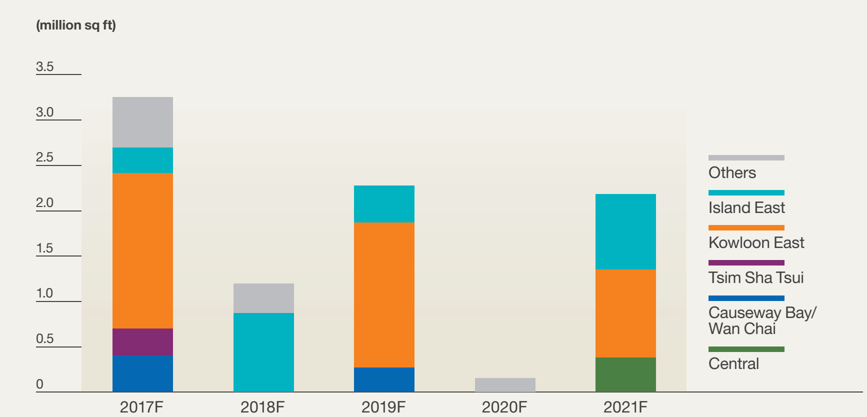
While demand for office space in the Central district by Chinese firms remained firm in 2016, there was softer leasing demand for Grade-A office space from other occupiers who became increasingly cost-conscious amid concerns of slowing global economic growth. Overall net take-up

07 HONG KONG OVERALL GRADE-A OFFICE NEW SUPPLY, NET TAKE-UP AND VACANCY RATES, 2011 – 2016



Source: Rating and Valuation Department, Colliers International

08 POTENTIAL NEW SUPPLY OF GRADE-A OFFICES IN HONG KONG, 2017- 2021



Source: Colliers International

> "Notable upcoming new supply in Kowloon East includes Mapletree Bay Point (about 660,300 sq ft of GFA) due for completion in end-2017."

Performance

Independent Market Research

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declined for the first time since 2009 from a positive net take-up of 160,382 sq ft in 2015 to a negative net take-up of about 41,000 sq ft in 2016. The overall Grade-A office vacancy rate trended upwards to 8.7%, compared to 7.8% a year ago. **07**

Rents

Despite a higher overall vacancy rate, overall Grade-A office rents increased by 1.2% Year-on-Year ("YoY") to HK$73.8 per sq ft per month (effective rent based on net floor area) in 1Q/2017 driven by sustained demand from mainland Chinese firms. For Kowloon East, on the back of the higher new supply, rents in 1Q/2017 experienced only a moderate drop of 2.8% YoY to HK$34.4 per sq ft per month (effective rent based on net floor area), supported by a steady stream of tenant relocations from the more expensive Central district office areas. **09**

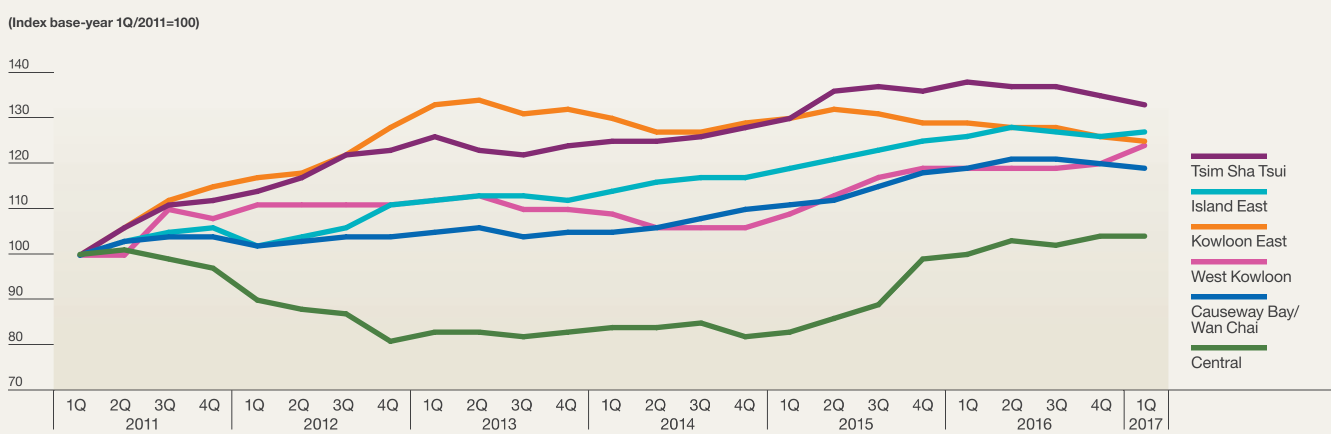
Office Yields and Office Prices

Investment in Hong Kong offices by the Mainland Chinese companies remained strong and was the key contributor to the growth in office capital values in Hong Kong in 2016, as the Chinese buyers viewed these investments as a hedge against weakness in RMB currency and as long-term strategic acquisitions. Overall Grade-A office prices increased by 5.6% year-on-year to HK$23,233 per sq ft (based on net floor area) in 1Q/2017 while Grade-A office yields hovered at a low level of 3.0% as of 1Q/2017. **10**

Outlook

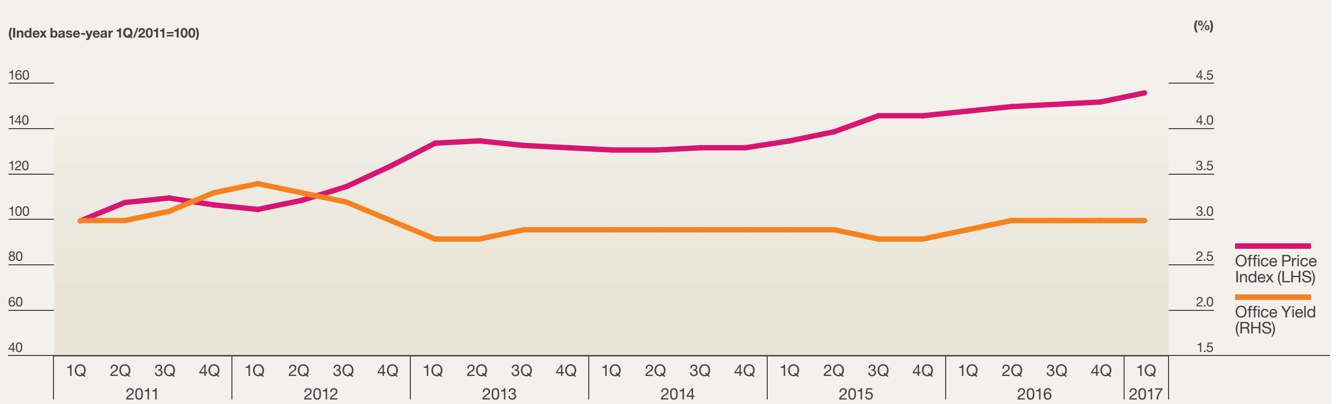
Overall Grade-A office rents are expected to continue to grow, especially for buildings located on Hong Kong Island. Amid a stream of new supply over the coming years, Kowloon East is expected to experience a slight increase in vacancy rate. Large occupiers (such as flexible working operators and back-room functions of financial institutions) will continue to be attracted to more cost-effective solutions offered in the decentralised locations such as Kowloon East. The CBD2 initiative will in the long run transform Kowloon East into an important core business district outside of the Central district.

09 HONG KONG GRADE-A OFFICE RENTAL INDEX BY DISTRICT, 1Q/2011 – 1Q/2017



Source: Colliers International

10 HONG KONG GRADE-A OFFICE PRICE INDEX AND OFFICE YIELDS, 1Q/2011 – 1Q/2017



Source: Colliers International

CHINA

China's Economy

China's economic growth declined slightly from 6.9% in 2015 to 6.7% in 2016, according to the National Bureau of Statistics, as the economy continues its transition from a tertiary industry driven to a consumption-oriented model. GDP growth is forecast to moderate to 6.5% in 2017 and 6.3% in 2018, according to the World Bank. China's Foreign Direct Investment grew by 4.1% to US$126 billion in 2016, with that for Beijing and Shanghai increasing by 0.3% YoY, to US$13.0 billion and US$18.5 billion respectively.

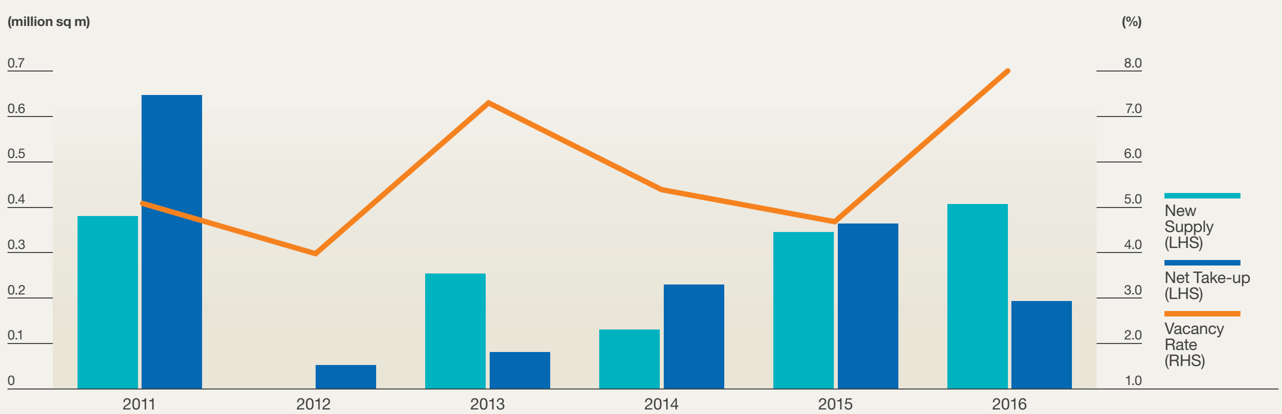
BEIJING

BEIJING OFFICE MARKET

Existing Supply

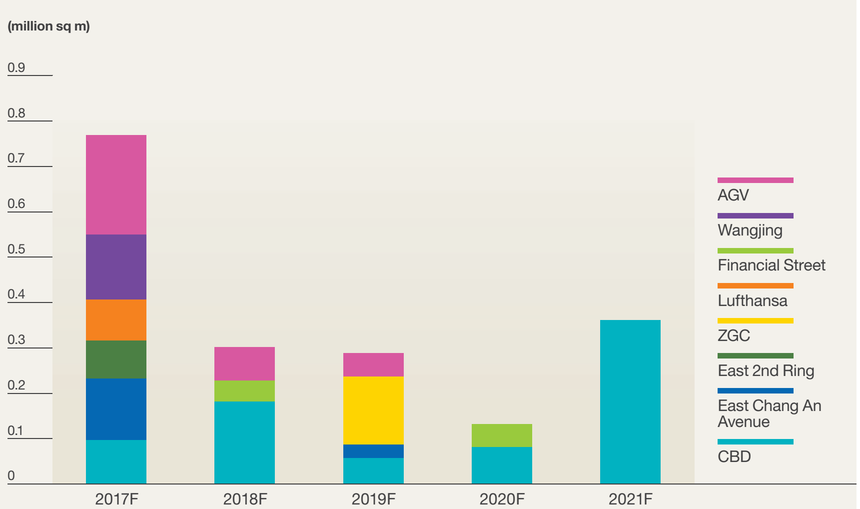
Beijing has the largest and most expensive office market in China. As of end-2016, Beijing's Grade-A office market had a total stock of approximately 6.0 million sq m (GFA), up 7.3% or 407,000 sq m from 2015. Beijing Grade-A office market can be divided into eight submarkets, including CBD (35.2%), Lufthansa (where Gateway Plaza is located) (15.3%), Financial Street (14.1%), Zhongguancun ("ZGC") (9.8%), East Chang An Avenue (8.4%), Wangjing (7.4%), Asian Games Village ("AGV") (7.0%) and East 2nd Ring (2.8%). Of the 407,000 sq m of space added in 2016, Wangjing accounted for 38.9% (by GFA), followed by Lufthansa (24.7%), AGV (24.6%) and East Chang An Avenue (11.9%). In Lufthansa, only one office project of 100,658 sq m (GFA) was completed during 2016. In 1Q/2017, two new projects were completed in the East Chang An Avenue and Lufthansa submarkets adding 86,700 sq m of office space and total Grade A office stock increased 1.5% Quarter-on-Quarter ("QoQ") to 6.1 million sq m. 11

11 BEIJING GRADE-A OFFICE MARKET NEW SUPPLY, NET TAKE-UP, AND VACANCY RATE, 2011 – 2016



Source: Colliers International

12 BEIJING GRADE-A OFFICE MARKET FUTURE SUPPLY, 2017 – 2021



Source: Colliers International

Potential Supply

A total of approximately 1.8 million sq m (GFA) of Grade-A office is scheduled for completion from 2017 to 2021, with about 40% expected to be ready in 2017. Of the total new supply in the next five years (2017-2021), CBD will account for 42.7%, followed by AGV (19.1%), East Chang An Avenue (9.2%), ZGC (8.3%), Wangjing (7.9%), Financial Street (5.4%), East 2nd Ring (4.6%) and Lufthansa (2.8%) respectively.

In the Lufthansa area, one new office project of approximately 51,000 sq m is expected to be completed in the remainder of 2017. To date, no other new projects are scheduled in this area beyond 2017. 12

Independent Market Research

BY COLLIERS INTERNATIONAL (HONG KONG) LIMITED

Demand and Vacancy

Beijing attracts a number of multinational corporations ("MNCs") and domestic companies, who have chosen to set up offices or headquarters in the city for many reasons: proximity to government regulators and the headquarters of state-owned companies; access to a large population of educated workers; business opportunities in the city itself and/or the northern China region; relatively well-developed infrastructure; and the city's status as the political centre and the capital of China. This has resulted in strong demand for Grade-A office space from many industries.

However, impacted by the deceleration of Beijing's tertiary industry growth, both MNCs and domestic corporations showed reluctance towards expansion in 2016 and were increasingly sensitive to high rental costs. The market also witnessed more downsizing and relocation activities (this was more common in Financial Street), resulting in a 46.9% decline in the annual net take-up YoY to about 193,000 sq m.

As of end-2016, the average vacancy rate in Beijing increased to 8.0%, up 3.3 percentage points YoY. 11

Given the close proximity to a number of embassies, the Lufthansa submarket continued to attract multinational corporations (especially Japanese and European companies), particularly those from the automobile and aviation industries. The strong demand supported a high occupancy rate in this area, despite the fluctuations associated with new completions in recent years. With the addition of one property in 4Q/2016, the average vacancy rate in Lufthansa increased from 3.0% to 8.3% as of end-2016.

Beijing's strong finance industry base is reflected in the tenant mix of the city's Grade-A office properties. As at end-2016, approximately 31.8% of the existing tenants came from the financial services sector. This was followed by IT (15.8%) and professional services (14.3%) sectors respectively. In general, quality office space occupiers in Beijing are diversified and stable. 13

Rents

In 4Q/2016, the overall average rent in Beijing edged down by 0.3% year-on-year to RMB330.6 per sq m ("psm") per month due to the below-average rents offered by the new supply. Nevertheless, Beijing remained the most expensive office market in China. For Lufthansa, however, with strong demand and limited new supply, the average rent in this area increased by 2.5% year-on-year to RMB291.3 psm per month by end-2016.

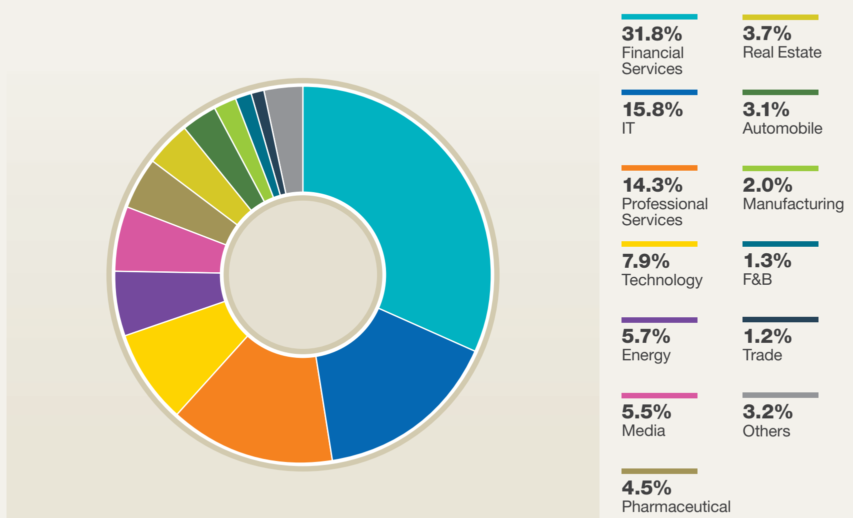
As of end-1Q/2017, the overall average rent in Beijing however increased by 0.2% QoQ to RMB331.3 psm per month as a result of the above average rent offered by the new projects. The average rent in Lufthansa edged up by 0.7% QoQ to RMB293.3 psm per month. 14

Capital Values and Gross Yields

Interest in Beijing office buildings for self-use and/or investment purposes from domestic and overseas investors remained high. Due to the strong growth in both rental and capital values in recent years, many landlords of stabilised properties are unwilling

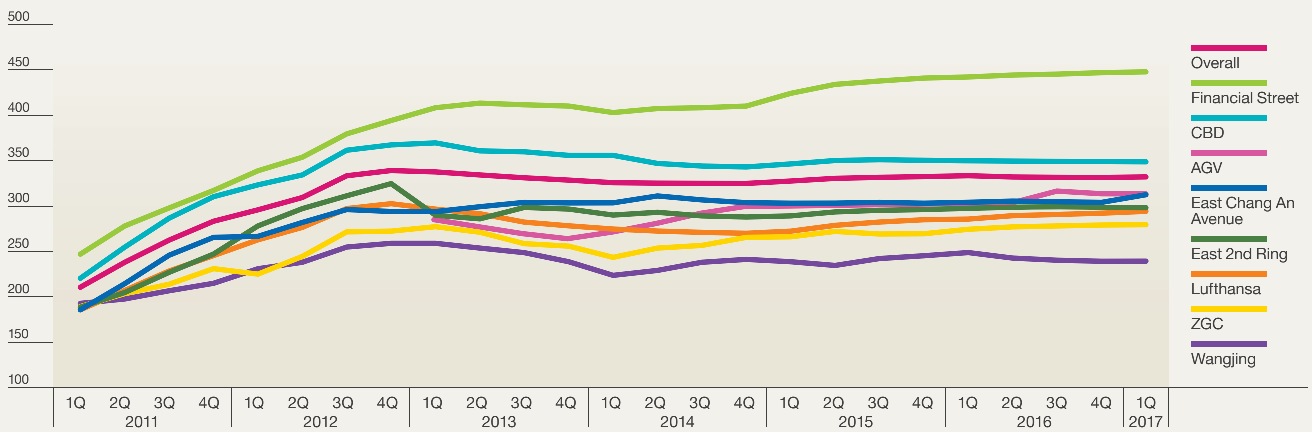
> "Beijing attracts a number of multinational corporations and domestic companies, who have chosen to set up offices or headquarters in the city for many reasons."

13 BEIJING GRADE-A OFFICE MARKET DEMAND DRIVERS (GFA BY INDUSTRY), 4Q/2016



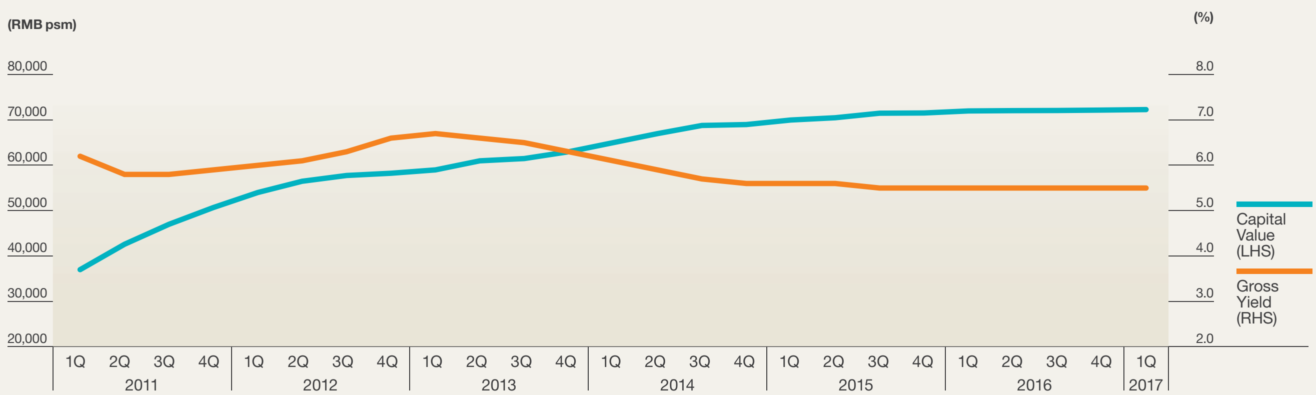
Source: Colliers International

14 BEIJING GRADE-A OFFICE MARKET RENT BY SUBMARKET, 1Q/2011 – 1Q/2017



Source: Colliers International

15 BEIJING GRADE-A OFFICE MARKET CAPITAL VALUE AND GROSS YIELDS, 1Q/2011 – 1Q/2017



Source: Colliers International

> **“With one new project scheduled to complete, strong demand for the Lufthansa area will continue to support rental growth from 2018 onwards.”**

to dispose of their assets. As such, growth in capital values exceeded rental growth and increased by 0.4% YoY to almost RMB72,300 psm while yield compression continued in 1Q/2017. 15

Outlook

With the slowing down of Beijing’s economy, tenants are expected to become more cost sensitive, and downsizing or consolidation in office space is likely to continue. However, Beijing’s status as the regional business hub for North China, especially for finance and IT industries, will continue to underpin leasing demand for quality office space in the short to medium term. The overall vacancy rate is however expected to increase slightly due to the upcoming supply in the next two years. Landlords in some submarkets are expected to offer discounts. The Lufthansa area will likely see increasing competition for tenants with one new project scheduled to complete in 2017. However, strong demand for this area will continue to support rental growth from 2018 onwards.

Independent Market Research

BY COLLIERS INTERNATIONAL (HONG KONG) LIMITED

SHANGHAI

SHANGHAI BUSINESS PARK MARKET

Overview

China's industrial and business park market has been evolving for nearly 30 years, following the establishment of the first state-level high-tech park in Beijing in 1988. In Shanghai, the business park market has expanded beyond the Free Trade Zones ("FTZ") in the ports, to Zhangjiang, Jinqiao and Lujiazui in the 1990s. From the tenant's perspective, Grade-A business park properties offer substantial rental savings, approximately 55% lower than that in the CBD. The business parks of Zhangjiang Hi-tech Industrial Development Zone ("Zhangjiang"), Caohejing and Lujiazui Software Park are the city's most established developments, with clear planning, centralised management and mature amenities. Jinqiao, Linkong and Caohejing Pujiang are emerging submarkets with less developed infrastructure and auxiliary facilities. The scope for this market study comprises Grade-A office properties in the abovementioned business park submarkets (established and emerging), which account for more than 90% of the leases within high-quality business park properties in Shanghai.

Existing Supply

The total stock of Shanghai's Grade-A offices in its six key business park submarkets increased by 10.3% YoY to 3.8 million sq m (GFA) by end-2016. Caohejing accounted for the largest proportion of the total stock (26.8%), followed by Zhangjiang (22.1%), Jinqiao (21.0%), Linkong (18.3%), Lujiazui Software Park (7.5%), and Caohejing Pujiang (4.3%). Six new Grade-A office properties were completed in these parks in 2016, adding nearly 360,000 sq m (by GFA) to the leasing market, of which Zhangjiang accounted for 154,000 sq m or 42.8% of the new supply. In 1Q/2017, two new projects were completed in Zhangjiang and Lujiazui Software Park adding about 83,000 sqm of office space. As a result, the total stock expanded by 2.2% QoQ to approximately 3.9 million sq m. 16

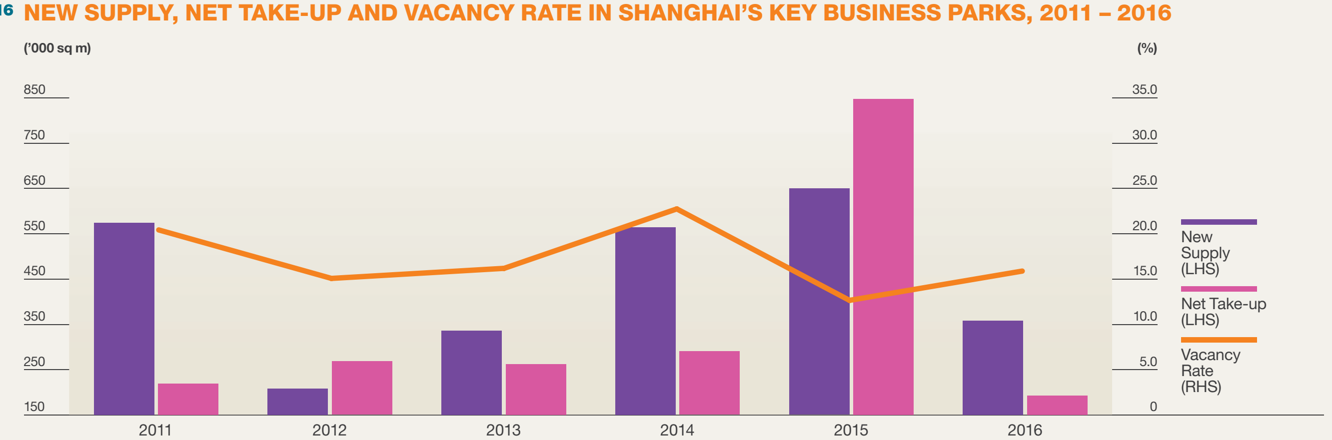
Potential Supply

In the next five years (2017-2021), approximately 2.1 million sq m of Grade-A office space is scheduled to be completed in these six parks, bringing the total stock to nearly 6.0 million sq m by end-2021. Zhangjiang and Caohejing will account for 44.8% and 21.0% of the future new supply by GFA respectively. Notably, a significant portion of the new supply in Zhangjiang (40.9%) will be located in the Central and the South zones (note that Sandhill Plaza is located in the North zone), which are the emerging areas within Zhangjiang where there are plans for improvements to the infrastructure and amenities in order to draw further business parks or office developments to these locations. 17

Demand and Vacancy

Other than Beijing, Shanghai is another favoured destination for many foreign and domestic companies operating in China. By the end of 2016, more than 1,300 regional headquarters, R&D centres or investment-type companies were set up in Shanghai by MNCs, according to the Shanghai Municipal Commission of Commerce. Demand for high-quality office space, together with a combination of factors including good infrastructure, cost efficiency, the clustering effect of certain industries, and availability of a range of building sizes, have made business parks increasingly attractive. In addition, the government continued to support the growth of business parks through the provision of preferential tax policies, rental or construction subsidies and other incentives. In the past few years, demand from domestic companies has strengthened, particularly from the Technology, Media and Telecom ("TMT") and biomedical sectors. Accordingly, vacancy rate has declined from 22.7% as of end-2014 to 12.7% as of end-2015. However, with higher supply and a resultant drop in net take-up from a peak of approximately 850,000 sq m in 2015 to approximately 190,000 sq m in 2016, vacancy rate as of end-2016 increased slightly to 15.9%. 16

16 NEW SUPPLY, NET TAKE-UP AND VACANCY RATE IN SHANGHAI'S KEY BUSINESS PARKS, 2011 – 2016



Source: Colliers International

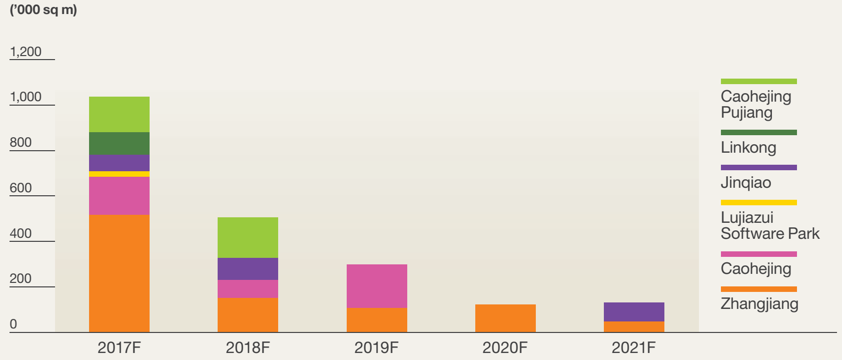
“The outlook for Shanghai’s business park market is expected to remain positive in the medium to long term, underpinned by continued growth in the TMT industries.”

Companies from the TMT sector were the major drivers of demand for Grade-A office space in Shanghai’s key business parks, accounting for nearly half of the total occupied area as of end-2016. Demand from traditional sectors such as Trading, Financial Services and Industry accounted for about 11%, 10% and 8% respectively as of end-2016. 18

Rent

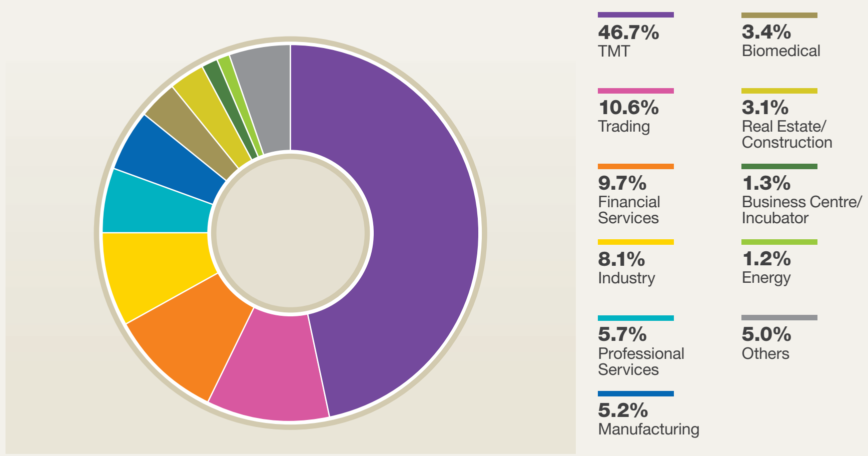
The average rent for Grade-A office space in Shanghai’s key business parks grew at a compounded annual growth rate of 7.7% (“CAGR”) between 2011 and 2016. The growth was largely supported by the strong leasing demand, improved building specifications and the completion of new infrastructure projects and maturing amenities. Overall average rent among these six submarkets was RMB4.6 psm per day as of end-2016, representing a discount of 56% compared to Grade-A office space in the city’s central business districts (RMB10.4 psm per day). In Zhangjiang, the rent of Grade-A office properties achieved a CAGR of 8.3% between 2011 and 2016, and recorded RMB5.1 psm per day as of end-2016. In 1Q/2017, the average rent increased by 1.3% QoQ to RMB4.7 psm per day. This quarterly rental growth was primarily supported by the new completion in Lujiazui Software Park. In Zhangjiang, the average rent declined by 1.7% QoQ to RMB5.0 psm per day due to the below-average rent offered at a new completion. 19

17 POTENTIAL GRADE-A OFFICE SUPPLY IN SHANGHAI’S KEY BUSINESS PARKS, 2017 – 2021



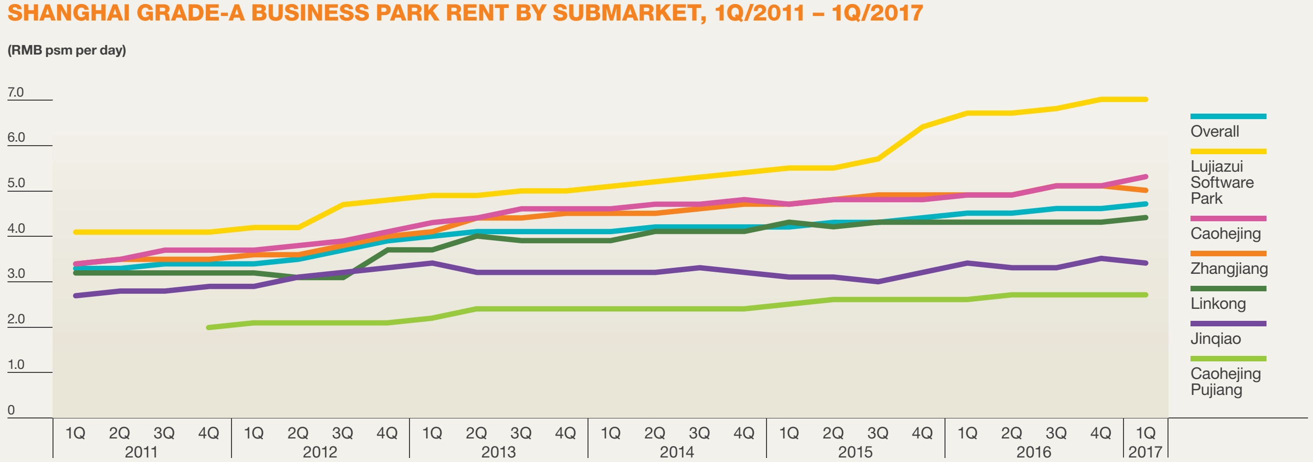
Source: Colliers International

18 SHANGHAI GRADE-A BUSINESS PARK PROPERTY MARKET DEMAND DRIVERS (GFA BY INDUSTRY), 4Q/2016



Source: Colliers International

19 SHANGHAI GRADE-A BUSINESS PARK RENT BY SUBMARKET, 1Q/2011 – 1Q/2017



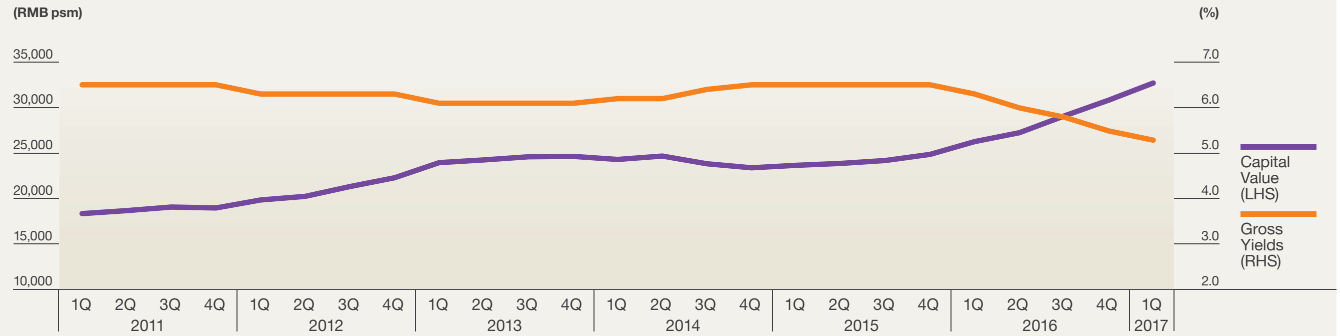
Source: Colliers International

Performance

Independent Market Research

BY COLLIERS INTERNATIONAL (HONG KONG) LIMITED

20 CAPITAL VALUE AND GROSS YIELDS IN SHANGHAI'S KEY BUSINESS PARKS, 1Q/2011 – 1Q/2017



Source: Colliers International

Capital Value and Gross Yields

Capital values of Shanghai's Grade-A business park properties continued to grow to an average of RMB31,000 psm by the end of 2016, at a CAGR of 12.2% between 2011 and 2016. Gross yields averaged 6% to 7% between 2010 and 2015, but compressed to about 5.5% at end-2016 amidst positive investment sentiment from both foreign and domestic investors. This trend continued in 2017. By end 1Q/2017, gross yield registered 5.3% while capital value increased by 6.1% QoQ. 20

Outlook

The outlook for Shanghai's business park market is expected to remain positive in the medium to long term, underpinned by continued growth in the TMT industries. From the policy perspective, the State Council issued a circular in January 2017 that allowed local governments to introduce favourable policies to support foreign-invested projects, and to reduce the costs of investment and operation by foreign-invested enterprises. Notably, as a "National Science and Innovation Centre", Zhangjiang will continue to be attractive to high-tech industries. As a result, demand for high-quality business parks is expected to remain strong in 2017. However, the average vacancy rate is expected to stay flat or edge up in 2017 due to new supply in the pipeline. Nevertheless, properties with good building specifications, accessibility and professional management are expected to sustain high occupancy rates and stable tenant mix, thus supporting an above-average rental growth.

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.

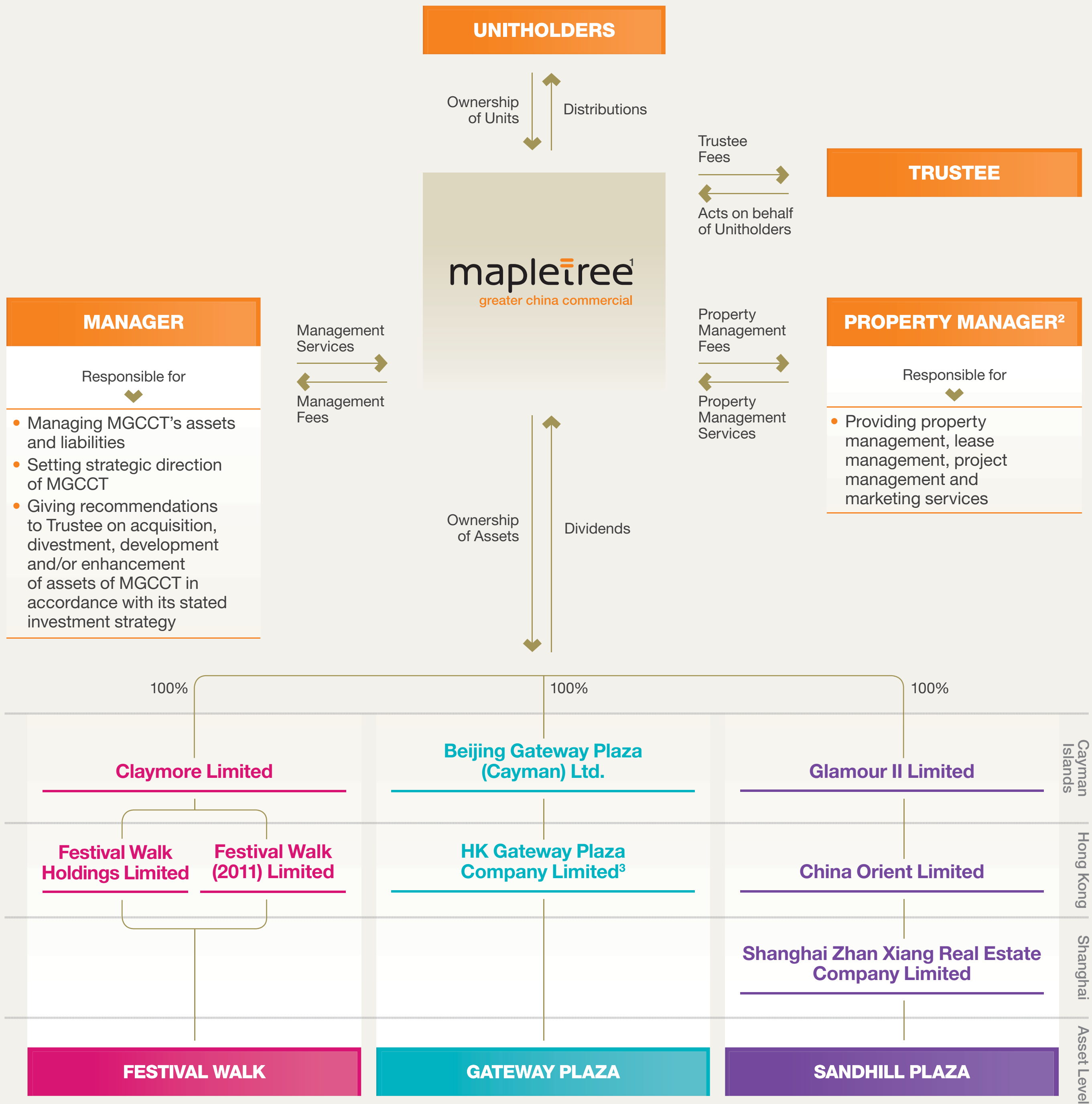
To the extent permissible under applicable laws, in no event shall Colliers International be liable to anyone claiming by, through or under individuals, including insurers, for any lost, delayed, or diminished profits, revenues, production, business, use or opportunities, or any incidental, special, indirect, or economic losses, wasted costs, diminution of value or consequential damages, of any kind or nature whatsoever, however caused.

These projections were prepared as at 20 April 2017 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



1 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.

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

3 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

(AS OF 31 MARCH 2017)

THE MANAGER

Mapletree Greater China Commercial Trust Management Ltd.

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
Vice President

FINANCE

Ms Jessie Hoe
Vice President

INVESTOR RELATIONS

Ms Elizabeth Loo
Vice President

PORTFOLIO & ASSET MANAGEMENT

Ms Ng Eharn
Vice President

INVESTMENT & ASSET MANAGEMENT

Mr Ng Chern Shiong
General Manager

HONG KONG

Mr Matthew Wong
Senior Manager, Investment & Asset Management

SHANGHAI

Mr Kevin Wang
Deputy General Manager, Investment

Mr Miguel Su
Manager, Investment & Asset Management

THE PROPERTY MANAGER

Mapletree Greater China Property Management Limited ("MGCPM")

DIRECTORS

Ms Lee Shiau Fei

Mr Tan Wee Seng

Ms Shirley Tay

Mr Michael Wu

HONG KONG

Festival Walk

Ms Sandra Cheng
General Manager

Marketing & Promotions

Ms Carol Chan
Head

Operations

Mr Johnny Kok[1]
Head

Mr Eric Wong
Head

Finance

Mr Simon Lam
Head

Lease Management & Tenant Relations

Ms Vivian Lau
Head

Ice Rink

Mr Paul Wong
Head

Technical Services

Mr Michael Wu
Head

BEIJING

Ms Sally Li
Senior Manager

Mr Leo Liu
Manager

Ms Sylvia Shang
Manager

SHANGHAI

Ms Sandy Chen
Manager

Ms Rachel Guo
Manager

1 Mr Johnny Kok, Head of Operations, has retired on 5 February 2017. Mr Eric Wong, Deputy Head of Technical Services, has been appointed as Head of Operations with effect from 1 January 2017.

Governance & Sustainability

Board of Directors

MR PAUL MA KAH WOH

- Non-Executive Chairman and Director

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 National Heritage Board, where he also chairs their Audit Committee.

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, and a member of the Transaction Review Committee of the Sponsor until June 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

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 a member of the Audit and Risk Management Committee of Wheelock Properties (Singapore) Ltd.

He is a Fellow of the Singapore Institute of Directors and until recently, he was a Governing Council member of the Institute. Mr Kwok is also 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) from the University of Sheffield (UK). He 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 also a Fellow of the Institute of Singapore Chartered Accountants.

- Independent Non-Executive Director

Committee

- Chairman of the Audit and Risk Committee

MR LOK VI MING

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 30 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.

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

- Lead Independent Non-Executive Director

Committees

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

- Independent Non-Executive Director

Committee

- Member of the Audit and Risk Committee

MR MICHAEL KOK PAK KUAN

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, 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.

Board of Directors

MS TAN SU SHAN

- Independent Non-Executive Director

Committee

- Member of the Nominating and Renumeration Committee

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 a Nominated Member of Parliament in Singapore from February 2012 to August 2014. She 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 Industry Group.

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

Mr Hiew Yoon Khong 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. (Manager of Mapletree Logistics Trust), Mapletree Industrial Trust Management Ltd. (Manager of Mapletree Industrial Trust) and Mapletree Commercial Trust Management Ltd. (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$39 billion.

From 2003 to 2011, Mr Hiew was concurrently Senior Managing Director (Special Projects) of 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.

- Non-Executive Director

Committee

- Member of the Nominating and Renumeration Committee

MR CHUA TIOW CHYE

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. (Manager of Mapletree Logistics Trust). He was also previously the Chief Executive Officer of Mapletree Logistics Trust Management Ltd.

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.

- Non-Executive Director

MS CINDY CHOW PEI PEI

- Executive Director
- Chief Executive Officer

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

She has more than 19 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.

Governance & Sustainability

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 18 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 & Asset Management

Based in Shanghai, Mr Ng has 15 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.

MS NG EHARN
Vice President, Portfolio & Asset Management

Ms Ng has over 11 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.

MR LAWRENCE NG
Vice President,
Finance

Mr Ng has 18 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 JESSIE HOE
Vice President,
Finance

Ms Hoe has more than 18 years of experience in auditing, financial and management reporting. She was previously employed at Tiger Airways Holdings Limited (Director, Financial Analysis and Reporting) and Ernst & Young LLP.

Ms Hoe holds a Bachelor of Accountancy (Honours) from the Nanyang Technological University and is also a Chartered Accountant (Singapore) of the Institute of Singapore Chartered Accountants.

MS ELIZABETH LOO
Vice President,
Investor Relations

With more than 17 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 KEVIN WANG
Deputy General Manager,
Investment

Based in Shanghai, Mr Wang has 13 years of experience in the real estate business focusing on investment and financing work.

Prior to joining the Manager, he held various positions including Director of Investment and Financing at Forterra Trust, and Senior Manager of Corporate Finance at Ascendas (Shanghai) Management Co., Ltd.

Mr Wang graduated from Zhongnan University of Finance and Economics with a Master in Economics.

Management Team (Corporate)

MR MATTHEW WONG
Senior Manager, Investment & Asset Management

Based in Hong Kong, Mr Wong has more than 11 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.

MR MIGUEL SU
Manager, Investment & Asset Management

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

Prior to joining the Manager, Mr Su held positions in Ascendas (Shanghai) and CBRE (Beijing). 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.

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 the Group General Counsel - Asia at Infineon Technologies. 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, and 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 a Public Service Medal (P.B.M.) in 2012.

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.

Property Management Team (Overseas)

1 **MS SANDRA CHENG**
General Manager

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

3 **MS VIVIAN LAU**
Head, Lease Management & Tenant Relations

4 **MR JOHNNY KOK**[1]
Head, Operations

5 **MS CAROL CHAN**
Head, Marketing & Promotions

6 **MR PAUL WONG**
Head, Ice Rink

7 **MR SIMON LAM**
Head, Finance

[1] Mr Johnny Kok, Head of Operations, has retired on 5 February 2017. Mr Eric Wong, Deputy Head of Technical Services (not in picture), has been appointed as Head of Operations with effect from 1 January 2017.

FESTIVAL WALK
HONG KONG

8 **MS SALLY LI**
Senior Manager, Finance
(Beijing)

9 **MS SYLVIA SHANG**
Manager, Property Management
(Beijing)

10 **MR LEO LIU**
Manager, Property Management & Technical Services
(Beijing)

11 **MS SANDY CHEN**
Manager, Finance
(Shanghai)

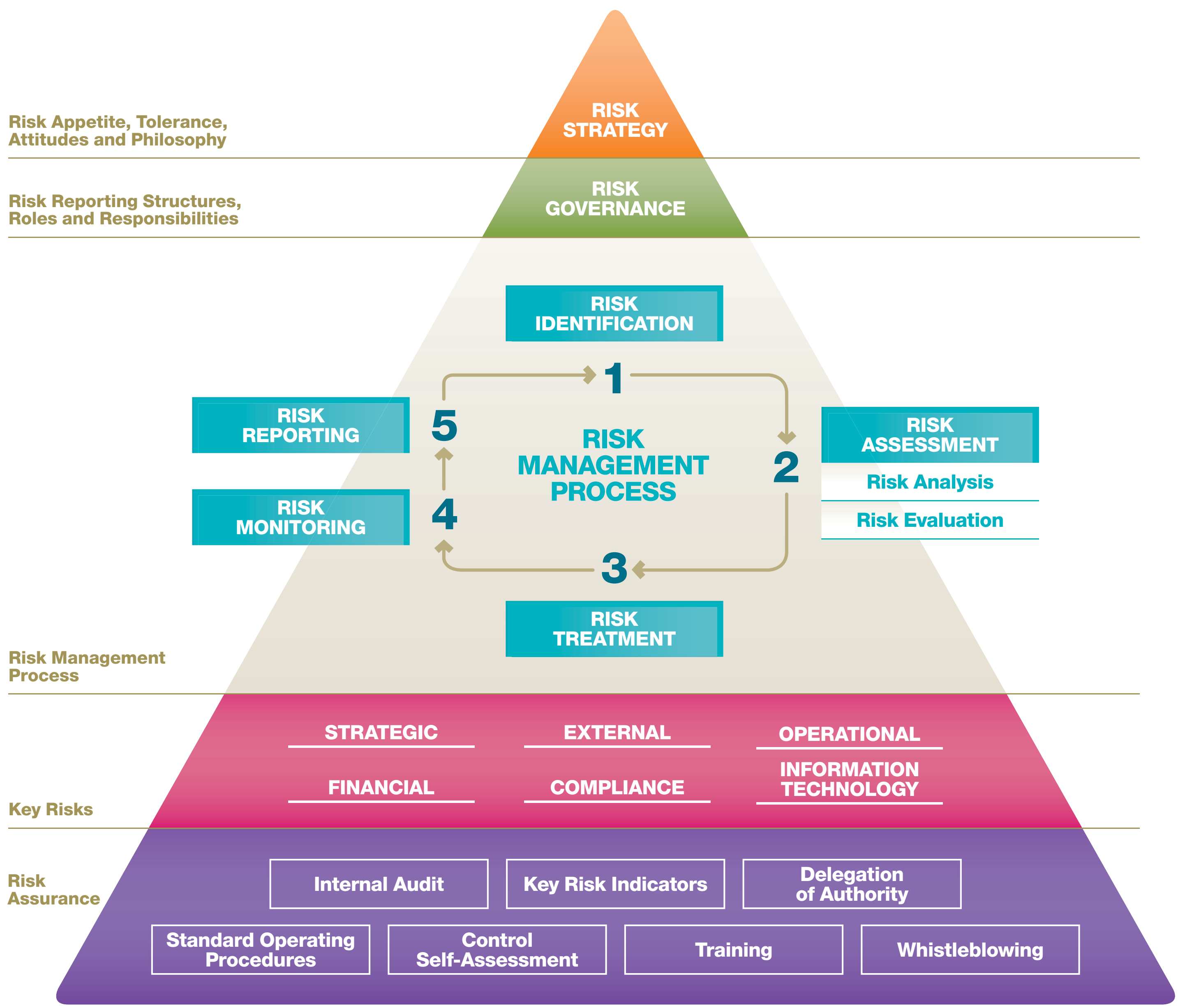
12 **MS RACHEL GUO**
Manager, Leasing
(Shanghai)

GATEWAY PLAZA
BEIJING

SANDHILL PLAZA
SHANGHAI

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") who provides oversight of risk management. The AC 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 its business objectives and strategies for MGCCT, and 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 AND ANALYSIS

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 feasible.

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 or 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 Hong Kong and China, 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

Governance & Sustainability

Risk Management

operations and hinder the achievement of its business objectives. 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 in place 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 monthly 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.

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 hedges its portfolio exposure to interest rate volatility arising from its floating rate borrowings by way of interest rate swaps.

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 received 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

MGCCT is committed to comply with applicable laws and regulations of various jurisdictions in which it 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 attack 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 penetration testing is conducted regularly to check for potential security gaps.

RIGOROUS 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.

Tenants at Festival Walk participating in a routine fire drill exercise.

Investor Relations

The Manager is committed to providing clear, timely and transparent disclosure of material information about MGCCT's business and performance to Unitholders and the broader investment community.

MGCCT's participation at the REITs Symposium 2016, jointly organised by ShareInvestor and REITAS, to reach out to more retail investors.

PROACTIVE & TRANSPARENT INVESTOR COMMUNICATION

All announcements on MGCCT's latest corporate developments are promptly released to SGX-ST and made available on MGCCT's corporate website *(www.mapletree greaterchinacommercialtrust.com)*, which contains regular updates on annual reports, investor presentations, distribution history and property portfolio details. 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.

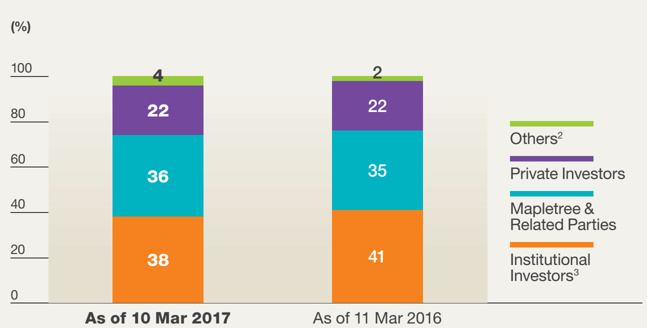
In FY16/17, MGCCT reached out to 148 (FY15/16: 140) institutional investors locally and globally through conference calls, participation in one-on-one meetings, non-deal roadshows, as well as investor conferences in Singapore, Hong Kong, Korea, and Bangkok. Property tours or site visits are also arranged upon request to familiarise investors with the operations of MGCCT's three properties. As of 12 May 2017, nine local and foreign brokerage firms have research coverage on MGCCT.

In addition, analysts' post-results briefings or conference calls are held quarterly to provide updates on MGCCT's financial results, operational performance and outlook. Investors and the general public can also participate in the half-year and full-year result briefings through a "live" webcast and submit questions online.

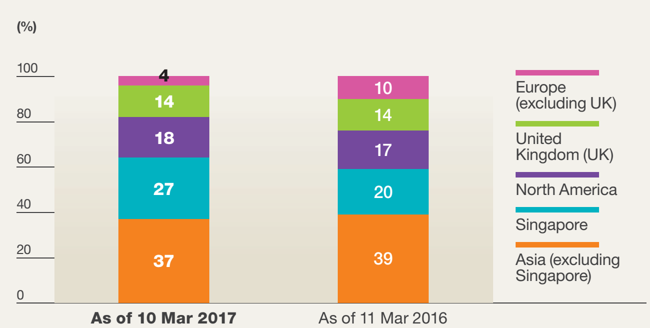
MGCCT convened its third Annual General Meeting ("AGM") on 29 July 2016. Attended by about 200 Unitholders, proxy holders and observers, the Meeting was a useful platform for them to interact with the Board of Directors and senior management. To further connect with retail investors, MGCCT participated in the REITs Symposium 2016 jointly organised by ShareInvestor and the REIT Association of Singapore ("REITAS"), as well as presented at the SGX-REITAS Education Series.

In recognition of the Manager's good standard of disclosure and reporting, MGCCT was awarded Silver for Best Annual Report in the REITs & Business Trusts category at the Singapore Corporate Awards 2016 for the second consecutive year.

UNITHOLDERS' PROFILE BY TYPE[1]



INSTITUTIONAL UNITHOLDERS BY REGION[1]



1 Approximate figures based on MGCCT's share register analysis of approximately 25,000 Unitholders as of 10 March 2017 and approximately 25,700 Unitholders as of 11 March 2016.
2 Others include corporates, non-profit organisations, custodians and nominees.
3 Institutional Investors include private banks.

Investor Relations

INVESTOR RELATIONS CALENDAR

2016

April to June	4Q FY15/16 Analysts' Briefing and "Live" Audio Webcast
	Post-results Non-deal Roadshow hosted by DBS, Singapore
	REITs Symposium 2016, Singapore
July to September	3rd Annual General Meeting, Singapore
	1Q FY16/17 Analysts' Conference Call
	Post-results Luncheon hosted by CIMB, Singapore
	Non-deal Roadshow hosted by DBS, Korea
	CLSA Investors' Forum, Hong Kong
October to November	2Q FY16/17 Analysts' Conference Call and "Live" Audio Webcast
	Post-results Non-deal Roadshow hosted by DBS, Singapore
	Presentation at SGX-REITAS Education Series
	Mapletree Year-End Analyst Event, Singapore
	Morgan Stanley Annual Asia Pacific Summit, Singapore

2017

January to April	3Q FY16/17 Analysts' Conference Call
	Post-results Luncheon hosted by Citi, Singapore
	Non-deal Roadshow hosted by Citi, Hong Kong
	Mapletree REITs Bangkok Day hosted by DBS, Bangkok
	4Q FY16/17 Analysts' Briefing and "Live" Audio Webcast
	Post-results Non-deal Roadshow hosted by Macquarie, Singapore

FINANCIAL CALENDAR

Event	FY16/17
1st Quarter Results Announcement	29 July 2016
2nd Quarter and Half-year Results Announcement	27 October 2016
Books Closure Date for First Distribution[1]	4 November 2016
Payment of First Distribution to Unitholders	25 November 2016
3rd Quarter Results Announcement	26 January 2017
4th Quarter and Full-year Results Announcement	26 April 2017
Books Closure Date for Second Distribution[1]	5 May 2017
Payment of Second Distribution to Unitholders	29 May 2017

[1] MGCCT's distribution to Unitholders is on a semi-annual basis.

Research Coverage

(As of 12 May 2017)

- Bank of America Merrill Lynch
- CIMB Securities
- Citi Research
- CLSA Singapore
- DBS Group Research
- Goldman Sachs
- Macquarie Securities
- OCBC Investment Research
- The Hong Kong and Shanghai Banking Corporation

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 All-Share 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 Real Estate 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

Investor Relations Contact

Ms Elizabeth Loo
Vice President, Investor Relations
T: +65 6377 6705
F: +65 6273 2753
Email: enquiries_mgcct@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
Email: asksgx@sgx.com
Website: www.sgx.com/cdp

For Substantial Unitholders:

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

Corporate Governance Report

The Manager of Mapletree Greater China Commercial Trust ("MGCCT") is responsible for the strategic direction and management of the assets and liabilities of MGCCT and 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 and conducting the Group's business in a proper and efficient manner and conducting all transactions with or for the Group on an arm's length basis and on normal commercial terms;
- 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 (Property Funds Appendix)), the Singapore Code on Takeovers and Mergers, the Trust Deed, written directions, notices, codes and other guidelines that 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 any 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.

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
- **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 56 to 59 of this Annual Report. The Board is of the view that the present principal directorships included in their individual profiles are sufficient in

Corporate Governance Report

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.

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. 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 meeting attendance of the Board, the AC, and the NRC for FY16/17 is as follows:

		Board	AC	NRC
Number of meetings held in FY16/17		5	5	3
Board Members	**Membership**			
Mr Paul Ma Kah Woh (Appointed on 1 July 2016) (Re-appointed on 30 September 2016)	Non-Executive Chairman and Director	4	N.A.[1]	N.A.[1]
Mr Frank Wong Kwong Shing (Resigned on 31 July 2016)	Independent Non-Executive Chairman and Director	2	N.A.[1]	N.A.[1]
Mr Kevin Kwok (Appointed on 7 February 2013) (Last reappointment on 30 July 2014)	Independent Non-Executive Director and Chairman of the AC	5	5	N.A.[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	5	5	3
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	5	5	N.A.[1]
Ms Tan Su Shan (Appointed on 1 November 2016)	Independent Non-Executive Director and Member of the NRC	1	N.A.[1]	0
Mrs Ow Foong Pheng (Resigned on 20 April 2016)	Independent Non-Executive Director	N.A.[1]	N.A.[1]	N.A.[1]
Mr Hiew Yoon Khong (Appointed on 30 November 2012) (Last reappointment on 28 September 2015)	Non-Executive Director and Member of the NRC	5	N.A.[1]	3
Mr Chua Tiow Chye (Appointed on 30 November 2012) (Last reappointment on 28 September 2015)	Non-Executive Director	5	5[2]	N.A.[1]
Ms Cindy Chow Pei Pei (Appointed on 30 November 2012) (Last reappointment on 28 September 2015)	Executive Director and CEO	5	5[2]	3[2]

Notes:
[1] N.A. means not applicable.
[2] Attendance was by invitation.

the Board is appropriate in facilitating effective decision making.

The Manager adopts the principle that at least one-third of its Directors shall be independent if the Chairman is an independent director and at least half of its Directors shall be independent if the Chairman is not an independent director, and the majority of its Directors shall be non-executive. The Manager believes 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. 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.

For FY16/17, 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-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 FY16/17 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 FY16/17. Although the amounts paid by MGCCT to the Trustee and DBS Bank Ltd as dealer for the MTN bond issuances exceeded S$200,000 in FY16/17 and although the amounts received by MGCCT from DBS group in FY16/17 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 fees as well as 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, 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 accordance with the Code, since the Chairman is not an Independent Director, at least half of the Board shall be independent. In view of the above, at least half of the Board comprises Independent Directors.

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.

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 currently, it comprises three Directors, being Mr Lok Vi Ming, Ms Tan Su Shan and Mr Hiew Yoon Khong, all non-executive and the majority of whom (including the Chairman) are independent. Mr Lok Vi Ming is the Chairman of the NRC and also 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;

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- 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, 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.

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 FY16/17, 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.

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. The CEO, as a Board member, is also subject to retirement and re-election.

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. To this end, 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. Based on those findings and recommendation from the NRC, the Board was of the view that it had met its performance objectives.

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 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 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 follows.

Nominating and Remuneration Committee

The Manager has an established 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 three times during FY16/17 and was guided by independent remuneration consultant, Mercer (Singapore) Pte Ltd, who has no relationship with the Board of Directors that would interfere with its 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, but not limited to, 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, the 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 made remuneration decisions for employees annually in May following the end of the performance year. This timing allows 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 policy is to promote sustainable long-term success of MGCCT. It 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 package, which is 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 Director's 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.

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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 would 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.

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 wellbeing.

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 operating efficiency of the Manager, e.g. results of Control Self-Assessment, participation in Corporate Social Responsibility ("CSR") events and tenants engagement. The VB amount is assessed based on the achievement of financial KPIs such as Net Property Income, 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 FY16/17 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.

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 FY16/17:

Board Members	Membership	FY16/17
Mr Paul Ma Kah Woh (Appointed on 1 July 2016)	Non-Executive Chairman and Director	S$87,249.99[(1)]
Mr Frank Wong Kwong Shing (Resigned on 31 July 2016)	Independent Non-Executive Chairman and Director	S$38,333.33[(1)]
Mr Kevin Kwok	Independent Non-Executive Director and Chairman of the AC	S$101,000.00
Mr Lok Vi Ming	Lead Independent Non-Executive Director, Chairman of the NRC and Member of the AC	S$123,741.94
Mr Michael Kok Pak Kuan	Independent Non-Executive Director and Member of the AC	S$88,500.00
Ms Tan Su Shan (Appointed on 1 November 2016)	Independent Non-Executive Director and Member of the NRC	S$24,374.99[(1)]
Mrs Ow Foong Pheng (Resigned on 20 April 2016)	Independent Non-Executive Director and the Member of the NRC	S$7,085.58[(1)(2)]
Mr Hiew Yoon Khong	Non-Executive Director and Member of the NRC	Nil[(3)]
Mr Chua Tiow Chye	Non-Executive Director	Nil[(3)]
Ms Cindy Chow Pei Pei	Executive Director and CEO	Nil[(4)]

Notes:
(1) Pro-rated fees paid for FY16/17.
(2) The director's fees payable to Mrs Ow Foong Pheng is paid to the Directorship & Consultancy Appointments Council.
(3) Non-Executive Directors who are employees of the Sponsor do not receive any director's fees in their capacity as Directors.
(4) The CEO does not receive any director's fees in her capacity as a Director.

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.

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 Manager is cognisant of the requirement in 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; and (b) the remuneration of at least its top five key management personnel (other than the CEO and executive officers who are Directors), on a named basis, in bands of S$250,000. The Manager is also cognisant of the requirement of the Code to disclose in aggregate the total remuneration paid to its top five key management personnel (who are not Directors or the CEO).

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 four key management personnel of the Manager (including the CEO).

The total remuneration for the CEO and the key management personnel in FY16/17 was S$2.80 million.

The Board had assessed and decided to disclose the remuneration of (a) the CEO in bands of S$250,000 and (b) the breakdown of the remuneration of the key management personnel of the Manager in percentage terms. The Manager is 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 FY16/17.

(C) ACCOUNTABILITY AND AUDIT

Accountability

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

Our Policy and Practices

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.

REMUNERATION BREAKDOWN BANDS FOR CEO AND KEY MANAGEMENT PERSONNEL FOR FY16/17

	Salary, Allowances and Statutory Contributions	Bonus[1]	Long-term Incentives[2]	Benefits	Total
Between S$1,250,000 to S$1,500,000					
Cindy Chow Pei Pei	30%	51%	19%	N.M.[5]	100%
Other Key Management Personnel					
Ng Wah Keong[3]	30%	60%	10%	N.M.[5]	100%
Sandra Cheng[4]	42%	45%	13%	N.M.[5]	100%
Ng Chern Shiong	54%	38%	8%	N.M.[5]	100%

Notes:

(1) The amounts disclosed include bonuses declared for FY16/17.

(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) Mr Ng Wah Keong joined the Manager on 17 October 2016. Total remuneration disclosed is pro-rated accordingly.

(4) 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.

(5) Not meaningful.

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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 promote accountability, control and risk ownership to cultivate a strong sense of risk awareness and compliance with internal controls within the Group.

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 business management by the Manager. In order to safeguard and create value for Unitholders, the Manager proactively manages risks and incorporates 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, which enables the Manager to assess, mitigate and monitor key risks. The Risk Management Department reports to the AC and the Board independently, on a quarterly basis, on key risk exposures, portfolio risk profile and activities in respect of significant risk matters.

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 to be in line with market practices and regulatory requirements.

The Manager's policies and procedures relating to risk management can be found on pages 64 to 66 of this Annual Report.

Information Technology ("IT") Controls

As part of the Group's risk management process, IT controls have been put in place and are periodically reviewed to ensure that IT risks are identified and mitigated. In addition, as part of the Manager's business continuity plan, IT disaster recovery planning and tests are conducted to ensure that critical IT 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 which are presented 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.

Detailed disclosure and analysis of the full-year financial performance of the Group can be found on pages 33 to 37 and 101 to 151 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 36 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 ("IA") 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 IA 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 IA Department obtains reasonable assurance that business objectives for the 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 IA Department monitors and reports on the timely implementation of the action plans to Management and the AC on a quarterly basis.

The external auditors 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.

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;

[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.

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- 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 FY16/17 are set out on page 154 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 control 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 system, as well as its compliance system.

The Board and the AC also take into account the results from the Control Self-Assessment programme, which requires the respective departments of the Manager to review and report on compliance with their 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 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 environment as at 31 March 2017.

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. They are:

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

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 FY16/17, MGCCT paid S$264,000 to the network of member firms of PricewaterhouseCoopers International Limited ("PwC") for audit services for the Group, and there were no payments made for non-audit services;
- review of the quality and reliability of information prepared for inclusion in financial reports;
- 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
- discuss 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 the Management the accounting principles that were applied and their judgment of items that might affect the integrity of the financial statements. The following significant matter impacting the financial statements was discussed with the Management and the external auditor and reviewed by the AC:

Significant Matters

Valuation of Investment Properties

How the AC reviewed these matters and what decisions were made

The AC considered the valuation approach and methodologies applied by the external valuer, Colliers International (Hong Kong) Limited.

The AC discussed the details of the valuation with Management, including the evaluation of the key assumptions used in the valuation techniques.

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

The valuation of investment properties, an area of focus for the external auditor, has been included as a key audit matter in its audit report for the financial year ended 31 March 2017. Refer to page 105 of this Annual Report.

A total of five AC meetings were held in FY16/17.

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 IA function of the Group is outsourced to the Sponsor's IA Department and the Head of IA reports directly to the Chairman of the AC of both the Manager and the Sponsor.

The role of the Sponsor's IA 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 IA at least once a year without the presence of Management.

The Sponsor's IA Department is a corporate member of the Singapore branch of the Institute of Internal Auditors Inc. (the "IIA"), which has its headquarters in the USA. The Sponsor's IA Department subscribes to, and is in conformance with, the 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;

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- performing engagement; and
- communicating results.

The Sponsor's IA Department employees involved in IT 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 IT audits.

To ensure that the internal audits are performed by competent professionals, the Sponsor's IA Department recruits and employs qualified employees. In order that their technical knowledge remains current and relevant, the Sponsor's IA 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 IA Department is conducted at least once every five years by a qualified, independent reviewer. The last external QAR of IA was completed in January 2013 and the QAR concluded that the Sponsor's IA Department was in conformance with the IIA Standards.

(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 are entitled to receive the annual report in digital format packaged in a compact disc with the option of receiving a printed version. The annual report encloses 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. 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.

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.

Each resolution proposed at an annual general meeting and any other general meeting will be voted on by way of electronic polling. 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.

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.

MGCCT's distribution policy is to distribute at least 90% of its distributable income and such distributions are typically paid on a semi-annual basis. For FY16/17, MGCCT made two distributions to Unitholders.

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Introduction

[GRI 102-16]

As a REIT, MGCCT provides investors with access to investment opportunities in commercial real estate properties that can deliver regular and stable income streams, diversification and long-term capital appreciation.

Our mall provides spaces for family, friends and communities to come together and strengthen social bonds while our offices provide quality business space and environment for our tenants and their employees. These contribute to the well-being of society, as well as a thriving economy. In addition to these socio-economic roles, the Manager acknowledges the environmental opportunities that an eco-efficient building management system can offer to address global environmental concerns.

To ensure the long-term resilience of MGCCT's business, the Manager is committed to improving the economic and social well-being of its stakeholders and incorporating practices that protect the environment.

GRI PRINCIPLES	How MGCCT Demonstrates This *[GRI 102-46]*
Stakeholder Inclusiveness	The Manager engages and communicates with its stakeholders on an ongoing basis. The expectations and interests of stakeholders influence the report content and the organisation's activities and services. Please refer to pages 82 and 83.
Sustainability Context	The Manager seeks to manage and grow MGCCT's businesses sustainably, empower individuals and enrich the communities in which we operate. We remain committed to adopting responsible practices in order to create a sustainable future.
Materiality	In defining the material topics, the Manager considered the interests and expectations of stakeholders, broader societal expectations, laws and regulations of strategic significance to the organisation, and MGCCT's overall mission and competitive strategy. Please refer to page 84.
Completeness, Balance	This report presents an unbiased assessment of material topics and their boundaries, sufficient to reflect significant economic, environmental and social impacts, and to enable stakeholders to assess MGCCT's performance in the reporting period.
Comparability, Accuracy, Reliability, Clarity	This report includes information that is sufficiently accurate, reliable, understandable and consistent, to enable stakeholders to assess MGCCT's performance over time and support analysis relative to other organisations.
Timeliness	The information presented is in relation to FY16/17, in line with the time period of this Annual Report. The Annual Report is published within four months from the financial year end to provide timely information to stakeholders. We are committed to providing regular consolidated disclosure of MGCCT's economic, environmental and social impacts on an annual basis.

ABOUT THIS REPORT

[GRI 102-46, 102-50, 102-52, 102-54, 102-56]

This report, published ahead of SGX-ST's sustainability reporting requirements which will take effect in 2018, highlights the Manager's efforts in implementing practices to drive business sustainability. The reporting period is from 1 April 2016 to 31 March 2017 ("FY16/17").

Environmental data disclosed 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. To be published on an annual basis, the report also incorporates information on social and governance practices that are either specific to MGCCT or apply across the Mapletree Group.

This report addresses some of the requirements prescribed by the SGX-ST's Listing Rules – Sustainability Reporting Guide, and has been prepared in accordance with the Global Reporting Initiative ("GRI") Standards (2016): Core option. The GRI Standards represent one of the global best practice guides for reporting on a range of economic and environmental, social, and governance ("ESG") factors.

The GRI content index and the relevant references are provided on pages 99 and 100.

Governance & Sustainability

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Stakeholder Engagement

[GRI 102-42]

The Manager regularly engages with its internal (employees) and external (tenants and shoppers, government and regulators, third-party service providers, investors, Trustee, Unitholders and local communities) stakeholders to understand their key issues or concerns. The channels and frequency of such engagement vary depending on the stakeholder group. The table below summarises the approach towards stakeholder engagement. Insights gained from these interactions are taken into cosideration when developing effective responses to these key topics.

Seven key stakeholder groups were identified based on their relevance to MGCCT. Additional efforts will be taken to engage these groups on environmental, social and governance topics with the ultimate objective of developing a sustainability strategy that aligns with their expectations.

KEY STAKEHOLDERS *[GRI 102-40]*	**KEY TOPICS AND CONCERNS** *[GRI 102-44]*	**STAKEHOLDER ENGAGEMENT METHODS** *[GRI 102-43]*
1  **Shoppers**	• Enhanced shopping experiences • Range of amenities and choice of brands • Considerations for safety and accessibility • Easy connectivity to public transport	• Advertisements and promotional events • Customer service and surveys • Online and mobile communication platforms, social media, e.g. Facebook, WeChat, Instagram and Festival Walk app • Tourist passports and U-Card App student privileges
2  **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
3  **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 • Annual reports, results briefings, webcasts and conference calls • Website updates • Non-deal roadshows, conferences and meetings • Site tours of properties

KEY STAKEHOLDERS *[GRI 102-40]*	**KEY TOPICS AND CONCERNS** *[GRI 102-44]*	**STAKEHOLDER ENGAGEMENT METHODS** *[GRI 102-43]*
4  **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
5  **Employees**	• Equitable reward and recognition • Fair and competitive employment practices and policies • Safe and healthy working environment • Learning and development • Regular engagement	• Intranet, e-mails, recreational and team building activities • Quarterly newsletters • Robust compensation and benefits framework including and not limited to performance appraisals • Engagement surveys • Staff communication and feedback sessions with Management and Board of Directors • Training programmes
6  **Business Partners** (including Governments, regulators 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
7  **Local Communities**	• Charitable causes championed by non-profit organisations • Arts and cultural performances and exhibitions • Sustainable practices carried out by the Manager	• Corporate philanthropy • Environmental responsibility • Increased awareness on social and environmental issues

Sustainability Report

"To ensure the long-term resilience of MGCCT's business, the Manager is committed to improving the economic and social well-being of its stakeholders and incorporating practices that protect the environment."

SUSTAINABILITY GOVERNANCE

[GRI 102-18]

Across the Mapletree Group, the Board of Directors and Senior Management play a vital role in guiding the Group's strategy for sustainability.

The Sponsor's Sustainability Steering Committee ("SSC") develops sustainability strategies, manages overall sustainability performance, as well as reviews and evaluates management policies and practices on a regular basis *[GRI 103-3]*. Co-led by the Deputy Group Chief Executive Officer, and the Head of Group Corporate Services and Group General Counsel, the SSC includes the four Chief Executive Officers ("CEOs") of the REIT managers and other members of Mapletree Group's senior management team. Ms Cindy Chow, the Manager's Executive Director and CEO, represented the Manager in this committee in FY16/17.

The SSC is supported by the Sustainability Working Committee ("SWC") which comprises representatives across business functions and divisions. MGCCT is represented in this SWC which implements, executes and monitors sustainability policies and procedures across the organisation.

MATERIALITY ASSESSMENT

The Manager has identified key material factors through a formal group-wide materiality assessment exercise, based on GRI Standards' (2016) Materiality Principle, conducted in FY16/17. An independent sustainability consultant was engaged to facilitate an online survey and a workshop, which was attended by key internal stakeholders including senior management representatives across Mapletree Group (including the Manager).

Through a three-step process to identify, prioritise and validate ESG factors, key internal stakeholders evaluated a list of issues against stakeholder concerns and their significance to the business. Insights from external stakeholder engagements, as well as business risks identified within Mapletree Group's existing Enterprise Risk Management ("ERM") framework were considered in the identification of material issues to MGCCT. The assessment also took into account benchmarking research on industry best practices, as well as global and local emerging trends.

Nine sustainability factors were deemed to be material to MGCCT. These key material factors were further validated by the Manager's Board of Directors.

MATERIAL FACTORS *[GRI 102-47]*

Economic	1.	**Economic performance**[1]
Environment	2.	**Energy**
	3.	**Water**
Social	4.	**Health and safety**
	5.	**Talent retention**
	6.	**Marketing communications**
	7.	**Local communities**
Governance	8.	**Anti-corruption**[2]
	9.	**Compliance with laws and regulations**[2]

[1] Refer to the Financial Review and Financial Statements sections.

[2] Discussed briefly in this report. Refer to the Corporate Governance Report and Risk Management section for more details.

CONTACT FOR FEEDBACK

[GRI 102-53]

The Manager seeks to continuously improve its sustainability performance and disclosure. We welcome your feedback and comments which can be directed to:

Ms Elizabeth Loo,
Vice President,
Investor Relations at
enquiries_mgcct@mapletree.com.sg

ENVIRONMENT

Sustainable Buildings

The Manager endeavours to reduce its environmental impact by incorporating eco-efficient initiatives into its business and encouraging stakeholders to play a part.

ENERGY

Energy use and its impact on climate change pose a significant environmental issue. China was one of more than 190 countries worldwide which made commitments[1] to reduce greenhouse gas ("GHG") emissions production with the aim of slowing the effects of global warming. China has pledged to reduce emissions intensity by 60% to 65% from 2005 levels by 2030. Office and retail properties consume considerable amount of energy due to the use of electricity for lighting, air-conditioning, elevators and more. Therefore, the Manager aims to optimise energy efficiency within its operations. *[GRI 103-1]*

The Manager ensures that its environmental management systems, which track and monitor performance, adhere to local statutory requirements. We strive to meet industry best practices and target to achieve a basic level of environmental certification across all buildings. Festival Walk adopts Hong Kong's Building Environmental Assessment Method ("BEAM")[2], a rating administered by the Hong Kong Green Building Council ("HKGBC"). It attained the highest level, a Platinum rating in 2006, which was extended in 2011 for another five years. In April 2017, Festival Walk achieved Final Platinum rating under BEAM Plus EB V1.2 (Existing Building Version 1.2), a more comprehensive certification standard. Sandhill Plaza targets to attain the China Green Building Certification ("CGBC") while Gateway Plaza plans to explore achieving the Leadership in Energy and Environmental Design ("LEED") certification (a rating administered by the United States Green Building Council).

Many efforts were undertaken to conserve energy throughout the years. These include harnessing solar power to provide hot water to the washrooms, upgrading the Building Management System ("BMS") to have automatic temperature control, and optimising the operation schedule of air-conditioning systems during peak and off-peak business hours. Other eco-friendly measures include the installation of plug-in electrical vehicle charging stations at car parks for the convenience of shoppers and tenants.

> **"Sandhill Plaza harnesses solar power to provide hot water to the washrooms."**

All three properties also supported the World Wildlife Fund's annual Earth Hour by switching off facade and internal decorative lighting for an hour. Tenants were also encouraged to take part in this movement.

During FY16/17, several new efforts were introduced to incorporate green practices into the management of MGCCT's properties. In Gateway Plaza, more than 9,000 lighting fittings with energy efficient LED light were

1 "China's Contribution to the Paris Climate Agreement", Centre for Climate and Energy Solutions, July 2015.

2 Based on the Building Research Establishment Environmental Assessment Methodology ("BREEAM") in the United Kingdom and with reference to LEED in the United States of America, 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.

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Charging stations installed at Gateway Plaza's car park encourage tenants to use eco-friendly vehicles.

"2.4% reduction in total energy consumption across 3 properties in FY16/17."

replaced at the common areas. This upgrade is expected to reduce 540,000 kWh in energy consumption per annum. Beginning next year, there are more initiatives planned at Gateway Plaza, including the progressive overhaul of its three existing chillers, as well as the zoning control of heat supplies serving the retail and office floors to optimise energy efficiency of after office-hour operations.

In Sandhill Plaza, the varying weather conditions during the winter and summer seasons were monitored and the temperature settings of its indoor cooling and heating systems were adjusted for optimal efficiency. The number of elevators and lightings in operation during non-working hours within the building were also reduced.

The chiller units will be upgraded next year to improve efficiency.

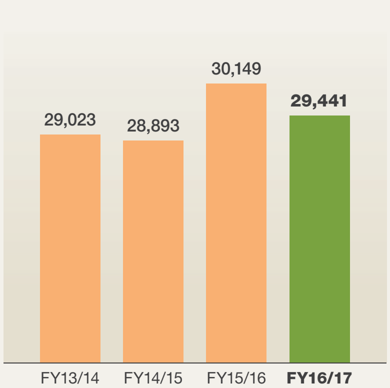
In FY16/17, total energy consumption[1] at the three properties recorded 29,441 megawatt hour ("MWh"), a 2.4% reduction compared to the total of 30,149 MWh in FY15/16. Average building energy intensity[2] was held steady at 0.14 MWh/m^2 in FY16/17 and FY15/16. Total GHG emissions from electricity at the three properties was 20,092 tCO_2e in FY16/17, a 2.5% decrease from 20,609 tCO_2e in FY15/16. Average GHG emissions intensity was slightly lower at 0.09 tCO_2e/m^2 in FY16/17 compared to 0.10 tCO_2e/m^2 in FY15/16.
[GRI 302-1, 302-3, 302-4]

Going forward, the Manager will embark on staff and stakeholder awareness initiatives to seek continual improvements in energy conservation. *[GRI 103-2]*

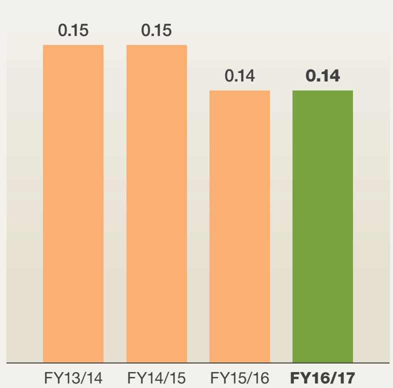
1 The electricity consumption figures reported excludes the usage of power and lighting by tenants within the leased premises. In MGCCT's annual report for FY15/16, the electricity consumption figures (FY13/14: 35,311 MWh, FY14/15: 34,791 MWh, FY15/16: 44,013 MWh) include usage of power and lighting by the tenants within the leased premises at Gateway Plaza and Sandhill Plaza.

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.

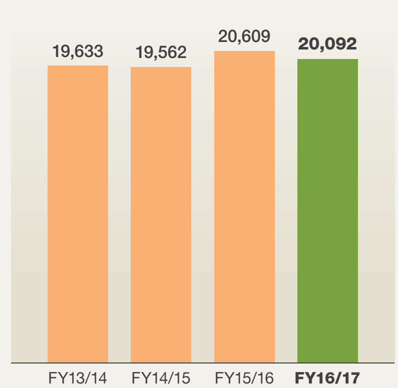
BUILDING ELECTRICITY CONSUMPTION
(MWh)



AVERAGE BUILDING ELECTRICITY INTENSITY
(MWh/m^2)



ANNUAL GHG EMISSIONS
(tonnes of CO_2e)



Note: Data in FY13/14 and FY14/15 relates only to Festival Walk and Gateway Plaza. Sandhill Plaza's data is included only from FY15/16.

WATER

Water is a scarce natural resource. Efficient water use is another key priority for the Manager. *[GRI 103-1]*

Several water-saving features have been introduced across our properties, such as utilising water-efficient flushing cisterns, installing motion sensor water faucets and reducing the tap flow rate.

Water usage consumption is regularly tracked at common areas of all properties. Additional water meters have been installed in previous years to better monitor water consumption within the premises. We also continue to conduct periodic spot checks on water supply facilities to ensure all pipes are in normal conditions, as well as to allow timely repairs to resolve any water leakage.

In its continuing efforts towards responsible water stewardship, the Manager intends to boost staff and tenant awareness on water conservation. *[GRI 103-2]*

Total water consumption at the three properties declined by 3.7% from 272,876 m^3 in FY15/16 to 262,819 m^3 in FY16/17. Water consumption by both Festival Walk and Gateway Plaza decreased by 7.1% from 235,289 m^3 in FY15/16 to 218,620 m^3 in FY16/17. At Sandhill Plaza, water consumption increased by 17.6% to 44,199 m^3 due to increased water demands during the hotter summer months in Shanghai last year. Gateway Plaza plans to progressively replace the existing sanitary fittings with water efficient sanitary fittings and fitments, while Sandhill Plaza intends to implement a water-saving sprinkler irrigation system to supplement its recycling scheme. Overall water intensity recorded 1.22 m^3/m^2 in FY16/17, compared to 1.28 m^3/m^2 in FY15/16. *[GRI 303-1]*

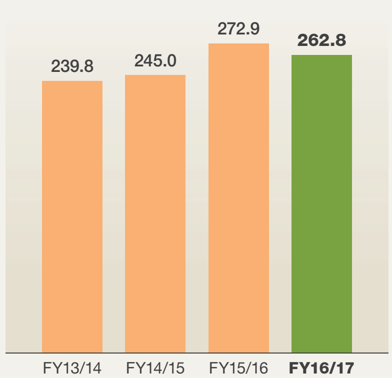
A total of 7,534 m^3 of water was recycled at Festival Walk and Sandhill Plaza in FY16/17, compared to 10,567 m^3 in FY15/16. About 600 m^3 of rainwater, an increase of more than ten times compared to last year, was harvested by Sandhill Plaza for landscape irrigation. At Festival Walk, 6,934 m^3 of water was recycled from the fresh water cooling towers in FY16/17, compared to 10,517 m^3 of water in FY15/16. This was mainly due to a reduction in the number of cooling towers in operation to provide condensing water to the chiller plants during the year. *[GRI 303-3]*

"To conserve water, Sandhill Plaza intends to implement a water-saving sprinkler irrigation system to supplement its recycling scheme."

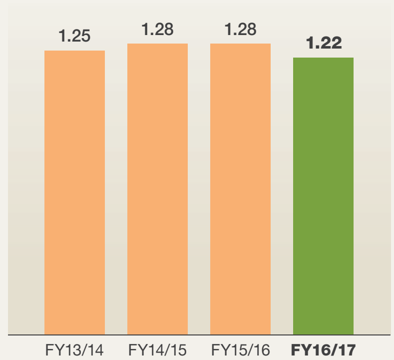
[1] The water consumption figures reported excludes the consumption of water by tenants within the leased premises. In MGCCT's annual report for FY15/16, the water consumption figures (FY13/14: 572,515 m^3, FY14/15: 569,708 m^3, FY15/16: 614,352 m^3) include usage of water by the tenants within the leased premises at the three assets.

[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.

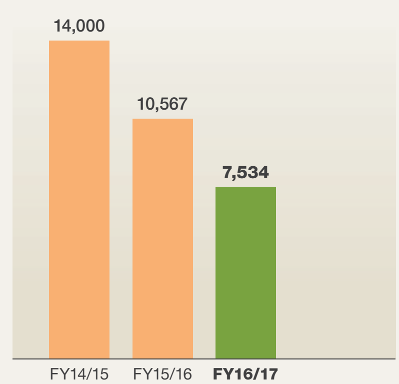
BUILDING WATER CONSUMPTION
('000 m^3)



AVERAGE BUILDING WATER INTENSITY
(m^3/m^2)



WATER RECYCLED
(m^3)



Note: Data in FY13/14 and FY14/15 relates only to Festival Walk and Gateway Plaza. Sandhill Plaza's data is included only from FY15/16. Data for water recycled is not available for FY13/14.

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SPOTLIGHT:

Energy and Water Conservation – a Priority at Festival Walk


Bleed-off water from the cooling towers is recycled and used for flushing.

Participation in the 'Energy Saving Charter' organised by the Hong Kong Government.

To further its green efforts, the mall plans to install energy efficient LED light at the 'FoodFest' food court in FY17/18.

Over the years, Festival Walk has introduced numerous initiatives in line with its long-term commitment to reducing its environmental footprint. In recognition of these efforts, Festival Walk has received numerous awards culminating to the Final Platinum rating under the BEAM Plus certification in April 2017, the highest rating for green buildings in Hong Kong.

ENERGY-SAVING INITIATIVES

- First mall to install a variable-air-volume air-conditioning system using cascade control logic in 2011, whilst maintaining stable and automatic temperature control
- Reduction in operating hours of electric heaters within air-conditioning units at 'Glacier'
- Installation of energy efficient light fittings at the car park ramp, restrooms and other common areas
- Recommendation of optimum lighting levels for tenants
- Developed an energy management plan in FY16/17 to establish a process of continuous improvements towards greater energy efficiency
- Reviewed its 'Green Purchasing Manual' in FY16/17 to better integrate sustainability efforts across the supply chain

SUPPORT FOR LOCAL GOVERNMENT INITIATIVES

- Participation in the Energy Saving Charter[1]
  - Commitment to maintaining an average indoor temperature between 24 – 26 °C during the months of June to September
- Support for the Charter on External Lighting
  - Switching off facade and external lighting during extended hours of 11 p.m. – 7 a.m. since 1 April 2016

WATER-CONSERVATION INITIATIVES

- Reclamation of water from sprinkler system back to sprinkler water tank
- Reclamation of bleed-off water from cooling towers for flushing
- Installation of water efficient taps that have been certified under the Hong Kong Government's Voluntary Water Efficiency Labelling Scheme ("WELS")

PLANS FOR FY17/18

- Apply solar film to parts of the building's skylight to reduce direct sunlight and cooling demand of the indoor space
- Replace neon lights with LED light for the outdoor building logos
- Continue to replace lightings at the 'FoodFest' food court with LED light
- Overhaul cooling towers to improve energy efficiency
- Add 26 more electrical vehicle chargers at the car park

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

WASTE MANAGEMENT

Proper waste management is crucial especially in Hong Kong due to rapidly filling landfill areas. Although waste is not one of MGCCT's selected material factors, we recognise the importance of reducing, recycling and properly managing waste produced from the three properties so as to minimise the impact on the environment.

Festival Walk has in place a comprehensive waste management programme which facilitates the segregation and collection of waste from its office and retail tenants for third-party recycling. Waste from office and retail tenants are collected at the building's refuse storage chamber and the loading bay, where recyclable materials such as paper, aluminium cans, glass bottles, used cooking oil and food waste are segregated for further processing. Chemical waste, including lubrication oil, paint and paint thinner, batteries and alkaline solution, is properly disposed of under Hong Kong's Waste Disposal Ordinance (Cap 354).

As the majority of collected waste is generated from tenants, we recognise the importance of promoting proper waste management. All new tenants at Festival Walk are briefed on the waste segregation policy while existing tenants are constantly reminded to adhere to the waste segregation practices. Frontline cleaners and contractors are provided with regular training on the handling of recycled materials. The outreach efforts also involved our shoppers and during FY16/17, Festival Walk partnered with Friends of the Earth International again to provide a collection point for the donation of used clothing.

Supporting the efforts of the Hong Kong Productivity Council ("HKPC"), Festival Walk also took part in a research and development project to study how grease traps in commercial buildings could be enhanced for effective removal of oil and grease from kitchen drainage discharge, thus minimising the burden on public waste water treatment facilities. As part of the project, operating grease traps were provided to the HKPC for sampling and research.

At Gateway Plaza and Sandhill Plaza, garbage contractors are appointed to collect rubbish from the buildings for further treatment at various government appointed dumpsites. Gateway Plaza further promoted proper waste management with the launch of an e-waste recycling initiative for tenants to discard used batteries and printer cartridges at designated recycling bins.

Total general waste collected from the three properties amounted to about 7,783 tonnes in FY16/17, a decrease of 128 tonnes from FY15/16. While the amount of

Reducing Food Waste at Festival Walk

To manage food waste from the food court, the "Gomixer" machine is deployed to effectively reduce the amount sent to landfills by 95%, with usable water as a by-product. Additional food waste is also transported to organic waste treatment facilities under the Food Waste Recycling Partnership Scheme developed by the Hong Kong Environment Protection Department ("HKEPD"). As a participant of this scheme, Festival Walk also encourages tenants from the food and beverages sector to support HKEPD's efforts to reduce food waste.

The opening ceremony of the Food Waste Reduction Programme was held at Festival Walk, graced by Charmaine Sheh, a Hong Kong celebrity.

Governance & Sustainability

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Environment

Recycling bins at Sandhill Plaza.

general waste collected at Festival Walk increased by 4.0% in FY16/17 due to an increase in tenant activites within the building, both Gateway Plaza and Sandhill Plaza saw a 15.5% decline in waste collected during the year. A total of 2,209 tonnes of waste, amounting to 28.4% of total waste collected, was recycled in FY16/17 compared to 2,160 tonnes, amounting to 27.3% of total waste collected, in the previous year.

> **"Total of 2,209 tonnes of waste recycled in FY16/17."**

Note: Waste collected in FY13/14 and FY14/15 relates only to Festival Walk and Gateway Plaza. Sandhill Plaza's data is included only from FY15/16 and the waste collected is estimated based on the number of full loads.
For waste recycled, data collected in FY13/14 only relates to Festival Walk. Gateway Plaza's data is included from FY14/15. Sandhill Plaza's data is included from FY15/16 and the waste recycled is estimated based on the number of full loads.

INDOOR AIR QUALITY

With increasing concerns on outdoor air pollution, the Manager continues to be committed towards maintaining good indoor air quality ("IAQ") within its properties.

On top of employing an IAQ assessor to conduct annual certification assessments on its indoor air quality, Festival Walk monitors its own IAQ by conducting bi-weekly measurements of temperature and carbon dioxide levels in various locations within the building. In addition, the air-conditioning equipment is maintained regularly, while the air filters are replaced or cleaned at regular intervals/based on pre-set parameters.

In recognition of its ongoing efforts to maintain clean air, Festival Walk achieved '*Excellent Class*' for its office common area for the ninth consecutive year while the mall's common areas were certified '*Good Class*' for the sixth consecutive year under the Hong Kong Government's IAQ Certification Scheme.

Gateway Plaza complies with China's national indoor air quality standard for PM10. In addition to monitoring the PM2.5 and PM10 levels within the building, Gateway Plaza utilises a G4 pre-filter and a F7 main filter[1] to reduce air particulate concentration to acceptable levels. As part of Gateway Plaza's routine maintenance, the replacement of the filters is also triggered automatically via the building management system controls. Next year, there are plans to study the feasibility of upgrading the air filters at Sandhill Plaza.

In addition to these measures, Gateway Plaza also adopts a non-smoking policy within the building, in compliance with the statutory requirement in Beijing. Inspections are conducted regularly in stairwells and lavatories to ensure compliance with the policy.

[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.

SOCIAL

Our People and Our Communities

MGCCT plays an important role through the provision of facilities for recreation and business. The next few sections document the Manager's efforts in ensuring the health and safety of users within MGCCT's properties, in retaining talents and developing its employees, and in building long-term relationship with the local communities where MGCCT's properties are located.

EMPLOYEES

Employees are required to abide by the Health & Safety ("H&S") policies within the Employee Handbook.

SHOPPERS/ VISITORS

Festival Walk abides by the requirements in the Lifts and Escalator Safety Ordinance, as well as the Occupational Safety and Health Ordinance set by the HKSAR Government. Gateway Plaza and Sandhill Plaza adhere to safety and security regulations from the Bureau of Work Safety in China.

TENANTS

Clauses on safety rules and "Dos and Don'ts" in business operations are specified in the Fit-Out Manual and Tenant Handbook given to tenants.

THIRD-PARTY SERVICE PROVIDERS

Requirements on specific H&S standards are detailed within the terms and conditions of the contracts of third-party service providers.

HEALTH AND SAFETY

The Manager is committed to ensuring a healthy and safe environment within its properties for its four stakeholder groups – employees, tenants, shoppers/ visitors and third-party service providers such as cleaning and security contractors, at all times. *[GRI 103-1] [GRI 103-2]*

To strengthen operational readiness, standard operating procedures have been put in place to respond to emergencies. The Manager has developed a reporting protocol to allow for timely investigation and execution of preventative and corrective actions in case of any incidents. Operations personnel receive occupational health & safety training and technical support to inculcate a stronger sense of responsibility and ownership. They are also trained to carry out risk assessments and check that control measures are in place prior to the initiation of any work activity.

Festival Walk employees receiving the Kowloon West Best Security Services Awards.

Governance & Sustainability

Sustainability Report
Social

New security turnstiles and lift-access card control system at Gateway Plaza.

A flood drill in action at Sandhill Plaza.

"To strengthen operational readiness, standard operating procedures have been put in place to respond to emergencies."

Fire and evacuation drills are conducted at least once a year at each property. The Manager also tests the robustness of its business continuity plans by carrying out bomb threat exercises, chemical spillage response drills and flood drills. Our properties are also subject to fire safety audits and regular maintenance of safety equipment such as sprinkler systems, hose reels, emergency lighting, alarms, pumps and smoke vents.

During the year, Festival Walk conducted a threat, vulnerability and risk assessment exercise to detect and manage the risks arising from sabotage, bombs, and vehicle-borne improvised explosive devices. Gateway Plaza implemented a security access system at the lobby level which involved the installation of security turnstiles and lift-access card control. For Sandhill Plaza, a flood drill was held to reinforce preparedness against unexpected flooding within the property.

As a testament to its efforts in upholding high safety and security standards, Festival Walk was presented with the '*Outstanding Managed Public Car Park*' award for the seventh consecutive year and the '*Triple Star Managed Property*' Award for both mall and office by Kowloon West Regional Crime Prevention Office in FY16/17.

The Manager reported two lost-time injuries incurred by our employees during the year, resulting in eight lost days for Festival Walk. The lost time injury rate[1] and injury severity rate[2] was 3.9 and 15.7 respectively in FY16/17.

Within the reporting period, there was no incident of non-compliance with health and safety regulations.
[GRI 403-2, 416-2]

HEALTH & SAFETY PLANS IN FY17/18

Going forward, the Manager aims to continue engaging with its stakeholders to play an active role in mitigating the health and safety risks within its properties. Employees will continue to receive regular health & safety trainings. The Manager will ensure the buildings are well-maintained, with hazardous areas clearly signposted. Regular checks will also be conducted at the properties. For third-party service providers, the Manager plans to engage them in regular meetings to discuss and monitor safety performance.

[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.

PEOPLE

Human capital is a key asset to the Manager. We believe in investing in our people and adopt the Sponsor's integrated human capital strategy in creating a diverse, inclusive and collaborative workplace that provides opportunities to all employees to realise their potential and contribute to our collective success. *[GRI 103-1]*

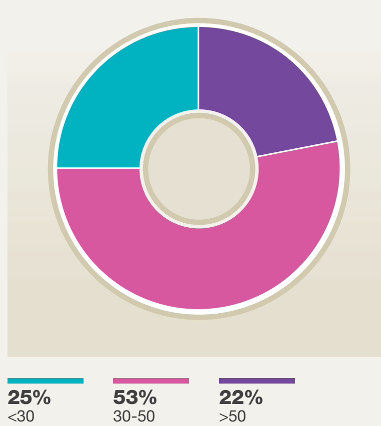
TALENT RETENTION

[GRI 401-1]

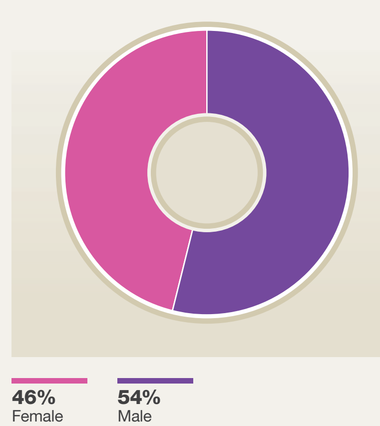
The Manager recognises that the ability to attract and retain talent can help influence the long-term sustainability of its business. We leverage on the Sponsor's integrated human capital strategies and initiatives, which have a strong emphasis on talent development, competitive compensation and employee wellness. Our employment practices have been refined to adhere strictly to local labour laws while our human resource policies are grounded on equal opportunities and fair employment practices. All human resource policies are made available to employees via inclusion in the Employee Handbook.

We have maintained a diverse workforce in terms of age, gender and skill sets. As of 31 March 2017, the Manager and the Property Manager (including staff at the three assets) had 272 employees[1], of which 87% are located in Hong Kong, 7% are in China, and the remaining 6% in Singapore. Turnover rate was 2% and was matched with a new hire rate of 2% during the year. The majority of employees are within the 30-50 years age group. Female and male employees constitute 46% and 54% respectively.

AGE DIVERSITY
As at end FY16/17



GENDER DIVERSITY
As at end FY16/17



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

Governance & Sustainability

Sustainability Report
Social

Student recipients of the inaugural Mapletree Education Award, together with the Board of Directors and Senior Management from Mapletree Group.

Employees from Festival Walk picking up useful tips on managing performance.

DEVELOPING PEOPLE

[GRI 404-2, 404-3]

The Group invests in learning and development programmes and initiatives to build a strong, capable and motivated team equipped with the relevant competencies and skillsets.

Other than on-the-job training, our employees are encouraged to participate in various learning and development programmes which span across the topics of customer service, communication, finance, real estate, leadership development, and technical skills. Those attended by our staff during the year include the Mapletree Immersion Programme and the Mapletree Performance Management workshop.

Through an annual performance appraisal system, employees communicate their development goals, identify any learning needs, as well as receive feedback from supervisors on their performance and areas for improvement.

REWARDING PERFORMANCE

The Manager adopts a pay-for-performance framework as it believes this will help drive a high-performing and motivated culture. Business priorities are aligned with competitive compensation by linking rewards to performances of the company and individuals. Employees are incentivised through annual bonus plans that are tied to financial and non-financial performance targets, as well as longer-term incentive plans linked to value creation.

EMPLOYEE WELL-BEING

The Manager actively promotes a positive and engaging working environment and encourages employees to participate in the Sponsor's outreach efforts. The Sponsor's Recreation Club continues to organise activities to promote staff interaction and family cohesiveness. Events and activities held during the year include movie screenings, Eat with Your Family Day, and a "*Durian Makan*" session. Corporate passes to selected Singapore tourist attractions were also made available for booking by our employees, starting from 2016.

Together with the Health Promotion Board, the Sponsor continues to organise the Workplace Health Promotion series for employees in Singapore. Activities include lunch talks on lifestyle topics, and monthly specially choreographed fitness programmes.

In FY16/17, the Sponsor launched the Mapletree Education Award ("EduAward") to recognise the academic excellence of its Singapore-based employees' children. To be presented twice a year, the cash awards, ranging from S$150 to S$500, were given out to the inaugural batch of 41 awardees in March 2017.

LOCAL COMMUNITIES

The Manager is focused on building long-term relationships with the community by supporting projects and causes that are of concern to its stakeholders and the communities in which it operates. *[GRI 103-1]*

CONTRIBUTING TO A BETTER SOCIETY *[GRI 413-1, 416-1]*

Festival Walk is a landmark territorial retail mall and lifestyle destination which comprises a seven-storey retail mall with a four-storey office tower. Being situated above an MTR station and near two local universities, the mall serves the residential Kowloon Tong district by improving accessibility to goods and services. Festival Walk has continuously innovated in order to contribute towards its local community. The mall was built in the early 1990s to comply with a disabled-friendly design. Festival Walk has enhanced its facilities by fitting its disabled toilets with improved lighting fixtures, handrails, and emergency call buttons which activate a centralised alarm system. To improve accessibility, automatic doors were installed at the entrance of the mall, and its food court was fitted with tables specially designed for wheelchair users.

As Festival Walk is a destination mall attracting 40 million shoppers, the Manager conducts surveys and assessments as part of its routine operation & maintenance practices to minimise the impact of its operations on the surrounding community and/or the environment. These include inspections of food & beverage tenants' kitchen exhaust, testing of cooling water samples, and safety surveys on external facade. Annual surveys to gather shoppers' feedback on the marketing activities and facilities were also conducted during the year. As part of the BEAM Plus certification in FY16/17, external consultants carried out additional surveys to assess the environmental impact of Festival Walk's operations in areas such as noise and light pollution, waste management, as well as consumption of fresh and flushing water.

"Approximately HK$654,000 were raised from charity events held at Festival Walk in FY16/17."

The Manager is actively involved in initiatives which champion social causes and promote community involvement. In FY16/17, Festival Walk was the venue sponsor for the St. James Settlement's '*Valentine's Day Roses Charity Sale*' and the Wai Yin Association's charity events which included a photo exhibition, mooncake sale, and charity ball press conference. The mall also maintained its long-time commitment to champion Charles K. Kao ("CKK") Foundation's fund-raising efforts for those suffering from Alzheimer's disease through the annual '*Christmas Charity Sales*', a colouring contest and a photo-taking session with Santa. These events raised about HK$654,000 (approximately S$118,000) in total.

In support of the Hong Kong Red Cross Blood Transfusion Service, a two-day Blood Donation Drive with a mobile donation service centre was held within Festival Walk's premises for the 16th consecutive year. The mall also led a toy donation drive to raise funds for the Salvation Army and provided venue sponsorship for the '*Food Waste Reduction*' Opening Ceremony organised by the Green Council to promote the practice of "reduce, reuse and recycle". Attracting about 900 students and young adults, the '*Speak Dating*' event was organised by Goethe – Institut and supported by various European foreign consulates and cultural centres to encourage appreciation of foreign languages among the local community. In recognition of these community outreach efforts, Festival Walk was recognised by the Hong Kong Council of Social Service with the '*Caring Company Certificate*' for the fifth consecutive year.

We also encourage our employees and partners to volunteer their time for community service projects. A group of employees from Singapore helped out at the Willing Hearts' soup kitchen to prepare meals for the underprivileged and needy elderly. At the ice rink 'Glacier', coaches also provided figure skating & short track speed skating sessions for beneficiaries from the Hong Kong Sports Association for the Persons with Intellectual Disability ("HKSAPID)".

Mapletree Shaping & Sharing Programme

Underpinning its efforts is the *Mapletree Shaping & Sharing Programme*, a group-wide Corporate Social Responsibility ("CSR") framework 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. The Group Corporate Communications team supports the Board Committee by making recommendations on community involvement initiatives based on the Mapletree CSR framework. Activities which have definable social outcomes and longer-term engagement, as well as staff volunteerism opportunities, are prioritised.

To fund social commitments and programmes, the Sponsor aligns business performance with its CSR efforts by setting aside an annual sum of S$1 million. The funding amount for FY16/17 was increased to S$2 million as the Group's annual profit after tax and minority interests ("PATMI") exceeded S$300 million. *[GRI 103-2]*

MEMBERSHIPS *[102-13]*

The Manager and its properties have memberships in several industry organisations including the REIT Association of Singapore ("REITAS") and the Quality Tourism Services Association ("QTSA") under the Hong Kong Tourism Board. It works with these organisations in various aspects to contribute to the REIT industry in Singapore, as well as to further promote tourism in Hong Kong.

Sustainability Report
Social

The annual *'Love Christmas – Love Donating Toys'* collection drive at the 'Glacier' in support of the Salvation Army.

Students sharing their overseas experiences sponsored by the Wai Yin Association.

CSR Events in FY16/17

Kick-off of CKK Foundation's annual *'Christmas Charity Sales'* event by Mr Hacken Lee, Hong Kong celebrity.

Shoppers were treated to music performances from the Australian Youth Band.

MGCCT's employees helped out at Willing Heart's soup kitchen to prepare meals for the underprivileged and needy elderly.

Providing an opportunity to learn European languages at the '*Speak Dating*' event.

The CHALKapella T-Shirt design workshops raised funds during the Christmas festive season.

Blood donation drive held at Festival Walk.

'*Valentine's Rose Charity Sale*' by St. James' Settlement contributing to a worthy cause.

Wai Yin Association's '*Mooncake Charity Sales*' in support of needy children.

Sustainability Report

GOVERNANCE

Ensuring Compliance

The Manager remains steadfast in conducting business in compliance with the applicable laws and regulations. This is essential for the long-term sustainability of its business.

ENSURING ANTI-CORRUPTION AND MANAGING COMPLIANCE

[GRI 103-1, 103-2]

Being proactive in preventing corruption is part of the Group's culture, so as to protect the business and reputation of the Manager and MGCCT. The Manager also upholds a high standard of corporate governance and transparency in its business operations. Details on its corporate governance framework and policies can be found on pages 69 to 80 of the annual report.

Employees are required to comply with the Group's policies and procedures at all times and in all areas, including attendance, safe work practices and professional conduct. Clear policies on ethics and code of conduct policy are also in place. Other policies include specific guidance on anti-corruption practices – such as the prohibition of bribery, acceptance or offer of lavish gifts and entertainment. The Whistleblowing Policy establishes procedures for reporting in good faith any improper conduct while protecting whistleblowers from reprisals. The Manager reserves the right at all times to terminate an employee's services if he/she is found guilty of fraud, dishonesty or criminal conduct in relation to his/her employment. For more information, please refer to pages 76 of the annual report.

Procedures are in place to monitor and manage the risk of non-compliance with laws and regulations, including the anti-money laundering policy. Where there are cases of threatened or pending litigation, such incidents are reported at once to the Manager's CEO and the Sponsor's Head of Group Corporate Services and Group General Counsel for timely resolution. On dealing in MGCCT units, directors and employees receive notification prior to the start of any trading ban period to ensure compliance.

MANAGING MARKETING COMMUNICATIONS

Our business operations at Festival Walk involve the dissemination of marketing communication materials to promote our mall. The display and provision of such information is subject to certain regulations and laws in Hong Kong.

In Hong Kong, Festival Walk abides by the Code of Practice from the Hong Kong Office for Film, Newspaper and Article Administration ("OFNAA") and the Hong Kong Personal Data (Privacy) Ordinance. We review all marketing and communication materials to ensure compliance with policies and regulations prior to any advertising or campaign run and also ensure that all community outreach materials which involve the collection of personal data are in compliance with the Hong Kong Personal Data (Privacy) Ordinance.

In Beijing and Shanghai, marketing communications pertaining to promoting our assets adhere to the Advertisement Law of the People's Republic of China. Tenants are responsible for ensuring that their marketing communications and advertisement placements within the properties abide by the relevant laws and regulations. *[GRI 103-2]*

PERFORMANCE *[GRI 205-3, 417-3, 419-1]*

We aim to achieve zero incident of non-compliance. No material breaches of relevant local laws and regulations, including marketing communication and anti-corruption laws over the 12 months of this reporting period, were reported.

Going forward, the Group intends to conduct training for directors and relevant employees of Mapletree Group as and when there are substantial new areas of law.

GRI Index *[GRI 102-55]*

	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	Talent Retention, *Page 93*; Financial Statements, *Page 101–151*
102-8	Information on employees and other workers	Talent Retention, *Page 93* Data was compiled from the Human Resource database, and excluded full-time and part-time employees on less than one-year contract. As the number of remaining part-time employees is not significant to the operations as a whole, employee data had not been broken down by employment type, and was instead presented in totality. 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 report on.
102-10	Significant changes to organisation and its supply chain	None in FY16/17
102-11	Precautionary principle or approach	The Mapletree Group does not specifically address the principles of the Precautionary approach.
102-12	External initiatives	None
102-13	Membership of associations	Local Communities, *Page 95*
	Strategy	
102-14	Statement from senior decision-maker	Letter to Unitholders, *Page 4–7*
	Ethics and Integrity	
102-16	Values, principles, standards, and norms of behaviour	Introduction, *Page 81;* Ensuring Compliance, *Page 98*
102-18	Governance structure	Sustainability Governance, *Page 84*
102-40	List of stakeholder groups	Stakeholder Engagement, *Page 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, *Page 82–83*
102-43	Approach to stakeholder engagement	Stakeholder Engagement, *Page 82-83*
102-44	Key topics and concerns raised	Stakeholder Engagement, *Page 82-83*
102-45	Entities included in the consolidated financial statements	Financial Statements, *Page 101–151*
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	Energy, *Page 86*; Water, *Page 87*
102-49	Changes in reporting	Not applicable, first report in accordance to GRI.
102-50	Reporting period	1 April 2016 – 31 March 2017
102-51	Date of most recent report	Not applicable

Sustainability Report
GRI Index

	GRI Standards	Details/Notes/Page No.
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	Introduction, *Page 81*
102-55	GRI content index	GRI Index, *Page 99–100*
102-56	External assurance	MGCCT has not sought external assurance on this report.
	Management Approach	
103-1	Explanation of the material topic and its boundary	Sustainability Governance, *Page 84;* Energy, *Page 85–86*; Water, *Page 87*; Health and Safety, *Page 91–92*; People, *Page 93–94*; Local Communities, *Page 95*; Ensuring Compliance, *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, *Page 101–151*
	Anti-corruption	
205-3	Confirmed incidents of corruption and actions taken	Ensuring Compliance, *Page 98*
	Energy	
302-1	Energy consumption within the organisation	Energy, *Page 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	
	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 FY16/17.
	Employment	
401-1	New employee hires and employee turnover	People, *Page 93–94*
404-2	Programs for upgrading employee skills and transition assistance programs	
404-3	Percentage of employees receiving regular performance and career development reviews	
	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 91–92*
	Local Communities	
413-1	Operations with local community engagement, impact assessments, and development programs	Local Communities, *Page 95–97*
	Customer Health & Safety	
416-1	Assessment of the health and safety impacts of product and service categories	Health and Safety, *Page 91–92;* Local Communities, *Page 95–97*
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	Health and Safety, *Page 91–92*
	Marketing and Labelling	
417-3	Incidents of non-compliance concerning marketing communications	Ensuring Compliance, *Page 98*
	Socioeconomic Compliance	
419-1	Non-compliance with laws and regulations in the social and economic area	Ensuring Compliance, *Page 98*

Financial Statements

CONTENTS

Report of The Trustee

For the financial year ended 31 March 2017

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 151, 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, 26 April 2017

Statement by the Manager

For the financial year ended 31 March 2017

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 151, comprising the Statements of Financial Position of MGCCT and the Group, and Portfolio Statement of the Group as at 31 March 2017, 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 2017, the portfolio holdings of the Group as at 31 March 2017, the total return, 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, 26 April 2017

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 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, so as to present fairly, in all material respects, the consolidated financial position of the Group and the financial position of MGCCT as at 31 March 2017, 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, the consolidated portfolio holdings of the Group 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 financial position of MGCCT and of the Group as at 31 March 2017;
- the statements of total return of MGCCT and of the Group for the financial year then ended;
- 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 2017; 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 ("ACRA") 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.

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 2017. 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 2017, the carrying value of the Group's investment properties of S$6.2billion accounted for 95% 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 term and reversion rates, discount rates and adjusted price per square metre and are dependent on the nature of each investment property and the prevailing market conditions.	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 term and reversion 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" and other sections of MGCCT's Annual Report 2017 ("Other Sections"), but does not include the financial statements and our auditor's report thereon. We obtained the Report of the Trustee and the Statement by the Manager prior to the date of this auditor's report. The Other Sections 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 and those charged with governance for the Financial Statements

The Manager is responsible for the preparation and fair presentation of these financial statements 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 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 responsibilities of those charged with governance include overseeing the Group's financial reporting process.

Independent Auditor's Report

To the Unitholders of Mapletree Greater China Commercial Trust
(Constituted under a Trust Deed in the Republic of Singapore)

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, 26 April 2017

Statements of Total Return

For the financial year ended 31 March 2017

	Note	GROUP 2017 S$'000	GROUP 2016 S$'000	MGCCT 2017 S$'000	MGCCT 2016 S$'000
Gross revenue	3	**350,629**	336,638	**-**	-
Property operating expenses	4	**(65,049)**	(59,172)	**-**	-
Net property income		**285,580**	277,466	**-**	-
Dividend income		**-**	-	**155,685**	165,256
Interest income		**1,196**	557	**138**	207
Manager's management fees					
- Base fee		**(20,463)**	(19,987)	**(20,463)**	(19,987)
- Performance fee		**(490)**	(4,884)	**(490)**	(4,884)
Trustee's fee		**(641)**	(620)	**(641)**	(620)
Other trust expenses	5	**(1,395)**	(2,219)	**(611)**	(1,377)
Foreign exchange gain/(loss)		**6,980**	32,340	**(51)**	422
Finance costs	6	**(74,233)**	(65,008)	**-**	-
Net income		**196,534**	217,645	**133,567**	139,017
Net change in fair value of investment properties	13	**218,882**	239,921	**-**	-
Net change in fair value of financial derivatives		**(2,837)**	8,378	**-**	-
Total return for the financial year before income tax		**412,579**	465,944	**133,567**	139,017
Income tax expenses	7(a)	**(40,080)**	(37,843)	**(23)**	(35)
Total return for the financial year after income tax before distribution		**372,499**	428,101	**133,544**	138,982
Earnings per unit (cents)					
- Basic	8	**13.411**	15.629	**4.808**	5.074
- Diluted	8	**13.411**	15.629	**4.808**	5.074

The accompanying notes form an integral part of these financial statements.

Statements of Financial Position

As at 31 March 2017

	Note	GROUP 2017 S$'000	GROUP 2016 S$'000	MGCCT 2017 S$'000	MGCCT 2016 S$'000
ASSETS					
Current assets					
Cash and bank balances	9	**234,857**	206,107	**96,844**	90,861
Trade and other receivables	10	**55,212**	10,740	**5,036**	3,907
Other current assets	11	**1,163**	885	**-**	-
Inventories		**811**	848	**-**	-
Derivative financial instruments	12	**508**	3,166	**508**	3,166
		292,551	221,746	**102,388**	97,934
Non-current assets					
Derivative financial instruments	12	**8,319**	6,419	**-**	-
Investment properties	13	**6,226,345**	5,922,457	**-**	-
Plant and equipment	14	**1,705**	1,349	**-**	-
Deferred tax assets	18(a)	**-**	1,533	**-**	-
Investments in subsidiaries	15	**-**	-	**2,343,447**	2,388,356
		6,236,369	5,931,758	**2,343,447**	2,388,356
Total assets		**6,528,920**	6,153,504	**2,445,835**	2,486,290
LIABILITIES					
Current liabilities					
Trade and other payables	16	**148,593**	147,119	**8,442**	12,746
Borrowings	17	**163,143**	462,384	**-**	-
Current income tax liabilities	7(b)	**44,142**	35,257	**70**	55
Derivative financial instruments	12	**181**	2,638	**181**	2
		356,059	647,398	**8,693**	12,803
Non-current liabilities					
Trade and other payables	16	**58,558**	62,387	**-**	-
Borrowings	17	**2,393,013**	1,959,877	**-**	-
Derivative financial instruments	12	**13,777**	13,690	**-**	-
Deferred tax liabilities	18(b)	**71,193**	53,965	**-**	-
		2,536,541	2,089,919	**-**	-
Total liabilities		**2,892,600**	2,737,317	**8,693**	12,803
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS		**3,636,320**	3,416,187	**2,437,142**	2,473,487
Represented by:					
Unitholders' funds		**3,413,993**	3,208,784	**2,436,815**	2,470,323
General reserve	19	**238**	-	**-**	-
Hedging reserve	20	**15,953**	656	**327**	3,164
Foreign currency translation reserve		**206,136**	206,747	**-**	-
		3,636,320	3,416,187	**2,437,142**	2,473,487
UNITS IN ISSUE ('000)	21	**2,795,382**	2,757,579	**2,795,382**	2,757,579
NET ASSET VALUE PER UNIT (S$)		**1.301**	1.239	**0.872**	0.897

The accompanying notes form an integral part of these financial statements.

Distribution Statements

For the financial year ended 31 March 2017

	GROUP		MGCCT	
	2017 S$'000	2016 S$'000	2017 S$'000	2016 S$'000
Total return for the financial year	**372,499**	428,101	**133,544**	138,982
Adjustment for net effect of non-tax (chargeable)/deductible items and other adjustments (Note A)	**(167,872)**	(228,227)	**71,083**	60,892
Amount available for distribution	**204,627**	199,874	**204,627**	199,874
Amount available for distribution to Unitholders at beginning of the financial year	**104,050**	92,503	**104,050**	92,503
	308,677	292,377	**308,677**	292,377
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 2016 to 30 September 2016	**(100,338)**	-	**(100,338)**	-
Distribution of 3.398 cents per unit for the period from 1 October 2014 to 31 March 2015	**-**	(92,461)	**-**	(92,461)
Distribution of 3.499 cents per unit for the period from 1 April 2015 to 30 September 2015	**-**	(95,866)	**-**	(95,866)
Total Unitholders' distribution (including capital return) (Note B)	**(204,326)**	(188,327)	**(204,326)**	(188,327)
Amount available for distribution to Unitholders at end of the financial year	**104,351**	104,050	**104,351**	104,050

Note A:
Adjustment for net effect of non-tax (chargeable)/deductible items and other adjustments comprise:

	GROUP 2017 S$'000	GROUP 2016 S$'000	MGCCT 2017 S$'000	MGCCT 2016 S$'000
Major non-tax deductible/(chargeable) items:				
- Trustee's fee	**641**	620	**641**	620
- Financing fees	**7,165**	8,044	**-**	-
- Net change in fair value of investment properties net of deferred tax impact	**(210,418)**	(230,331)	**-**	-
- Manager's base fee paid/payable in units	**20,463**	19,987	**20,463**	19,987
- Manager's performance fee paid/payable in units	**490**	4,884	**490**	4,884
- Property Manager's management fees paid/payable in units	**12,250**	12,089	**-**	-
- Net change in fair value of financial derivatives	**2,837**	(8,378)	**-**	-
- Foreign exchange gain on capital item	**(6,929)**	(36,164)	**-**	-
Net overseas income distributed back to MGCCT in the form of capital returns	**-**	-	**28,638**	26,768
Net overseas income not distributed to MGCCT	**-**	-	**20,800**	9,055
Other non-tax deductible items and other adjustments	**5,629**	1,022	**51**	(422)
	(167,872)	(228,227)	**71,083**	60,892

Note B:
Total Unitholders' distribution:

	GROUP 2017 S$'000	GROUP 2016 S$'000	MGCCT 2017 S$'000	MGCCT 2016 S$'000
- From operations	**(157,806)**	(160,237)	**(157,806)**	(160,237)
- From Unitholders' contribution	**(46,520)**	(28,090)	**(46,520)**	(28,090)
	(204,326)	(188,327)	**(204,326)**	(188,327)

The accompanying notes form an integral part of these financial statements.

Statements of Movements in Unitholders' Funds

For the financial year ended 31 March 2017

	Note	GROUP 2017 S$'000	GROUP 2016 S$'000	MGCCT 2017 S$'000	MGCCT 2016 S$'000
Operations					
Beginning of the financial year		**753,584**	485,720	**15,123**	36,378
Total return for the financial year		**372,499**	428,101	**133,544**	138,982
Distributions to Unitholders		**(157,806)**	(160,237)	**(157,806)**	(160,237)
Transfer to general reserve		**(238)**	-	**-**	-
End of the financial year		**968,039**	753,584	**(9,139)**	15,123
Unitholders' contribution					
Beginning of the financial year		**2,455,200**	2,447,630	**2,455,200**	2,447,630
Management fees paid in units		**37,274**	35,660	**37,274**	35,660
Distributions to Unitholders		**(46,520)**	(28,090)	**(46,520)**	(28,090)
End of the financial year		**2,445,954**	2,455,200	**2,445,954**	2,455,200
Unitholders' funds at end of the financial year		**3,413,993**	3,208,784	**2,436,815**	2,470,323
General reserve					
Beginning of the financial year		**-**	-	**-**	-
Transfer from Operations		**238**	-	**-**	-
End of the financial year	19	**238**	-	**-**	-
Hedging reserve					
Beginning of the financial year		**656**	(6,674)	**3,164**	(5,214)
Fair value changes, net of tax		**(3,024)**	111	**327**	3,164
Reclassification to Statements of Total Return, net of tax		**18,321**	7,219	**(3,164)**	5,214
End of the financial year	20	**15,953**	656	**327**	3,164
Foreign currency translation reserve					
Beginning of the financial year		**206,747**	333,508	**-**	-
Reclassification to Statements of Total Return		**(6,929)**	(36,164)	**-**	-
Translation differences relating to financial statements of foreign subsidiaries and quasi equity loans		**6,318**	(90,597)	**-**	-
End of the financial year		**206,136**	206,747	**-**	-
Net assets attributable to Unitholders at end of the financial year		**3,636,320**	3,416,187	**2,437,142**	2,473,487

The accompanying notes form an integral part of these financial statements.

Consolidated Statement of Cash Flows

For the financial year ended 31 March 2017

	Note	GROUP 2017 S$'000	GROUP 2016 S$'000
Cash flows from operating activities			
Total return for the financial year		**372,499**	428,101
Adjustments for:			
- Income tax expenses	7(a)	**40,080**	37,843
- Amortisation of rent free incentive		**1,329**	99
- Depreciation	14	**412**	463
- Net change in fair value of investment properties	13	**(218,882)**	(239,921)
- Net change in fair value of financial derivatives		**2,837**	(8,378)
- Manager's management fees paid/payable in units		**20,953**	24,871
- Property Manager's management fees paid/payable in units		**12,250**	12,089
- Finance costs	6	**74,233**	65,008
- Interest income		**(1,196)**	(557)
- Foreign exchange gain on capital item		**(6,929)**	(36,164)
Operating cash flows before working capital changes		**297,586**	283,454
Changes in working capital:			
- Trade and other receivables and other current assets		**(45,674)**	1,634
- Inventories		**37**	15
- Trade and other payables		**(10,268)**	1,072
Cash generated from operations		**241,681**	286,175
- Income tax paid	7(b)	**(14,898)**	(21,252)
Net cash provided by operating activities		**226,783**	264,923
Cash flows from investing activities			
Acquisition of subsidiaries, net of cash acquired	9	**-**	(322,436)
Additions to investment properties	13	**(6,898)**	(12,855)
Additions to plant and equipment	14	**(741)**	(702)
Interest income received		**658**	569
Net cash used in investing activities		**(6,981)**	(335,424)
Cash flows from financing activities			
Repayment of borrowings		**(1,086,496)**	(558,664)
Proceeds from borrowings		**935,616**	691,829
Proceeds from issuance of medium-term notes		**227,692**	220,000
Payment of distributions to Unitholders		**(204,326)**	(188,327)
Financing fees paid		**(6,049)**	(4,280)
Interest paid		**(65,370)**	(52,438)
Net cash (used in)/provided by financing activities		**(198,933)**	108,120
Net increase in cash and cash equivalents		**20,869**	37,619
Cash and cash equivalents at beginning of the financial year		**160,902**	125,110
Effect of currency translation on cash and cash equivalents		**(1,351)**	(1,827)
Cash and cash equivalents at end of the financial year		**180,420**	160,902
Amount received and set aside to be repaid to a related party	16	**54,437**	45,205
Cash and bank balances at end of the financial year	9	**234,857**	206,107

The accompanying notes form an integral part of these financial statements.

Financials & Others

Portfolio Statement

As at 31 March 2017

Description of properties	Acquisition date	Term of lease	Remaining term of lease	Location	Existing use	Gross revenue for financial year ended 31/03/2017 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	30 years ending in 2047	No. 80 Tat Chee Avenue, Kowloon Tong, Hong Kong SAR	Commercial	**247,181**
Investment properties in The People's Republic of China ("PRC"):						
Gateway Plaza	07/03/2013	50 years	36 years ending in 2053	No. 18 Xiaguangli, East 3rd Ring Road North, Chaoyang District, Beijing, PRC	Commercial	**79,123**
Sandhill Plaza	17/06/2015	50 years	43 years ending in 2060	Blocks 1 to 5 and 7 to 9, No. 2290 Zuchongzhi Road, Pudong New District, Shanghai, PRC	Commercial	**24,325**
Investment properties - Group						**350,629**
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 2017 (2016: 31 March 2016) undertaken by Colliers International (Hong Kong) Limited ("Colliers"), an independent valuer. 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, 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 31/03/2016 S$'000	Occupancy rates at 31/03/2017 %	Occupancy rates at 31/03/2016 %	Latest valuation date	Valuation at 31/03/2017 S$'000	Valuation at 31/03/2016 S$'000	Percentage of net assets attributable to Unitholders at 31/03/2017	Percentage of net assets attributable to Unitholders at 31/03/2016
236,499	**100.0**	100.0	31/03/2017	**4,549,220**	4,253,079	**125.1**	124.5
82,299	**96.9**	96.8	31/03/2017	**1,257,844**	1,256,271	**34.6**	36.8
17,840	**100.0**	100.0	31/03/2017	**419,281**	413,107	**11.5**	12.1
336,638				**6,226,345**	5,922,457	**171.2**	173.4
				(2,590,025)	(2,506,270)	**(71.2)**	(73.4)
				3,636,320	3,416,187	**100.0**	100.0

Notes to the Financial Statements

For the financial year ended 31 March 2017

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 for 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.

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).

Notes to the Financial Statements

For the financial year ended 31 March 2017

1. **GENERAL** (continued)

(D) Fees under the Property Management Agreement (continued)

(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.

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 2016, 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.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

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 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.

2.3 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 stipulated in Note 1(D).

(b) Management fees

Management fees are recognised on an accrual basis using the applicable formula stipulated in Note 1(B).

(c) Trustee's fees

Trustee's fees are recognised on an accrual basis using the applicable formula stipulated 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.

Notes to the Financial Statements

For the financial year ended 31 March 2017

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.5 Income tax (continued)

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.

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.

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 MGCCT'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.

2.7 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 are recognised in the Statements of Total Return.

Notes to the Financial Statements

For the financial year ended 31 March 2017

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

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.

(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. SIGNIFICANT ACCOUNTING POLICIES (continued)

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.

2.12 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" (except for accrued revenue), 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.

Notes to the Financial Statements

For the financial year ended 31 March 2017

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

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.

2.16 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.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.16 Derivative financial instruments and hedging activities (continued)

(a) ***Cash flow hedge*** (continued)

(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.

(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 the 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 the 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.

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.

Notes to the Financial Statements

For the financial year ended 31 March 2017

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.

2.22 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. SIGNIFICANT ACCOUNTING POLICIES (continued)

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	
	2017 S$'000	2016 S$'000
Rental income	**298,761**	285,320
Service charges	**7,976**	7,778
Other operating income	**43,892**	43,540
	350,629	336,638

The turnover rental income recognised in rental income during the financial year was S$13,342,000 (2016: S$15,088,000).

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	
	2017 S$'000	2016 S$'000
Staff costs*	**13,337**	13,274
Utilities and property maintenance	**13,328**	13,730
Marketing and promotion expenses	**4,741**	4,983
Professional fees	**1,254**	934
Property and other taxes	**14,871**	9,195
Property and lease management fees	**13,868**	13,503
Other operating expenses	**3,650**	3,553
	65,049	59,172

* Includes contribution to defined contribution plans of S$786,000 (2016: S$769,000).

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 as provided in 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	
	2017 S$'000	2016 S$'000	2017 S$'000	2016 S$'000
Consultancy and professional fees	**302**	369	**67**	74
Valuation fees	**27**	32	**-**	-
Other trust expenses	**1,066**	1,818	**544**	1,303
	1,395	2,219	**611**	1,377

Notes to the Financial Statements

For the financial year ended 31 March 2017

5. OTHER TRUST EXPENSES (continued)

Total fees to auditors included in other trust expenses are as follows:

	GROUP		MGCCT	
	2017 S$'000	2016 S$'000	2017 S$'000	2016 S$'000
Auditors' remuneration	**264**	271	**43**	46
Non-audit fees	**-**	64	**-**	-
	264	335	**43**	46

Auditors of the Group comprised of the network of member firms of PricewaterhouseCoopers International Limited (2016: network of member firms of PricewaterhouseCoopers International Limited and KPMG).

6. FINANCE COSTS

	GROUP	
	2017 S$'000	2016 S$'000
Interest expense	**58,993**	46,970
Cash flow hedges, reclassified from hedging reserve (Note 20)	**7,911**	9,916
Financing fees *	**7,329**	8,122
	74,233	65,008

* Includes legal fees of S$164,000 (2016: S$78,000).

7. INCOME TAX

(a) Income tax expenses

	GROUP		MGCCT	
	2017 S$'000	2016 S$'000	2017 S$'000	2016 S$'000
Tax expense attributable to current financial year's results is made up of:				
Current income tax				
- Singapore	**23**	35	**23**	35
- Foreign	**15,969**	15,138	**-**	-
	15,992	15,173	**23**	35
Withholding tax - Foreign	**8,046**	8,758	**-**	-
	24,038	23,931	**23**	35
Deferred tax (Note 18)	**16,122**	13,878	**-**	-
	40,160	37,809	**23**	35
(Over)/Under provision in preceding financial years				
Current income tax - Foreign	**(80)**	34	**-**	-
	40,080	37,843	**23**	35

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	
	2017 S$'000	2016 S$'000	2017 S$'000	2016 S$'000
Total return for the financial year before income tax	**412,579**	465,944	**133,567**	139,017
Tax calculated at a tax rate of 17% (2016: 17%)	**70,138**	79,210	**22,706**	23,633
Effects of:				
- Expenses not deductible for tax purposes	**5,635**	6,665	**3,783**	4,496
- Income not subject to tax	**(3,484)**	(9,266)	**-**	-
- Gain on revaluation of investment properties not subject to tax	**(26,684)**	(28,484)	**-**	-
- Income not subject to tax due to tax transparency ruling (Note 2.5)	**-**	-	**(26,466)**	(28,094)
- Recognition of tax losses previously unrecognised	**-**	(2,698)	**-**	-
- Different tax rates in other countries	**(5,651)**	(7,455)	**-**	-
- (Over)/Under provision in preceding financial years	**(80)**	34	**-**	-
- Others	**206**	(163)	**-**	-
Tax charge	**40,080**	37,843	**23**	35

(b) Movements in current income tax liabilities

	GROUP		MGCCT	
	2017 S$'000	2016 S$'000	2017 S$'000	2016 S$'000
Beginning of the financial year	**35,257**	34,769	**55**	20
Income tax paid	**(14,898)**	(21,252)	**(8)**	-
Tax expense	**24,038**	23,931	**23**	35
Utilisation of tax benefits (Note 18(a))	**(1,109)**	(1,527)	**-**	-
(Over)/Under provision in preceding financial years	**(80)**	34	**-**	-
Translation differences on consolidation	**934**	(698)	**-**	-
End of the financial year	**44,142**	35,257	**70**	55

8. EARNINGS PER UNIT

The calculation of basic and diluted earnings per unit is based on:

	GROUP		MGCCT	
	2017	2016	2017	2016
Total return attributable to Unitholders of MGCCT (S$'000)	**372,499**	428,101	**133,544**	138,982
Weighted average number of units outstanding during the financial year ('000)	**2,777,465**	2,739,167	**2,777,465**	2,739,167
Basic and diluted earnings per unit (cents)	**13.411**	15.629	**4.808**	5.074

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.

Notes to the Financial Statements

For the financial year ended 31 March 2017

9. CASH AND BANK BALANCES

	GROUP		MGCCT	
	2017 S$'000	2016 S$'000	2017 S$'000	2016 S$'000
Cash at bank and on hand	**112,522**	191,975	**66,844**	90,861
Short-term bank deposits	**122,335**	14,132	**30,000**	-
	234,857	206,107	**96,844**	90,861

Short-term bank deposits at the reporting date have a weighted average maturity of 45 (2016: 6) days from the end of the financial year. The effective interest rates at the reporting date ranged from 0.90% to 2.18% (2016: 1.35%) per annum.

Included in cash and bank balances is an amount of RMB264,860,000, equivalent to S$54,437,000 (2016: RMB213,384,000, equivalent to S$45,205,000) which relates to cash receipt set aside to settle the amount due to a related party (Note 16).

Acquisition of subsidiaries

On 17 June 2015, the Group acquired Sandhill Plaza via the purchase of a 100% equity interest in Glamour II Limited and its subsidiaries ("Glamour Group") for a consideration of S$412,972,000, which was fully funded by borrowings.

The principal activity of Glamour Group is that of property investment.

The cash flow and the net assets of subsidiaries acquired are provided below:

	Glamour Group S$'000
2016	
Group	
Plant and equipment	107
Investment properties	407,246
Current assets	21,008
Current liabilities	(10,638)
Borrowings	(76,332)
Net assets acquired	341,391
Less:	
Cash and cash equivalents in subsidiaries acquired	(18,955)
Cash outflow on acquisition of subsidiaries	322,436

10. TRADE AND OTHER RECEIVABLES

	GROUP		MGCCT	
	2017 S$'000	2016 S$'000	2017 S$'000	2016 S$'000
Trade receivables (tenants):				
- Non-related parties	**44,582**	819	**366**	368
- Related parties	**346**	-	**-**	-
Amounts due from subsidiaries (non-trade)	**-**	-	**4,615**	3,538
Accrued revenue	**8,027**	9,532	**-**	-
Other receivables	**2,257**	389	**55**	1
	55,212	10,740	**5,036**	3,907

The amounts due from subsidiaries are unsecured, interest-free and repayable on demand.

11. OTHER CURRENT ASSETS

	GROUP	
	2017 S$'000	2016 S$'000
Deposits	**63**	62
Prepayments	**1,100**	823
	1,163	885

12. DERIVATIVE FINANCIAL INSTRUMENTS

	GROUP			
			Fair value	
	Maturity	Contract notional amount S$'000	Assets S$'000	Liabilities S$'000
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%)**
2016				
Cash flow hedging instruments:				
Interest rate swaps (current)	March 2017	734,025	-	(2,636)
Interest rate swaps (non-current)	July 2018 - March 2019	517,380	-	(3,305)
Cross currency interest rate swaps (non-current)	March 2020 - March 2023	505,406	6,419	(10,385)
Non-hedging instruments:				
Currency forwards (current)	June 2016 - December 2016	80,153	3,166	(2)
			9,585	(16,328)
Represented by:				
Current position			3,166	(2,638)
Non-current position			6,419	(13,690)
Percentage of derivatives to the Group's net asset value				(0.2%)

At 31 March 2017, the fixed interest rates payable on interest rate swaps and cross currency interest rate swaps vary from 1.09% to 3.70% (2016: 1.15% to 3.70%) per annum and the fixed and floating interest rates receivable vary from 0.81% to 4.38% (2016: 0.40% to 3.43%) per annum.

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12. DERIVATIVE FINANCIAL INSTRUMENTS (continued)

	MGCCT			
			Fair value	
	Maturity	Contract notional amount S$'000	Assets S$'000	Liabilities S$'000
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%**
2016				
Cash flow hedging instruments:				
Currency forwards (current)	June 2016 - December 2016	80,153	3,166	(2)
Percentage of derivatives to MGCCT's net asset value				0.1%

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	
	2017 S$'000	2016 S$'000
Beginning of the financial year	**5,922,457**	5,349,298
Acquisition of subsidiaries	**-**	407,246
Additions	**6,898**	12,855
Net change in fair value of investment properties	**218,882**	239,921
Translation difference on consolidation	**78,108**	(86,863)
End of the financial year	**6,226,345**	5,922,457

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
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**
2016		
Beginning of the financial year	4,077,871	1,271,427
Acquisitions of subsidiaries	-	407,246
Additions	5,763	7,092
Net change in fair value of investment properties	172,633	67,288
Translation differences on consolidation	(3,188)	(83,675)
End of the financial year	4,253,079	1,669,378

Notes to the Financial Statements

For the financial year ended 31 March 2017

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:

- 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. In 2017, this additional technique has been included to determine the fair value of the Group's PRC properties due to the availability of relevant transactions in the market.

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
Term and reversion	Term and reversion rate	4.5% - 6.5% (2016: 4.5% - 6.5%) per annum	The higher the term and reversion rate, the lower the fair value.
Discounted cash flow	Discount rate	8.0% - 10.5% (2016: 8.0% -10.5%) per annum	The higher the discount rate, the lower the fair value.
Direct comparison (only for PRC properties)	Adjusted price per square metre	RMB32,394 - RMB57,864 (2016: Nil)	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 2017 and 31 March 2016, the fair values of the properties have been determined by Colliers International (Hong Kong) Limited.

14. PLANT AND EQUIPMENT

	Computer equipment S$'000	Other fixed assets S$'000	Total S$'000
Group			
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**
2016			
Cost			
Beginning of the financial year	1,349	596	1,945
Acquisition of subsidiaries	56	51	107
Additions	145	557	702
Disposals/Write-offs	-	(5)	(5)
Translation difference on consolidation	(2)	(2)	(4)
End of the financial year	1,548	1,197	2,745
Accumulated depreciation			
Beginning of the financial year	864	78	942
Depreciation charge	276	187	463
Disposals/Write-offs	-	(5)	(5)
Translation difference on consolidation	(2)	(2)	(4)
End of the financial year	1,138	258	1,396
Net book value			
End of the financial year	410	939	1,349

Notes to the Financial Statements

For the financial year ended 31 March 2017

15. INVESTMENTS IN SUBSIDIARIES

	MGCCT	
	2017 S$'000	2016 S$'000
Equity investments at cost	**1,087,935**	1,075,836
Loans to subsidiaries	**1,255,512**	1,312,520
	2,343,447	2,388,356

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 2017 and 31 March 2016:

Name of subsidiary	Principal activities	Country of incorporation	Proportion of ordinary shares held by the Group	
			2017 %	2016 %
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 [c]	Property investment	People's Republic of China	**100**	100

[a] Audited by PricewaterhouseCoopers, Hong Kong
[b] Audited by PricewaterhouseCoopers, Hong Kong (2016: KPMG, Hong Kong)
[c] Audited by PricewaterhouseCoopers Zhong Tian

16. TRADE AND OTHER PAYABLES

	GROUP		MGCCT	
	2017 S$'000	2016 S$'000	2017 S$'000	2016 S$'000
Current				
Trade payables	**1,134**	5,027	**76**	-
Accruals	**24,180**	21,722	**2,328**	2,482
Amounts due to subsidiaries (non-trade)	**-**	-	**55**	55
Amounts due to related parties (trade)	**9,271**	13,273	**5,983**	10,209
Amount due to a related party (non-trade) (Note 9)	**54,437**	45,205	**-**	-
Tenancy deposits and advance rental	**47,428**	51,575	**-**	-
Other deposits	**1,150**	1,164	**-**	-
Interest payable	**8,598**	7,064	**-**	-
Other payables	**2,395**	2,089	**-**	-
	148,593	147,119	**8,442**	12,746
Non-current				
Tenancy deposits and advance rental	**58,558**	62,387	**-**	-
	207,151	209,506	**8,442**	12,746

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$3,280,000 (2016: S$3,059,000) and the Manager of S$5,983,000 (2016: S$10,209,000).

Amount due to a related party (non-trade), Mapletree India China Fund Ltd., relates to a cash receipt of RMB264,860,000, equivalent to S$54,437,000 (2016: RMB213,384,000, equivalent to S$45,205,000), 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.

The amounts due to subsidiaries and a related party are unsecured, interest-free and repayable on demand.

17. BORROWINGS

	GROUP	
	2017 S$'000	2016 S$'000
Current		
Bank loans	**163,473**	464,512
Non-current		
Bank loans	**1,667,792**	1,474,723
Medium-term notes	**733,411**	492,746
Gross borrowings	**2,564,676**	2,431,981
Less: Unamortised transaction costs	**(8,520)**	(9,720)
Net borrowings	**2,556,156**	2,422,261
Represented by:		
Current position	**163,143**	462,384
Non-current position	**2,393,013**	1,959,877
Percentage of total borrowings to net asset value	**70.3%**	70.9%

The above borrowings are unsecured.

(a) Maturity of borrowings

The bank loans mature between 2017 and 2021 (2016: 2016 and 2021), and medium-term notes mature between 2020 and 2023 (2016: 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 2.35% and 3.30% (2016: 1.98% and 3.39%) per annum respectively.

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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
<u>Group</u>				
2017				
Borrowings	**1,824,864**	**100,414**	**630,878**	**2,556,156**
2016				
Borrowings	1,930,686	97,495	394,080	2,422,261

(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$735,116,000 (2016: S$497,286,000) is within Level 2 of the fair value hierarchy. In 2017, the fair value is determined from adjusted quoted prices. In 2016, the fair value was determined from adjusted quoted prices or when the adjusted quoted prices are not available, cash flow analysis discounted at market borrowing rates of equivalent instruments of 2.44%.

(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.

Total Medium-term notes outstanding as at 31 March 2017 under the MTN Programme is S$733,411,000 (2016: S$492,746,000) consisting of:

Maturity date	Fixed Interest rate	Interest payment in arrear	2017 '000	2016 '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	-
(vii) 20 September 2023	3.00%	Semi-annually	HK$700,000	-

17. BORROWINGS (continued)

(f) Undrawn committed borrowing facilities

	GROUP	
	2017 S$'000	2016 S$'000
Expiring beyond one year	**94,056**	168,506

18. DEFERRED TAX

(a) Deferred tax assets

	GROUP	
	2017 S$'000	2016 S$'000
Beginning of the financial year	**1,533**	-
Tax credit to Statements of Total Return (Note 7(a))	**-**	2,698
Utilisation of tax benefits (Note 7(b))	**(1,109)**	(1,527)
Tax (charge)/credit to hedging reserve (Note 20)	**(392)**	392
Translation difference on consolidation	**(32)**	(30)
End of the financial year	**-**	1,533

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
<u>**Group**</u>			
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	**-**	**-**	**-**
2016			
Beginning of the financial year	-	-	-
Tax credit to Statements of Total Return (Note 7(a))	-	2,698	2,698
Utilisation of tax benefits (Note 7(b))	-	(1,527)	(1,527)
Tax credit to hedging reserve (Note 20)	392	-	392
Translation difference on consolidation	-	(30)	(30)
End of the financial year	392	1,141	1,533

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. A subsidiary of the Group had no unutilised tax losses (2016: S$4,562,000) which can be carried forward and used to offset against its future taxable income. Tax losses incurred by the subsidiary can be carried forward for a period of up to five years subsequent to the year of the loss.

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18. DEFERRED TAX (continued)

(b) Deferred tax liabilities

	GROUP	
	2017 S$'000	2016 S$'000
Beginning of the financial year	**53,965**	36,428
Tax charge to Statements of Total Return (Note 7(a))	**16,122**	16,576
Tax charge to hedging reserve (Note 20)	**528**	1,887
Translation difference on consolidation	**578**	(926)
End of the financial year	**71,193**	53,965

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					
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**
2016					
Beginning of the financial year	28,221	11,470	(3,263)	-	36,428
Tax charge to Statements of Total Return (Note 7(a))	6,986	9,590	-	-	16,576
Tax charge to hedging reserve (Note 20)	-	-	1,887	-	1,887
Translation difference on consolidation	(44)	(882)	-	-	(926)
End of the financial year	35,163	20,178	(1,376)	-	53,965

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	
	2017 S$'000	2016 S$'000	2017 S$'000	2016 S$'000
Beginning of the financial year	**656**	(6,674)	**3,164**	(5,214)
Fair value changes	**(3,461)**	(48)	**327**	3,164
Tax charge (Note 18)	**(920)**	(1,495)	**-**	-
Reclassification to Statement of Total Return				
- Finance costs (Note 6)	**7,911**	9,916	**-**	-
- Foreign exchange	**11,767**	(1,043)	**-**	-
- Dividend income	**-**	-	**(3,164)**	5,214
End of the financial year	**15,953**	656	**327**	3,164

21. UNITS IN ISSUE

	GROUP AND MGCCT	
	2017 '000	2016 '000
Beginning of the financial year	**2,757,579**	2,721,033
Units issued as settlement of Management fees	**37,803**	36,546
End of the financial year	**2,795,382**	2,757,579

During the financial year, MGCCT issued, in respect of the payment of Management fees to the Manager and the Property Manager, 37,802,654 (2016: 36,546,223) new units at the issue price range of S$0.9365 to S$1.0902 (2016: S$0.9124 to S$1.0352) 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.

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22. COMMITMENTS

(a) Capital commitments

Development expenditures contracted for at the reporting date but not recognised in the financial statements amounted to S$1,415,000 (2016: S$2,202,000).

(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	
	2017 S$'000	2016 S$'000
Not later than 1 year	**255,011**	257,781
Later than 1 year but not later than 5 years	**440,781**	344,506
Later than 5 years	**56,869**	61,885
	752,661	664,172

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 receivable under non-cancellable leases exclude the portion of lease receivable which are computed based on a percentage of the sales achieved by some of the lessees. The contingent lease receivable 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 received 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 S$'000	USD S$'000	Total S$'000
<u>Group</u>					
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**	**636**	**46,191**	**-**	**47,248**
Derivative financial instruments	**508**	**7,696**	**623**	**-**	**8,827**
	97,405	**19,683**	**172,327**	**1,517**	**290,932**
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)/ assets	**(306,175)**	**(2,071,659)**	**3,637**	**(112,136)**	**(2,486,333)**
Less: Net financial (assets)/ liabilities denominated in the respective entities' functional currencies	**(88,824)**	**2,071,892**	**(3,624)**	**-**	
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**	
2016					
Financial assets					
Cash and bank balances	89,544	12,638	102,443	1,482	206,107
Trade and other receivables and other current assets [1]	369	398	503	-	1,270
Derivative financial instruments	3,166	6,419	-	-	9,585
	93,079	19,455	102,946	1,482	216,962
Financial liabilities					
Trade and other payables	(12,700)	(101,190)	(95,612)	(4)	(209,506)
Derivative financial instruments	(2)	(14,756)	(1,570)	-	(16,328)
Borrowings	(395,000)	(1,843,393)	(73,462)	(110,406)	(2,422,261)
	(407,702)	(1,959,339)	(170,644)	(110,410)	(2,648,095)
Net financial liabilities	(314,623)	(1,939,884)	(67,698)	(108,928)	(2,431,133)
Less: Net financial (assets)/ liabilities denominated in the respective entities' functional currencies	(79,873)	1,939,934	68,847	-	
Currency forwards	-	(52,050)	(28,103)	-	
Cross currency interest rate swaps #	395,000	-	-	110,406	
Net currency exposure	504	(52,000)*	(26,954)*	1,478	

[1] Excludes accrued revenue and prepayments.

Notes to the Financial Statements

For the financial year ended 31 March 2017

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					
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**	
2016					
Financial assets					
Cash and bank balances	89,543	50	1,149	119	90,861
Trade and other receivables	3,064	222	-	621	3,907
Derivative financial instruments	3,166	-	-	-	3,166
	95,773	272	1,149	740	97,934
Financial liabilities					
Trade and other payables	(12,746)	-	-	-	(12,746)
Derivative financial instruments	(2)	-	-	-	(2)
	(12,748)	-	-	-	(12,748)
Net financial assets	83,025	272	1,149	740	85,186
Less: Net financial assets denominated in MGCCT's functional currency	(83,025)	-	-	-	
Add: Highly probable forecast transactions	-	52,050	28,103	-	
Less: Currency forwards	-	(52,050)	(28,103)	-	
Net currency exposure	-	272	1,149	740	

\# At 31 March 2017 and 31 March 2016, the Group had cross currency interest rate swaps to swap S$395 million Medium-term notes to HK$2,270.0 million, and US$80.0 million bank loan to HK$623.2 million.

* Net currency exposure of S$51.9 million and S$14.2 million (2016: S$52.0 million and S$27.0 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 FY2017/2018 (2016: FY2016/2017), 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% (2016: 4.5%) 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)	
	2017 S$'000	2016 S$'000
HKD against SGD		
- strengthened	**(2,596)**	(2,340)
- weakened	**2,596**	2,340
RMB against SGD		
- strengthened	**(709)**	(1,213)
- weakened	**709**	1,213

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 (2016: 50 basis points) per annum:

- Total return and unitholders' funds would have been lower/higher by S$3,102,000 (2016: S$2,421,000) on unhedged variable rate borrowings; and
- Hedging reserve would have been higher/lower by S$8,000,000 (2016: S$7,600,000) 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.

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For the financial year ended 31 March 2017

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	
	2017 S$'000	2016 S$'000	2017 S$'000	2016 S$'000
By geographical areas				
Singapore	**366**	368	**366**	368
Hong Kong SAR	**585**	349	**-**	-
PRC	**43,977**	102	**-**	-
	44,928	819	**366**	368

(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	
	2017 S$'000	2016 S$'000	2017 S$'000	2016 S$'000
Past due 0 to 3 months	**12,776**	328	**-**	-
Past due 3 to 6 months	**27,379**	-	**-**	-
Past due over 6 months	**1,099**	31	**-**	-
	41,254	359	**-**	-

Trade receivables as at 31 March 2017 mainly relate 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 has been obtained and this will expedite the billing and collection of rentals subsequent to year end.

As at 31 March 2017 and 31 March 2016, 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				
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)**
2016				
Derivative financial instruments:				
Net-settled interest rate swaps				
- Net payments	(8,363)	(3,987)	(1,710)	-
Gross-settled cross currency interest rate swaps				
- Receipts	6,514	6,514	18,845	4,266
- Payments	(9,245)	(9,245)	(24,597)	(4,397)
Gross-settled currency forwards				
- Receipts	4,161	-	-	-
- Payments	(4,163)	-	-	-
Trade and other payables	(147,119)	(28,606)	(28,548)	(5,233)
Borrowings	(517,885)	(758,396)	(928,297)	(413,958)
	(676,100)	(793,720)	(964,307)	(419,322)
MGCCT				
2017				
Derivative financial instruments:				
Gross-settled currency forwards				
- Receipts	**23,903**	**-**	**-**	**-**
- Payments	**(24,084)**	**-**	**-**	**-**
Trade and other payables	**(8,442)**	**-**	**-**	**-**
	(8,623)	**-**	**-**	**-**
2016				
Derivative financial instruments:				
Gross-settled currency forwards				
- Receipts	4,161	-	-	-
- Payments	(4,163)	-	-	-
Trade and other payables	(12,746)	-	-	-
	(12,748)	-	-	-

Notes to the Financial Statements

For the financial year ended 31 March 2017

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 2017 and 31 March 2016.

The aggregate leverage ratio is calculated as total borrowings divided by total assets.

	GROUP	
	2017 S$'000	2016 S$'000
Total borrowings	**2,556,156**	2,428,941
Total assets	**6,528,920**	6,153,504
Aggregate leverage ratio	**39.2%**	39.5%

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 2017 and 31 March 2016.

(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	
	2017 S$'000	2016 S$'000	2017 S$'000	2016 S$'000
<u>**Level 2**</u>				
Assets				
Derivative financial instruments	**8,827**	9,585	**508**	3,166
Liabilities				
Derivative financial instruments	**(13,958)**	(16,328)	**(181)**	(2)

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).

23. FINANCIAL RISK MANAGEMENT (continued)

(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	
	2017 S$'000	2016 S$'000	2017 S$'000	2016 S$'000
Financial derivative assets at fair value through profit or loss	**8,827**	9,585	**508**	3,166
Financial derivative liabilities at fair value through profit or loss	**(13,958)**	(16,328)	**(181)**	(2)
Loans and receivables[1]	**282,105**	207,377	**101,880**	94,768
Financial liabilities at amortised cost	**(2,763,307)**	(2,631,767)	**(8,442)**	(12,746)

[1] Excludes accrued revenue and prepayments.

24. PARENT AND ULTIMATE PARENT

For financial reporting purposes under FRS110 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.

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	
	2017 S$'000	2016 S$'000	2017 S$'000	2016 S$'000
Acquisition fees paid	**-**	3,992	**-**	3,992
Manager's management fees paid/payable	**20,953**	24,871	**20,953**	24,871
Property Manager's management fees paid/payable	**13,339**	12,910	**-**	-
Lease rental received/receivable	**16,784**	16,363	**-**	-
Project management fees paid/payable	**-**	46	**-**	-
Staff costs paid/payable	**9,683**	9,447	**-**	-
Interest expense and financing fees paid/payable	**16,445**	16,730	**-**	-

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.

Notes to the Financial Statements

For the financial year ended 31 March 2017

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)
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	30,182	13,890	70	44,142
- Deferred tax liabilities	42,806	28,387	-	71,193
	173,535	140,482	8,469	322,486
Borrowings and Derivative financial instruments				2,570,114
Consolidated total liabilities				2,892,600

26. SEGMENT INFORMATION (continued)

The segment information provided to Management for the reportable segments for the financial year ended 31 March 2016 is as follows:

	Hong Kong SAR S$'000	PRC S$'000	Others* S$'000	Total S$'000
Gross revenue	236,499	100,139	-	336,638
Net property income	187,235	90,231	-	277,466
Interest income				557
Manager's management fees				(24,871)
Trustee's fee				(620)
Other trust expenses				(2,219)
Foreign exchange gain				32,340
Finance costs				(65,008)
Net income				217,645
Net change in fair value of financial derivatives				8,378
Net change in fair value of investment properties	172,633	67,288	-	239,921
Total return for the financial year before income tax				465,944
Income tax expenses				(37,843)
Total return for the financial year after income tax before distribution				428,101
Other Segment items				
Capital expenditure				
- Investment properties	5,763	7,092	-	12,855
- Plant and equipment	702	-	-	702
	6,465	7,092	-	13,557
Segment assets				
- Investment properties #	4,253,079	1,669,378	-	5,922,457
- Deferred tax assets	-	1,533	-	1,533
- Other segment assets	19,594	109,105	91,230	219,929
	4,272,673	1,780,016	91,230	6,143,919
Derivative financial instruments				9,585
Consolidated total assets				6,153,504
Segment liabilities				
- Trade and other payables	101,191	95,615	12,700	209,506
- Current income tax liabilities	28,529	6,673	55	35,257
- Deferred tax liabilities	33,787	20,178	-	53,965
	163,507	122,466	12,755	298,728
Borrowings and Derivative financial instruments				2,438,589
Consolidated total liabilities				2,737,317

* 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.

Notes to the Financial Statements

For the financial year ended 31 March 2017

27. FINANCIAL RATIOS

	GROUP	
	2017 %	2016 %
Ratio of expenses to weighted average net assets[1]		
- including performance component of Manager's management fees	**0.68**	0.86
- excluding performance component of Manager's management fees	**0.67**	0.71
Ratio of total operating expenses to net asset value[2]	**2.42**	2.54
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$88,038,000 (2016: S$86,882,000) 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

The Manager announced a distribution of 3.731 cents per unit, which amounted to S$104,296,000 for the period from 1 October 2016 to 31 March 2017.

29. NEW OR AMENDED RECOMMENDED ACCOUNTING PRACTICE AND FINANCIAL REPORTING STANDARDS EFFECTIVE FOR FUTURE FINANCIAL PERIODS

A number of new or amended recommended accounting practice ("RAP") and financial reporting standards ("FRS") are effective for annual periods beginning on or after 1 April 2017, and have not been applied in the preparation of the Group financial statements for the financial year ended 31 March 2017.

The new or amended RAP and 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)
RAP 7	Reporting Framework for Unit Trusts	1 July 2016
Amendments to FRS 7	Statement of cash flows	1 January 2017
FRS 109	Financial Instruments	1 January 2018
FRS 115	Revenue from Contracts with Customers	1 January 2018
FRS 116	Leases	1 January 2019

<u>RAP 7 *Reporting Framework for Unit Trusts*</u>
The latest revision of RAP 7 provides clarification on the existing framework and aligns RAP 7 more closely with Singapore Financial Reporting Standards.

<u>Amendments to FRS 7 Statement of cash flows</u>
The amendments to FRS 7 sets out the 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.

29. NEW OR AMENDED RECOMMENDED ACCOUNTING PRACTICE AND FINANCIAL REPORTING STANDARDS EFFECTIVE FOR FUTURE FINANCIAL PERIODS (continued)

FRS 109 *Financial Instruments*
The complete version of FRS 109 replaces most of the guidance in FRS 39. 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. For financial liabilities there were no changes to classification and measurement 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 use for risk management purposes. Contemporaneous documentation is still required but is different to that currently prepared under FRS 39.

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.

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.

30. AUTHORISATION OF THE FINANCIAL STATEMENTS

The financial statements were authorised for issue by the Manager and the Trustee on 26 April 2017.

Statistics of Unitholdings

As at 31 May 2017

ISSUED AND FULLY PAID UNITS

2,804,514,148 units (voting rights: one vote per unit)
Market Capitalisation: S$2,986,807,567.62 (based on closing price of S$1.065 per unit on 31 May 2017)

DISTRIBUTION OF UNITHOLDINGS

Size of Unitholdings	No. of Unitholders	%	No. of Units	%
1 - 99	10	0.04	245	0.00
100 - 1,000	5,116	20.82	5,066,651	0.18
1,001 - 10,000	12,226	49.76	63,388,551	2.26
10,001 - 1,000,000	7,180	29.22	291,259,811	10.39
1,000,001 and above	38	0.16	2,444,798,890	87.17
Total	**24,570**	**100.00**	**2,804,514,148**	**100.00**

LOCATION OF UNITHOLDERS

Country	No. of Unitholders	%	No. of Units	%
Singapore	24,028	97.79	2,732,623,969	97.44
Malaysia	352	1.43	16,053,000	0.57
Others	190	0.78	55,837,179	1.99
Total	**24,570**	**100.00**	**2,804,514,148**	**100.00**

TWENTY LARGEST UNITHOLDERS

No.	Name	No. of Units	%
1.	Kent Assets Pte. Ltd.	718,661,000	25.62
2.	Citibank Nominees Singapore Pte Ltd	350,786,469	12.51
3.	DBS Nominees (Private) Limited	348,921,419	12.44
4.	HSBC (Singapore) Nominees Pte Ltd	308,141,517	10.99
5.	Suffolk Assets Pte. Ltd.	133,086,000	4.75
6.	Raffles Nominees (Pte.) Limited	126,499,005	4.51
7.	Mapletree Greater China Commercial Trust Management Ltd.	95,044,771	3.39
8.	DBSN Services Pte. Ltd.	88,758,891	3.16
9.	Mapletree Greater China Property Management Limited	47,760,377	1.70
10.	United Overseas Bank Nominees (Private) Limited	33,052,076	1.18
11.	BNP Paribas Securities Services	31,877,200	1.14
12.	DB Nominees (Singapore) Pte Ltd	26,609,637	0.95
13.	ABN Amro Clearing Bank N.V.	21,502,700	0.77
14.	OCBC Securities Private Limited	15,984,400	0.57
15.	DBS Vickers Securities (Singapore) Pte Ltd	15,980,100	0.57
16.	UOB Kay Hian Private Limited	15,741,700	0.56
17.	Morgan Stanley Asia (Singapore) Securities Pte Ltd	7,465,743	0.27
18.	OCBC Nominees Singapore Private Limited	6,234,300	0.22
19.	NTUC Fairprice Co-operative Limited	6,000,000	0.21
20.	Liew Chee Kong	5,786,000	0.21
	Total	**2,403,893,305**	**85.72**

SUBSTANTIAL UNITHOLDINGS AS AT 31 MAY 2017

No.	Name of Company	Direct Interest	Deemed Interest	% of Total Issued Capital
1.	Temasek Holdings (Private) Limited (1)	-	1,024,848,912	36.54
2.	Fullerton Management Pte Ltd (2)	-	994,552,148	35.46
3.	Mapletree Investments Pte Ltd (3)	-	994,552,148	35.46
4.	Kent Assets Pte. Ltd.	718,661,000	-	25.62
5.	Schroders plc (4)	-	179,687,700	6.41

Notes:

(1) Temasek Holdings (Private) Limited ("**Temasek**") 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**"), 95,044,771 units held by Mapletree Greater China Commercial Trust Management Ltd. ("**MGCCTM**") and 47,760,377 units held by Mapletree Greater China Property Management Limited ("**MGCPM**"). Mapletree Investments Pte Ltd ("**MIPL**") is the ultimate holding company of Kent, Suffolk, MGCCTM and MGCPM and is a wholly-owned subsidiary of Fullerton Management Pte Ltd which in turn a wholly-owned subsidiary of Temasek. In addition, Temasek is deemed interested in the 30,296,764 units in which its associated company has direct or deemed interests.

(2) Fullerton Management Pte Ltd through its shareholding in MIPL, is deemed to be interested in the 718,661,000 units held by Kent , 133,086,000 units held by Suffolk, 95,044,771 units held by MGCCTM and 47,760,377 units held by MGCPM.

(3) MIPL is deemed to be interested in the 718,661,000 units held by Kent, 133,086,000 units held by Suffolk, 95,044,771 units held by MGCCTM and 47,760,377 units held by MGCPM.

(4) Schroders plc is deemed to be interested in the 179,687,700 units held on behalf of clients as Investment Managers.

UNITHOLDINGS OF THE DIRECTORS OF THE MANAGER AS AT 21 APRIL 2017

No.	Name	Direct Interest	Deemed Interest	% of Total Issued Capital
1.	Paul Ma Kah Woh	940,000	100,000	0.03
2.	Kevin Kwok	540,000	-	0.01
3.	Lok Vi Ming	190,000	-	0.006
4.	Michael Kok Pak Kuan	540,000	-	0.01
5.	Tan Su Shan	-	-	-
6.	Hiew Yoon Khong	830,000	3,150,000	0.14
7.	Chua Tiow Chye	1,550,000	-	0.05
8.	Cindy Chow Pei Pei	400,000	250,000	0.023

FREE FLOAT

Based on the information made available to the Manager as at 31 May 2017, approximately 56.74% of the units in MGCCT 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 2017

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		
- Manager's management fees	20,953	-
- Property Manager's management fees	13,339	-
- Staff costs	9,683	-
- Rental Income	2,342	-
DBS Group Holdings Ltd and its subsidiaries		
- Trustee's fee	641	-
Total	**46,958**	**-**

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 4th Annual General Meeting of the holders of units of Mapletree Greater China Commercial Trust ("**MGCCT**", and the holders of units of MGCCT, "**Unitholders**") will be held at 2.30 p.m. on 19 July 2017 (Wednesday), 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 MGCCT (the "**Trustee**"), the Statement by Mapletree Greater China Commercial Trust Management Ltd., as manager of MGCCT (the "**Manager**"), and the Audited Financial Statements of MGCCT for the financial year ended 31 March 2017 and the Auditor's Report thereon. **(Ordinary Resolution 1)**

2. To re-appoint PricewaterhouseCoopers LLP as the Auditor of MGCCT to hold office until the conclusion of the next Annual General Meeting of MGCCT, 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 MGCCT ("**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;

Notice of Annual General Meeting

(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 MGCCT (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 MGCCT or (ii) the date by which the next Annual General Meeting of MGCCT 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 MGCCT to give effect to the authority conferred by this Resolution.

(Please see Explanatory Note) **(Ordinary Resolution 3)**

BY ORDER OF THE BOARD
Mapletree Greater China Commercial Trust Management Ltd.
(Company Registration No. 201229323R)
As Manager of Mapletree Greater China Commercial Trust

Wan Kwong Weng
Joint Company Secretary

Singapore
29 June 2017

Notes:

1. A Unitholder who is not a Relevant Intermediary 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 MGCCT'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 16 July 2017 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 MGCCT or (ii) the date by which the next Annual General Meeting of MGCCT is required by the applicable regulations to be held, whichever is the earlier, unless such authority is earlier revoked or varied by the Unitholders in a general meeting, to issue Units and 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 with a sub-limit of twenty per cent. (20%) for issues other than on a pro rata basis to Unitholders.

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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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 Greater China 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 Greater China Commercial Trust accepts and agrees to the personal data privacy terms set out in the Notice of Annual General Meeting dated 29 June 2017.

MAPLETREE GREATER CHINA COMMERCIAL TRUST

(Constituted in the Republic of Singapore pursuant to a Trust Deed dated 14 February 2013 (as amended))

PROXY FORM

4TH ANNUAL GENERAL MEETING

I/We ______________________________
(Name(s) and NRIC/Passport/Company Registration Number(s))

of ______________________________ (Address)

being a Unitholder/Unitholders of Mapletree Greater China Commercial Trust ("**MGCCT**"), 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 4th 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 4th Annual General Meeting of MGCCT to be held at 2.30 p.m. on 19 July 2017 (Wednesday), 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 4th 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 4th 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 MGCCT for the financial year ended 31 March 2017 and the Auditor's Report thereon.		
2.	To re-appoint PricewaterhouseCoopers LLP as the Auditor of MGCCT 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 convertible instruments.		

* 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 ______________ 2017

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 Greater China Commercial Trust Management Ltd.
(As Manager of Mapletree Greater China 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 MGCCT ("**Unitholder**") who is not a Relevant Intermediary 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 MGCCT, 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, this 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 MGCCT'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 16 July 2017, 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 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 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.mapletreegreaterchinacommercialtrust.com
E: enquiries_mgcct@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
8 Cross Street #17-00
PWC Building
Singapore 048424
T: +65 6236 3388
F: +65 6236 3300

Partner-in-charge
MR YEOW CHEE KEONG
(appointed since financial year ended 31 March 2015)

Mapletree Greater China Commercial Trust Management Ltd.
As Manager of Mapletree Greater China Commercial Trust
(Company Registration Number: 201229323R)

10 Pasir Panjang Road
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