

MAPLETREE PAN ASIA COMMERCIAL TRUST UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS AND DISTRIBUTION ANNOUNCEMENT FOR THE FIRST QUARTER FINANCIAL PERIOD FROM 1 APRIL 2024 TO 30 JUNE 2024

TABLE OF CONTENTS

Item No.	Description	Page No.
-	Introduction	2
-	Summary Results of Mapletree Pan Asia Commercial Trust Group and Distribution Details	3
-	Condensed Interim Financial Statements	
1(a)	Consolidated Statement of Profit or Loss and Distribution Statement	4
1(b)	Consolidated Statement of Comprehensive Income	6
2	Statements of Financial Position	7
3	Consolidated Statement of Cash Flows	9
4	Statements of Movements in Unitholders' Funds	11
5	Notes to the Condensed Interim Financial Statements	13
-	Other Information	
6	Review of the Condensed Interim Financial Statements	23
7	Review of the Performance	23
8	Variance between Actual and Forecast Results	24
9	Outlook and Prospects	24
10 & 11	Distributions	29, 31
12	General Mandate relating to Interested Person Transactions	31
13	Confirmation pursuant to Rule 720(1) of the Listing Manual	31
14	Confirmation pursuant to Rule 705(5) of the Listing Manual	31

MAPLETREE PAN ASIA COMMERCIAL TRUST UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS AND DISTRIBUTION ANNOUNCEMENT FOR THE FIRST QUARTER FINANCIAL PERIOD FROM 1 APRIL 2024 TO 30 JUNE 2024

INTRODUCTION

Mapletree Pan Asia Commercial Trust (“MPACT”) is a real estate investment trust (“REIT”) positioned to be the proxy to key gateway markets of Asia. Listed on the SGX-ST, it made its public market debut as Mapletree Commercial Trust (“MCT”) on 27 April 2011. On 3 August 2022, MCT was renamed MPACT following the merger with and delisting of Mapletree North Asia Commercial Trust.

MPACT’s principal investment objective is to invest on a long-term basis, directly or indirectly, in a diversified portfolio of income-producing real estate used primarily for office and/or retail purposes, as well as real estate-related assets, in the key gateway markets of Asia (including but not limited to Singapore, China, Hong Kong, Japan and South Korea).

As at 30 June 2024, MPACT’s total assets under management was S\$16.5 billion¹, comprising 18 commercial properties (the “Properties”) across five key gateway markets of Asia - five in Singapore, one in Hong Kong², two in China, nine in Japan and one in South Korea.

Within Singapore, the Properties are:

- VivoCity – Singapore’s largest mall located in the HarbourFront Precinct;
- Mapletree Business City (“MBC”) – a quality, large-scale integrated office, business park and retail complex with Grade A specifications, supported by ancillary retail space, located in the Alexandra Precinct;
- mTower – an established integrated development with a 40-storey office block and a three-storey retail podium, Alexandra Retail Centre (“ARC”), located in the Alexandra Precinct;
- Mapletree Anson – a 19-storey premium office building located in Singapore’s Central Business District; and
- Bank of America HarbourFront (“BOAHF”) – A premium six-storey office building located in the HarbourFront Precinct.

Outside Singapore, the Properties are:

- Festival Walk, Hong Kong – a prominent seven-storey retail mall and a four-storey office tower, located in Kowloon Tong;
- Gateway Plaza, Beijing, China – a quality office building that comprises two 25-storey towers connected by a three-storey podium area, located in the well-established Lufthansa commercial hub;
- Sandhill Plaza, Shanghai, China – a quality business park development that comprises one 20-storey tower and seven blocks of 3-storey buildings, located in the Zhangjiang Science City;
- Japan Properties – nine freehold office buildings; five in Tokyo 23 wards (Hewlett-Packard Japan Headquarters Building (“HPB”), IXINAL Monzen-nakacho Building, Omori Prime Building, TS Ikebukuro Building and Higashi-nihonbashi 1-chome Building), three in Chiba City (mBAY POINT Makuhari, Fujitsu Makuhari Building and Makuhari Bay Tower³) and one in Yokohama City (ABAS Shin-Yokohama Building); and
- The Pinnacle Gangnam (“TPG”), South Korea – a 20-storey freehold office building with retail amenities located in Gangnam Business District, Seoul.

On 30 May 2024, the Manager entered into a Put and Call Option Agreement in relation to the divestment of Mapletree Anson at a consideration of S\$775.0 million. The completion of divestment is expected to be on 31 July 2024.

MPACT’s distribution policy is to distribute at least 90% of its taxable income and tax-exempt income.

Footnotes:

1. Includes MPACT’s 50% effective interest in TPG.
2. Where “Hong Kong” is mentioned, it refers to the Hong Kong Special Administrative Region.
3. Formerly known as SII Makuhari Building.

MAPLETREE PAN ASIA COMMERCIAL TRUST UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS AND DISTRIBUTION ANNOUNCEMENT FOR THE FIRST QUARTER FINANCIAL PERIOD FROM 1 APRIL 2024 TO 30 JUNE 2024

SUMMARY RESULTS OF MAPLETREE PAN ASIA COMMERCIAL TRUST GROUP

	1Q FY24/25 (S\$'000)	1Q FY23/24 (S\$'000)	Variance %
Gross revenue	236,654	237,118	(0.2)
Property operating expenses	(57,252)	(57,918)	1.1
Net property income	179,402	179,200	0.1
Amount available for distribution	111,873	116,010	(3.6)
- to Unitholders	110,750	114,752	(3.5)
- to Perpetual securities holders	1,123	1,258	(10.7)
Distribution per unit (cents)	2.09	2.18	(4.1)

DISTRIBUTION DETAILS

Distribution period	1 April 2024 to 30 June 2024
Distribution rate/ type	Taxable income distribution of 1.49 cents per unit Tax-exempt income distribution of 0.34 cent per unit Capital distribution of 0.26 cent per unit
Trade ex-date	6 August 2024, 9.00 a.m.
Record date	7 August 2024, 5.00 p.m.
Payment date	12 September 2024

MAPLETREE PAN ASIA COMMERCIAL TRUST UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS AND DISTRIBUTION ANNOUNCEMENT FOR THE FIRST QUARTER FINANCIAL PERIOD FROM 1 APRIL 2024 TO 30 JUNE 2024

CONDENSED INTERIM FINANCIAL STATEMENTS

1(a) Consolidated Statement of Profit or Loss and Distribution Statement

Consolidated Statement of Profit or Loss	1Q FY24/25 (S\$'000)	1Q FY23/24 (S\$'000)	Variance %
Gross revenue	236,654	237,118	(0.2)
Property operating expenses ¹	(57,252)	(57,918)	1.1
Net property income	179,402	179,200	0.1
Finance income	486	607	(19.9)
Finance expenses	(59,907)	(54,708)	(9.5)
Manager's management fees			
- Base fees	(11,782)	(12,208)	3.5
Trustee's fees	(454)	(454)	-
Other trust expenses	(1,184)	(840)	(41.0)
Foreign exchange gain/(loss) ²	529	(277)	N.M.
Net change in fair value of financial derivatives ³	1,391	2,438	42.9
Profit before tax and fair value change in investment properties and share of profit of a joint venture	108,481	113,758	(4.6)
Share of profit of a joint venture ⁴	1,348	1,499	(10.1)
Profit for the financial period before tax	109,829	115,257	(4.7)
Income tax expense ⁵	(6,940)	(7,547)	8.0
Profit for the financial period after tax	102,889	107,710	(4.5)
Attributable to:			
- Unitholders	101,603	106,233	(4.4)
- Perpetual securities holders ⁶	1,123	1,258	(10.7)
- Non-controlling interest ⁷	163	219	(25.6)
Profit for the financial period after tax	102,889	107,710	(4.5)
Earnings per unit (cents)			
- Basic	1.93	2.03	(4.9)
- Diluted	1.93	2.03	(4.9)

MAPLETREE PAN ASIA COMMERCIAL TRUST UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS AND DISTRIBUTION ANNOUNCEMENT FOR THE FIRST QUARTER FINANCIAL PERIOD FROM 1 APRIL 2024 TO 30 JUNE 2024

1(a) Consolidated Statement of Profit or Loss and Distribution Statement (continued)

Distribution Statement	1Q FY24/25 (S\$'000)	1Q FY23/24 (S\$'000)	Variance %
Profit for the financial period after tax before distribution	101,603	106,233	(4.4)
Adjustments:			
- Trustee's fees	454	454	-
- Financing fees	2,616	2,477	5.6
- Management fees paid/payable in units	4,713	4,883	(3.5)
- Net change in fair value of financial derivatives	(1,618)	(2,438)	33.6
- Net unrealised foreign exchange loss	339	85	N.M.
- Deferred tax expenses	1,026	2,505	(59.0)
- Net effect of other non-tax deductible items and other adjustments ⁸	1,617	553	N.M.
Amount available for distribution to Unitholders	110,750	114,752	(3.5)
Comprising:			
- Taxable income	78,730	78,301	0.5
- Tax-exempt income	18,159	24,261	(25.2)
- Capital distribution	13,861	12,190	13.7
	110,750	114,752	(3.5)

Footnotes:

1. Included as part of the property operating expenses were the following:

	1Q FY24/25 (S\$'000)	1Q FY23/24 (S\$'000)	Variance %
Depreciation	199	270	26.3

2. The foreign exchange gain/(loss) arose from the difference in foreign exchange rates for the translation of the remitted funds and the contract rates of the currency forwards.
3. This relates to the revaluation of the cross-currency interest rate swaps ("CCIRSs") which were entered into to hedge against foreign exchange risk and the revaluation of the currency forwards which were entered into to hedge against the foreign exchange risks arising from highly probable transactions.
- The CCIRS and currency forwards are not designated for hedge accounting and any change in fair value of these derivative financial instruments have been taken to profit or loss. The unrealised fair value change of financial derivatives has no impact on amount available for distribution to Unitholders.
4. This relates to the 50% effective interest in TPG held through MNACT.
5. This relates to income tax expense, withholding tax expense and deferred tax expense of MPACT Treasury Company Pte. Ltd., Mapletree North Asia Commercial Trust Treasury Company (S) Pte. Ltd., 80 Alexandra Pte. Ltd. and the overseas subsidiaries, where applicable.
6. This relates to the S\$250,000,000 perpetual securities, at a coupon rate of 3.50% per annum, issued by MNACT on 8 June 2021 to partially fund the acquisition of HPB. CCIRSs were entered to swap SGD coupon rate to JPY coupon rate for these perpetual securities.

MAPLETREE PAN ASIA COMMERCIAL TRUST UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS AND DISTRIBUTION ANNOUNCEMENT FOR THE FIRST QUARTER FINANCIAL PERIOD FROM 1 APRIL 2024 TO 30 JUNE 2024

1(a) Consolidated Statement of Profit or Loss and Distribution Statement (continued)

7. This relates to the 1.53% effective interest in the Japan Properties held by Mapletree Investments Japan Kabushiki Kaisha.
8. This mainly includes other non-tax deductible items and rollover income adjustments.

1(b) Consolidated Statement of Comprehensive Income

	1Q FY24/25 (S\$'000)	1Q FY23/24 (S\$'000)	Variance %
Profit for the financial period after tax before distribution	102,889	107,710	(4.5)
Other comprehensive income:			
Items that may be reclassified subsequently to profit or loss:			
Cash flow hedges			
- Fair value gain/(loss)	10,676	(2,264)	N.M.
- Reclassification to profit or loss	(19,176)	17,757	N.M.
Net currency translation differences relating to financial statements of foreign subsidiaries and quasi-equity loans	34,512	(66,422)	N.M.
Share of currency translation differences relating to a foreign joint venture	(3,294)	647	N.M.
Net currency translation differences on hedges of net investment in foreign operation ¹	10,238	11,277	(9.2)
Other comprehensive income/(loss), net of tax	32,956	(39,005)	N.M.
Total comprehensive income	135,845	68,705	97.7
Attributable to:			
- Unitholders	134,638	67,335	100.0
- Perpetual securities holders	1,123	1,258	(10.7)
- Non-controlling interest	84	112	(25.0)
Total comprehensive income	135,845	68,705	97.7

Footnote:

1. Relates to fair value changes on the derivative financial instruments (CCIRs to swap SGD coupon rate to JPY coupon rate) for perpetual securities issued to partially fund the acquisition of HPB.

MAPLETREE PAN ASIA COMMERCIAL TRUST UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS AND DISTRIBUTION ANNOUNCEMENT FOR THE FIRST QUARTER FINANCIAL PERIOD FROM 1 APRIL 2024 TO 30 JUNE 2024

2 Statements of Financial Position

	Group		MPACT	
	30 Jun 2024 (S\$'000)	31 Mar 2024 (S\$'000)	30 Jun 2024 (S\$'000)	31 Mar 2024 (S\$'000)
Current assets				
Cash and bank balances ¹	146,863	157,235	12,178	13,373
Trade and other receivables ²	17,514	13,474	71,175	56,441
Tax recoverable ³	5,852	5,849	-	-
Other assets ⁴	4,068	5,150	203	687
Inventories	110	110	-	-
Derivative financial instruments ⁵	18,307	19,061	4,506	3,664
	192,714	200,879	88,062	74,165
Non-current assets				
Investment properties ⁶	16,287,543	16,248,855	7,551,166	7,550,000
Plant and equipment	1,230	1,405	38	42
Investment in subsidiaries ⁷	-	-	5,069,433	4,969,433
Investment in joint venture ⁸	116,643	118,590	-	-
Derivative financial instruments ⁵	100,510	92,562	12,841	18,523
	16,505,926	16,461,412	12,633,478	12,537,998
Total assets	16,698,640	16,662,291	12,721,540	12,612,163
Current liabilities				
Trade and other payables ⁹	213,900	218,894	92,658	87,866
Borrowings ¹⁰	903,731	1,026,252	99,899	99,892
Lease liabilities	34	33	-	-
Loans from a subsidiary ¹¹	-	-	119,997	119,994
Current income tax liabilities ¹²	4,824	3,663	-	-
Derivative financial instruments ⁵	1,253	3,703	2,262	2,872
	1,123,742	1,252,545	314,816	310,624
Non-current liabilities				
Other payables ⁹	127,202	124,226	50,993	55,609
Borrowings ¹⁰	5,763,922	5,624,091	1,886,260	1,761,632
Lease liabilities	34	42	-	-
Loans from a subsidiary ¹¹	-	-	872,786	872,686
Deferred tax liabilities ¹³	179,543	177,380	-	-
Derivative financial instruments ⁵	14,636	12,805	7,068	8,789
	6,085,337	5,938,544	2,817,107	2,698,716
Total liabilities	7,209,079	7,191,089	3,131,923	3,009,340
Net assets	9,489,561	9,471,202	9,589,617	9,602,823
Represented by:				
- Unitholders' funds	9,228,637	9,209,163	9,589,617	9,602,823
- Perpetual securities holders ¹⁴	248,083	249,282	-	-
- Non-controlling interest	12,841	12,757	-	-
	9,489,561	9,471,202	9,589,617	9,602,823
Units in issue ('000)	5,257,046	5,252,985	5,257,046	5,252,985
Net asset value per unit attributable to Unitholders (S\$)	1.76	1.75	1.82	1.83

MAPLETREE PAN ASIA COMMERCIAL TRUST UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS AND DISTRIBUTION ANNOUNCEMENT FOR THE FIRST QUARTER FINANCIAL PERIOD FROM 1 APRIL 2024 TO 30 JUNE 2024

2 Statements of Financial Position (continued)

Footnotes:

1. The decrease in cash and bank balances was mainly due to payment of distribution to Unitholders, partially offset by net cash generated from operations and net drawdown of bank borrowings.
2. The increase in trade and other receivables was mainly due to advance billings to new tenants and higher trade receivables not past due.
3. Tax recoverable refers mainly to the net income tax recoverable of Mapletree Business City LLP (“MBC LLP”) prior to the acquisition by MPACT.
4. The decrease in other assets was mainly due to decrease in prepayments.
5. Derivative financial instruments reflect the fair value as at period end of the (i) interest rate swaps (“IRS”); (ii) CCIRS; and (iii) currency forwards entered into by the Group to manage its interest rate risks and foreign currency risks. The change in fair value of derivative financial instruments were mainly due to fluctuation in the interest rate and currency.
6. The increase in investment properties was mainly due to capital expenditure incurred for the period and foreign exchange impact from the appreciation of HKD and RMB against SGD, partially offset by foreign exchange impact from the depreciation of JPY against SGD. Investment properties include Mapletree Anson to be divested for a divestment consideration of S\$775.0 million. The Put and Call Option Agreement for the divestment is expected to be exercised on 31 July 2024. For more details, please refer Paragraph 5.5.
7. The increase in investment in subsidiaries was due to MPACT’s interest-free loan to a subsidiary which has no fixed repayment term and is intended to be a long-term source of funding for the entity.
8. Investment in joint venture relates to the 50% effective interest in IGIS Qualified Investment Type Private Placement Real Estate Investment Trust No. 6, which hold TPG.
9. The decrease in trade and other payables was mainly due to decrease in tenancy related deposits and rental received in advance. Other payables (non-current) relate to tenancy related deposits.
10. Borrowings represent bank borrowings, MTN and Tokutei Mokuteki Kaisha (“TMK”) bonds measured at amortised cost. The increase in total borrowings was mainly due to net drawdown of borrowings during the period and foreign exchange impact from the appreciation of HKD and RMB against SGD, partially offset by foreign exchange impact from the depreciation of JPY against SGD.

Notwithstanding the net current liabilities position, based on the Group’s available financial resources, the Manager is of the opinion that the Group will be able to refinance its borrowings and meet its current obligations as and when they fall due. Specifically, the Group has sufficient credit facilities available to refinance the portion of the borrowings due within the next 12 months.
11. Loans from a subsidiary represent the unsecured borrowings from MPACT TCo on-lent to MPACT. The unsecured borrowings from MPACT TCo were raised through the issuance of MTN under the MTN Programme.
12. The increase in the current income tax liabilities was mainly due to the income tax recorded on the Group’s taxable profits for the period, partially offset by the income tax paid during the period.
13. Deferred tax liabilities rose from (i) changes in fair value of investment properties; (ii) accelerated tax depreciation; (iii) changes in fair value of derivative financial instruments; and (iv) unremitted earnings of overseas subsidiaries.

MAPLETREE PAN ASIA COMMERCIAL TRUST UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS AND DISTRIBUTION ANNOUNCEMENT FOR THE FIRST QUARTER FINANCIAL PERIOD FROM 1 APRIL 2024 TO 30 JUNE 2024

2 Statements of Financial Position (continued)

14. The perpetual securities issued by MNACT on 8 June 2021 have no fixed redemption date, with the redemption at the option of MNACT on 8 June 2026 and each distribution payment date thereafter, and will bear an initial rate of distribution of 3.50% per annum for the first five years. The rate of distribution will be repriced after the first five years. Distributions are payable semi-annually at the discretion of MNACT and will be non-cumulative. The perpetual securities, net of issuance costs, are classified and recognised as equity instruments. CCIRs were entered to swap SGD coupon rate to JPY coupon rate for these perpetual securities.

3 Consolidated Statement of Cash Flows

	1Q FY24/25 (S\$'000)	1Q FY23/24 (S\$'000)
Cash flows from operating activities		
Profit for the financial period after tax before distribution	102,889	107,710
Adjustments for:		
- Income tax expense	6,940	7,547
- Depreciation	199	270
- Adjustments for rental incentives amortisation	1,408	404
- Net unrealised foreign exchange (gain)/loss	(12,854)	15,762
- Net change in fair value of financial derivatives	(1,391)	(2,438)
- Finance income	(486)	(607)
- Finance expenses	59,907	54,708
- Manager's management fees paid/payable in units	4,713	4,883
- Share of profit of a joint venture	(1,348)	(1,499)
	159,977	186,740
Change in working capital:		
- Trade and other receivables	(8,641)	(6,827)
- Other current assets	1,082	(13)
- Inventories	-	(2,134)
- Trade and other payables	6,337	20,419
Cash generated from operations	158,755	198,185
- Income tax paid	(5,283)	(7,127)
Net cash provided by operating activities	153,472	191,058
Cash flows from investing activities		
Additions to investment properties	(11,201)	(13,006)
Additions to plant and equipment	-	(11)
Dividend received from a joint venture	2,735	2,735
Finance income received	289	432
Net cash used in investing activities	(8,177)	(9,850)

MAPLETREE PAN ASIA COMMERCIAL TRUST UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS AND DISTRIBUTION ANNOUNCEMENT FOR THE FIRST QUARTER FINANCIAL PERIOD FROM 1 APRIL 2024 TO 30 JUNE 2024

3 Consolidated Statement of Cash Flows (continued)

	1Q FY24/25 (S\$'000)	1Q FY23/24 (S\$'000)
Cash flows from financing activities		
Proceeds from bank borrowings	261,155	428,694
Repayment of bank borrowings	(238,945)	(473,189)
Redemption of notes	-	(11,690)
Principal payment of lease liabilities	(9)	(17)
Payment of financing fees	(4,204)	(2,259)
Finance expenses paid	(49,281)	(50,078)
Payment of distribution to Unitholders	(120,293)	(117,885)
Payment of distribution to perpetual securities holders	(2,322)	(2,578)
Change in restricted cash	(479)	139
Net cash used in financing activities	(154,378)	(228,863)
Net decrease in cash and cash equivalents	(9,083)	(47,655)
Cash and cash equivalent at beginning of financial period	135,642	195,202
Effect of currency translation on cash and cash equivalents	(804)	(4,299)
Cash and cash equivalent at end of financial period¹	125,755	143,248

Footnote:

- For purpose of presenting the consolidated statement of cash flows, cash and cash equivalents comprises of the following:

	1Q FY24/25 (S\$'000)	1Q FY23/24 (S\$'000)
Cash and bank balances	146,863	163,208
Less: Restricted cash	(21,108)	(19,960)
Cash and cash equivalents per consolidated statement of cash flows	125,755	143,248

Restricted cash relates to the amount of cash reserves for the Japan Properties which is required to be maintained based on the agreements with the banks. Restricted cash are reserves kept for use in capital expenditure, interest expense and certain property-related expenses to ensure these liabilities can be met when incurred.

MAPLETREE PAN ASIA COMMERCIAL TRUST UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS AND DISTRIBUTION ANNOUNCEMENT FOR THE FIRST QUARTER FINANCIAL PERIOD FROM 1 APRIL 2024 TO 30 JUNE 2024

4 Statements of Movements in Unitholders' Funds

	Group		MPACT	
	1Q FY24/25 (S\$'000)	1Q FY23/24 (S\$'000)	1Q FY24/25 (S\$'000)	1Q FY23/24 (S\$'000)
<u>Operations</u>				
Balance at 1 April	1,887,593	1,776,063	1,937,049	1,758,348
Profit for the financial period	101,603	106,233	104,468	107,237
Distributions to Unitholders	(120,293)	(117,885)	(120,293)	(117,885)
Transfer to General Reserve	(310)	(311)	-	-
Balance at 30 June	1,868,593	1,764,100	1,921,224	1,747,700
<u>Unitholders' Contribution</u>				
Balance at 1 April	7,655,248	7,633,347	7,655,248	7,633,347
Issue of new units arising from:				
- Settlement of management fees	5,129	7,091	5,129	7,091
Balance at 30 June	7,660,377	7,640,437¹	7,660,377	7,640,437¹
<u>Hedging Reserve</u>				
Balance at 1 April	3,951	38,028	10,526	20,456
Fair value changes, net of tax	10,685	(2,241)	1,123	6,079
Reclassification to profit or loss, net of tax	(19,181)	17,753	(3,633)	(1,488)
Balance at 30 June	(4,545)	53,540	8,016	25,047
<u>General Reserve</u>				
Balance at 1 April	2,104	896	-	-
Transfer from Operations	310	311	-	-
Balance at 30 June	2,414	1,207	-	-
<u>Foreign Currency Translation Reserve</u>				
Balance at 1 April	(339,733)	(228,077)	-	-
Net currency translation differences relating to financial statements of foreign subsidiaries and quasi-equity loans	34,587	(66,334)	-	-
Share of currency translation differences relating to a foreign joint venture	(3,294)	647	-	-
Net currency translation differences on hedges of net investment in foreign operation	10,238	11,277	-	-
Balance at 30 June	(298,202)	(282,487)	-	-
Total Unitholders' funds at 30 June	9,228,637	9,176,798¹	9,589,617	9,413,184

¹ Total does not sum up due to rounding differences.

MAPLETREE PAN ASIA COMMERCIAL TRUST UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS AND DISTRIBUTION ANNOUNCEMENT FOR THE FIRST QUARTER FINANCIAL PERIOD FROM 1 APRIL 2024 TO 30 JUNE 2024

4 **Statements of Movements in Unitholders' Funds** (continued)

	Group		MPACT	
	1Q FY24/25 (S\$'000)	1Q FY23/24 (S\$'000)	1Q FY24/25 (S\$'000)	1Q FY23/24 (S\$'000)
Perpetual securities				
Balance at 1 April	249,282	249,437	-	-
Profit attributable to perpetual securities holders	1,123	1,258	-	-
Coupon paid	(2,322)	(2,578)	-	-
Balance at 30 June	248,083	248,117	-	-
Non-controlling interest				
Balance at 1 April	12,757	12,686	-	-
Profit attributable to non-controlling interest	163	219	-	-
Fair value changes on hedge, net of tax	(9)	(23)	-	-
Reclassification to profit or loss, net of tax	5	4	-	-
Net currency translation differences relating to financial statements of foreign subsidiaries	(75)	(88)	-	-
Balance at 30 June	12,841	12,798	-	-

MAPLETREE PAN ASIA COMMERCIAL TRUST UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS AND DISTRIBUTION ANNOUNCEMENT FOR THE FIRST QUARTER FINANCIAL PERIOD FROM 1 APRIL 2024 TO 30 JUNE 2024

5 Notes to the Condensed Interim Financial Statements

5.1 Basis of Preparation

The condensed interim financial statements for the first quarter from 1 April 2024 to 30 June 2024 have been prepared in accordance with Singapore Financial Reporting Standards (International) (“SFRS(I)”) 1-34 *Interim Financial Reporting* issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to understanding the changes in MPACT’s and the Group’s financial positions and the Group’s performance since the most recent audited annual financial statements for the financial year ended 31 March 2024.

The condensed interim financial statements are presented in Singapore Dollars (“S\$” or “SGD”), which is MPACT’s functional currency and rounded to the nearest thousand, unless otherwise stated.

The accounting policies adopted and methods of computation applied are consistent with those used in the audited financial statements for the financial year ended 31 March 2024, except for the adoption of new and amended standards as set out in Paragraph 5.2.

In preparing the condensed interim financial statements, the Manager has exercised its judgement, and made estimates and assumptions in the process of applying the Group’s accounting policies. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. Actual results may differ from these estimates.

Areas involving a higher degree of judgement, where estimates and assumptions are significant to the condensed interim financial statements, are disclosed in Paragraph 5.5 – Investment Properties.

5.2 New and Amended Standards Adopted by the Group

The Group has adopted new or amended SFRS(I)s and Interpretations to SFRS(I)s (“INT SFRS(I)”) that are mandatory for application from 1 April 2024. The adoption of these new or amended SFRS(I)s and INT SFRS(I)s did not result in substantial changes to the Group’s accounting policies and had no material effect on the amounts reported for the current or prior financial period.

5.3 Gross Revenue

	Group	
	1Q FY24/25	1Q FY23/24
	(S\$’000)	(S\$’000)
Rental income	214,546	215,820
Car parking income	6,170	5,806
Other operating income ¹	15,938	15,492
	236,654	237,118

¹ The other operating income mainly includes sale of electricity, compensation income from pre-termination of leases, ice rink income, additional air-conditioning, and rental from event space.

MAPLETREE PAN ASIA COMMERCIAL TRUST UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS AND DISTRIBUTION ANNOUNCEMENT FOR THE FIRST QUARTER FINANCIAL PERIOD FROM 1 APRIL 2024 TO 30 JUNE 2024

5.4 Earnings Per Unit (“EPU”) and Distribution Per Unit (“DPU”)

	Group	
	1Q FY24/25	1Q FY23/24
Weighted average number of units ('000)	5,254,592	5,240,920
EPU¹ (cents) – basic and diluted²	1.93	2.03
Number of units in issue at end of financial period ('000)	5,257,046	5,243,346
DPU (cents)	2.09	2.18

¹ In computing the EPU, profit after tax for the financial period and the weighted average number of units at the end of the financial period are used.

² Diluted EPU is the same as the basic EPU as there are no dilutive instruments in issue during the financial period.

5.5 Investment Properties

	Group		MPACT	
	30 Jun 2024	31 Mar 2024	30 Jun 2024	31 Mar 2024
	(S\$'000)	(S\$'000)	(S\$'000)	(S\$'000)
Beginning of financial period/year	16,248,855	16,321,443	7,550,000	7,327,000
Additions during the period/year	7,927	56,432	1,166	21,238
Change in fair value of investment properties	-	140,205	-	201,762
Translation difference on consolidation	30,761	(269,225)	-	-
End of financial period/year	16,287,543	16,248,855	7,551,166	7,550,000

The Group’s investment properties are measured at fair value based on valuations performed by independent professional valuers at least once a year, or more frequently if required.

The latest independent valuations were performed as at 31 March 2024 for all the properties. The fair value of the Group’s investment properties as at 30 June 2024 are based on valuations performed by independent professional valuers as at 31 March 2024 and capital expenditure capitalised during the period from 1 April 2024 to 30 June 2024.

Taking into account the operating performance of the investment properties since 31 March 2024 together with the business environments in which the properties are situated, the Manager is of the view that the fair value of the investment properties has not materially changed from the most recent valuations conducted as at 31 March 2024.

MAPLETREE PAN ASIA COMMERCIAL TRUST UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS AND DISTRIBUTION ANNOUNCEMENT FOR THE FIRST QUARTER FINANCIAL PERIOD FROM 1 APRIL 2024 TO 30 JUNE 2024

5.5 Investment Properties (continued)

SFRS(I) 13 *Fair Value Measurement* establishes a fair value hierarchy that categorises the fair values into three levels based on the inputs used in the valuation techniques when measuring the fair value of assets and liabilities.

- Level 1 quoted prices (unadjusted) in active markets for identical assets or liabilities;
- 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
- Level 3 inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The fair value of the investment properties within the Group's and MPACT's portfolio are classified within Level 3 of the fair value measurement hierarchy. The following table presents the valuation techniques and key unobservable inputs that were used:

Geographical regions	Valuation techniques	Key unobservable inputs	Range of unobservable inputs
Singapore	Income capitalisation	Capitalisation rate	3.35% - 4.85% (31 March 2024: 3.35% - 4.85%)
	Discounted cash flow	Discount rate	6.50% - 7.25% (31 March 2024: 6.50% - 7.25%)
Hong Kong	Term and reversion	Term and reversion rate	4.20% (31 March 2024: 4.20%)
	Discounted cash flow	Discount rate	7.85% (31 March 2024: 7.85%)
China	Income capitalisation	Capitalisation rate	4.50% - 4.75% (31 March 2024: 4.50% - 4.75%)
	Discounted cash flow	Discount rate	7.25% - 7.50% (31 March 2024: 7.25% - 7.50%)
	Direct comparison	Adjusted price per square metre	RMB38,100 - RMB58,400 (31 March 2024: RMB38,100 - RMB58,400)
Japan	Discounted cash flow	Discount rate	3.10% - 4.00% (31 March 2024: 3.10% - 4.00%)

MAPLETREE PAN ASIA COMMERCIAL TRUST UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS AND DISTRIBUTION ANNOUNCEMENT FOR THE FIRST QUARTER FINANCIAL PERIOD FROM 1 APRIL 2024 TO 30 JUNE 2024

5.5 Investment Properties (continued)

Relationship of key unobservable inputs to fair value

- The higher the capitalisation rate, the lower the fair value.
- The higher the discount rate, the lower the fair value.
- The higher the term and reversion rate, the lower the fair value.
- The higher the adjusted price per square feet, the higher the fair value.

There were no significant inter-relationships between unobservable inputs.

Security

As at 30 June 2024, an investment property in Japan with a fair value of S\$306,412,000 was pledged as security for a bank loan of a Japanese subsidiary. As at 31 March 2024, the investment properties in Japan with an aggregate fair value of S\$1,284,396,000 were pledged as security for the TMK bonds and certain bank loans of the Japanese subsidiaries.

As at 30 June 2024 and 31 March 2024, all investment properties held directly by MPACT are unencumbered.

5.6 Borrowings and Loans from a Subsidiary

	Group		MPACT	
	30 Jun 2024	31 Mar 2024	30 Jun 2024	31 Mar 2024
	(S\$'000)	(S\$'000)	(S\$'000)	(S\$'000)
<u>Borrowings</u>				
Current				
Bank loans (secured)	137,808	282,221	-	-
Bank loans (unsecured)	646,943	596,585	100,000	100,000
TMK Bonds (secured)	-	28,804	-	-
MTN (unsecured)	120,000	120,000	-	-
Transaction costs to be amortised	(1,020)	(1,358)	(101)	(108)
	903,731	1,026,252	99,899	99,892
Non-current				
Bank loans (secured)	-	366,116	-	-
Bank loans (unsecured)	4,828,502	4,351,399	1,895,000	1,770,000
TMK Bonds (secured)	-	28,804	-	-
TMK Bonds (unsecured)	60,291	-	-	-
MTN (unsecured)	894,500	894,156	-	-
Transaction costs to be amortised	(19,371)	(16,384)	(8,740)	(8,368)
	5,763,922	5,624,091	1,886,260	1,761,632
<u>Loans from a subsidiary</u>				
Current				
Loans from a subsidiary	-	-	120,000	120,000
Transaction costs to be amortised	-	-	(3)	(6)
	-	-	119,997	119,994
Non-current				
Loans from a subsidiary	-	-	875,000	875,000
Transaction costs to be amortised	-	-	(2,214)	(2,314)
	-	-	872,786	872,686
Total borrowings	6,667,653	6,650,343	2,978,942	2,854,204

MAPLETREE PAN ASIA COMMERCIAL TRUST UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS AND DISTRIBUTION ANNOUNCEMENT FOR THE FIRST QUARTER FINANCIAL PERIOD FROM 1 APRIL 2024 TO 30 JUNE 2024

5.6 Borrowings and Loans from a Subsidiary (continued)

(a) Ratios

	30 Jun 2024	Group 31 Mar 2024
	(S\$'000)	(S\$'000)
Total gross borrowings ¹	6,808,530	6,792,154
Total deposited property ¹	16,818,015	16,788,617
Aggregate leverage ratio	40.5%	40.5%
Interest coverage ratio ("ICR") ²	2.9 times	3.0 times
Adjusted ICR ³	2.8 times	2.9 times

¹ Excludes share attributable to non-controlling interest and includes the Group's proportionate share of joint venture's gross borrowings and deposited property value.

² Computed by dividing the trailing 12 months earnings before interest, tax, depreciation and amortisation (excluding effects of any fair value changes of derivatives and investment properties, and foreign exchange differences) ("EBITDA"), by the trailing 12 months interest expense and borrowing-related fees.

³ Computed by dividing the trailing 12 months EBITDA, by the trailing 12 months interest expense and borrowing-related fees and distribution of hybrid securities.

The Group is in compliance with the borrowing limit requirement imposed by the CIS Code and all externally imposed capital requirements for the financial period ended 30 June 2024 and financial year ended 31 March 2024.

(b) Undrawn committed borrowing facilities

	Group		MPACT	
	30 Jun 2024	31 Mar 2024	30 Jun 2024	31 Mar 2024
	(S\$'000)	(S\$'000)	(S\$'000)	(S\$'000)
Expiring beyond one year	1,059,056	1,408,625	786,946	653,245

MAPLETREE PAN ASIA COMMERCIAL TRUST UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS AND DISTRIBUTION ANNOUNCEMENT FOR THE FIRST QUARTER FINANCIAL PERIOD FROM 1 APRIL 2024 TO 30 JUNE 2024

5.7 Units in Issue

	Group and MPACT	
	1Q FY24/25	1Q FY23/24
	'000	'000
Units at beginning of financial period	5,252,985	5,239,332
Units issued as settlement of Manager's management fees	4,061 ¹	4,014 ²
Units at end of financial period³	5,257,046	5,243,346

¹ On 8 May 2024, 4,061,324 new units were issued at an issue price of S\$1.2628 per unit as part payment of Manager's base fees for the period from 1 January 2024 to 31 March 2024.

² On 26 May 2023, 4,013,600 new units were issued at an issue price of S\$1.7667 per unit as part payment of Manager's base fees for the period from 1 January 2023 to 31 March 2023 and Manager's performance fees for FY22/23.

³ There were no convertibles, treasury units and units held by its subsidiaries as at 30 June 2024 and 30 June 2023.

⁴ As at 30 June 2024, the units in issue is 5,257,046,281 (30 June 2023: 5,243,346,008).

5.8 Net Asset Value ("NAV") and Net Tangible Asset ("NTA") Per Unit

	Group		MPACT	
	30 Jun 2024	31 Mar 2024	30 Jun 2024	31 Mar 2024
Number of units in issue at end of financial period/ year ('000)	5,257,046	5,252,985	5,257,046	5,252,985
NAV and NTA per unit¹ (S\$)	1.76	1.75	1.82	1.83

¹ NAV and NTA per unit are the same as there is no intangible asset as at 30 June 2024 and 31 March 2024.

MAPLETREE PAN ASIA COMMERCIAL TRUST UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS AND DISTRIBUTION ANNOUNCEMENT FOR THE FIRST QUARTER FINANCIAL PERIOD FROM 1 APRIL 2024 TO 30 JUNE 2024

5.9 Fair Value Measurement

(a) Derivative financial instruments

The following table presents derivative financial instruments measured at fair value and classified by level of the fair value measurement hierarchy:

	Group		MPACT	
	30 Jun 2024	31 Mar 2024	30 Jun 2024	31 Mar 2024
	(S\$'000)	(S\$'000)	(S\$'000)	(S\$'000)
<u>Level 2</u>				
Assets				
Derivative financial instruments	118,817	111,623	17,347	22,187
Liabilities				
Derivative financial instruments	(15,889)	(16,508)	(9,330)	(11,661)

The fair value of the derivative financial instruments (namely IRS, CCIRS and forward currency contracts) not traded in an active market is determined by using valuation techniques based on market conditions existing at each of the balance sheet date. The fair value of IRS and CCIRS are calculated as the present value of the estimated future cash flows using assumptions based on market conditions existing at the quoted currency rates as at the balance sheet date. The fair values of forward currency contracts are determined using banks' quoted forward rates and foreign exchange spot rates at the balance sheet date.

(b) Other financial assets and liabilities

The carrying values of cash and bank balances, trade and other receivables, other current assets, trade and other payables, current borrowings and non-current borrowings, which are at variable market rates, approximate their fair values.

The carrying amount and fair value of the fixed rate non-current borrowings are as follow:

	Carrying amount		Fair value	
	30 Jun 2024	31 Mar 2024	30 Jun 2024	31 Mar 2024
	(S\$'000)	(S\$'000)	(S\$'000)	(S\$'000)
Group				
MTNs (non-current)	892,286	891,842	886,134	887,647
MPACT				
Loans from a subsidiary (non-current)	872,786	872,686	867,410	869,151

MAPLETREE PAN ASIA COMMERCIAL TRUST UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS AND DISTRIBUTION ANNOUNCEMENT FOR THE FIRST QUARTER FINANCIAL PERIOD FROM 1 APRIL 2024 TO 30 JUNE 2024

5.10 Significant Related Party Transactions

The following significant related party transactions took place at terms agreed between the parties:

	Group	
	1Q FY24/25	1Q FY23/24
	(S\$'000)	(S\$'000)
Manager's management fees paid/payable to the Manager	10,985	11,130
Japan asset management fee	797	1,078
Trustee's fees	454	454
Property management fees paid/payable to the property managers	8,830	7,572
Staff costs paid/payable to the property managers	6,573	6,268
Rental and other related income received/receivable from related parties	10,357	10,099
Finance income received/receivable from a related company of the Manager	202	268
Professional fees, other products and service fees paid/ payable to related parties	1,026	1,019
Interest expenses, financing fees and fees related to the issue of units paid/payable to a related party	21,702	19,950

5.11 Segment Reporting

The Manager considers the business from a business segment perspective; managing and monitoring the business based on geographies and group of properties within the Group's portfolio.

The Manager assesses the performance of the operating segments based on a measure of Net Property Income. Interest income and borrowing costs are not allocated to segments, as the treasury activities are centrally managed by the Manager. In addition, the Manager monitors the non-financial assets as well as financial assets directly attributable to each segment when assessing segment performance. Segment results include items directly attributable to a segment.

Segment results, assets and liabilities include items directly attributable to a segment.

MAPLETREE PAN ASIA COMMERCIAL TRUST UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS AND DISTRIBUTION ANNOUNCEMENT FOR THE FIRST QUARTER FINANCIAL PERIOD FROM 1 APRIL 2024 TO 30 JUNE 2024

5.11 Segment Reporting (continued)

The segment information by the reportable segments for the reporting period and comparative period are as follow:

(a) Segment Revenue and Results

For the financial period ended 30 June 2024

Geographical Market Property	Singapore			Hong Kong	China	Japan	Korea	Total
	VivoCity	MBC	Other Singapore Properties ¹	Festival Walk	China Properties ²	Japan Properties	TPG	
	(S\$'000)	(S\$'000)	(S\$'000)	(S\$'000)	(S\$'000)	(S\$'000)	(S\$'000)	(S\$'000)
Gross revenue	59,082	58,390	26,988	51,305	21,500	19,389	-	236,654
Property operating expenses	(16,214)	(12,062)	(6,288)	(12,776)	(3,867)	(6,045)	-	(57,252)
Segment net property income	42,868	46,328	20,700	38,529	17,633	13,344	-	179,402
Finance income								486
Finance expenses								(59,907)
Manager's management fees								(11,782)
Trustee's fees								(454)
Other trust expenses								(1,184)
Foreign exchange gain								529
Net change in fair value of financial derivatives								1,391
Profit before tax and fair value change in investment properties and share of profit of a joint venture								108,481
Share of profit of a joint venture	-	-	-	-	-	-	1,348	1,348
Profit for the financial period before tax								109,829
Income tax expense								(6,940)
Profit for the financial period after tax before distribution								102,889

¹ Include mTower, Mapletree Anson and BOAHF.

² Include Gateway Plaza and Sandhill Plaza.

MAPLETREE PAN ASIA COMMERCIAL TRUST UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS AND DISTRIBUTION ANNOUNCEMENT FOR THE FIRST QUARTER FINANCIAL PERIOD FROM 1 APRIL 2024 TO 30 JUNE 2024

5.11 Segment Reporting (continued)

(a) Segment Revenue and Results (continued)

For the financial period ended 30 June 2023

Geographical Market	Singapore		Hong Kong	China	Japan	Korea		
Property	VivoCity	MBC	Other Singapore Properties	Festival Walk	China Properties	Japan Properties	TPG	Total
	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)
Gross revenue	56,259	57,972	26,254	50,205	22,601	23,827	-	237,118
Property operating expenses	(15,228)	(11,928)	(6,370)	(12,664)	(4,014)	(7,714)	-	(57,918)
Segment net property income	41,031	46,044	19,884	37,541	18,587	16,113	-	179,200
Finance income								607
Finance expenses								(54,708)
Manager's management fees								(12,208)
Trustee's fees								(454)
Other trust expenses								(840)
Foreign exchange loss								(277)
Net change in fair value of financial derivatives								2,438
Profit before tax and fair value change in investment properties and share of profit of a joint venture								113,758
Share of profit of a joint venture	-	-	-	-	-	-	1,499	1,499
Profit for the financial period before tax								115,257
Income tax expense								(7,547)
Profit for the financial period after tax before distribution								107,710

(b) Segment Assets and Liabilities

As at 30 June 2024

Geographical Market	Singapore		Hong Kong	China	Japan	Korea		
Property	VivoCity	MBC	Other Singapore Properties	Festival Walk	China Properties	Japan Properties	TPG	Total
	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)
Segment assets								
- Investment properties	3,359,097	3,855,114	1,905,024	4,347,185	1,587,397	1,233,726	-	16,287,543
- Plant and equipment	27	12	11	1,174	6	-	-	1,230
- Investment in joint venture	-	-	-	-	-	-	116,643	116,643
- Trade and other receivables	2,071	872	655	1,438	4,151	8,327	-	17,514
- Inventories	-	-	-	110	-	-	-	110
	3,361,195	3,855,998	1,905,690	4,349,907	1,591,554	1,242,053	116,643	16,423,040
Unallocated assets								275,600
Total assets								16,698,640
Segment liabilities	70,638	39,747	24,689	81,427	29,417	61,800	359	308,077
Unallocated liabilities								6,901,002
Total liabilities								7,209,079

MAPLETREE PAN ASIA COMMERCIAL TRUST UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS AND DISTRIBUTION ANNOUNCEMENT FOR THE FIRST QUARTER FINANCIAL PERIOD FROM 1 APRIL 2024 TO 30 JUNE 2024

5.11 Segment Reporting (continued)

(b) Segment Assets and Liabilities (continued)

As at 31 March 2024

Geographical Market Property	Singapore		Other Singapore Properties	Hong Kong	China	Japan	Korea	Total
	VivoCity	MBC		Festival Walk	China Properties	Japan Properties	TPG	
	(S\$'000)	(S\$'000)	(S\$'000)	(S\$'000)	(S\$'000)	(S\$'000)	(S\$'000)	(S\$'000)
Segment assets								
- Investment properties	3,358,000	3,855,000	1,905,000	4,270,622	1,575,837	1,284,396	-	16,248,855
- Plant and equipment	29	15	12	1,343	6	-	-	1,405
- Investment in joint venture	-	-	-	-	-	-	118,590	118,590
- Trade and other receivables	2,189	1,004	245	370	518	6,285	2,863	13,474
- Inventories	-	-	-	110	-	-	-	110
	3,360,218	3,856,019	1,905,257	4,272,445	1,576,361	1,290,681	121,453	16,382,434
Unallocated assets								279,857
Total assets								16,662,291
Segment liabilities	69,047	37,555	28,596	83,550	32,343	58,036	1,798	310,925
Unallocated liabilities								6,880,164
Total liabilities								7,191,089

OTHER INFORMATION

6. Review of the Condensed Interim Financial Statements

The Statements of Financial Position of MPACT and the Group as at 30 June 2024 and the related Consolidated Statement of Profit or Loss, Distribution Statement, Consolidated Statement of Comprehensive Income, Statements of Movements in Unitholders' Funds of MPACT and the Group and the Consolidated Statement of Cash Flows for the first quarter from 1 April 2024 to 30 June 2024 and the explanatory notes have not been audited or reviewed by the Group's auditors.

7. Review of the Performance

1Q FY24/25 versus 1Q FY23/24

Gross revenue was 0.2% lower at S\$236.7 million for 1Q FY24/25 as compared to 1Q FY23/24. This was due to lower contribution from the overseas properties, partially offset by higher contribution from the Singapore properties.

Positive contributions from fixed rent, car park income and advertising and promotion income were observed for the Singapore properties. The lower contribution from the overseas properties was mainly due to the weaker performance from the China and Japan properties as a result of lower occupancy and unfavourable FX impact arising from the depreciating JPY and RMB against SGD.

Property operating expenses were 1.1% lower at S\$57.3 million for 1Q FY24/25 as compared to 1Q FY23/24 mainly due to lower utility expenses and property tax, partially offset by higher staff costs.

NPI was S\$179.4 million, 0.1% higher as compared to 1Q FY23/24.

Finance expenses were 9.5% higher at S\$59.9 million for 1Q FY24/25 as compared to 1Q FY23/24 mainly due to higher interest rates on the SGD, HKD and JPY borrowings.

MAPLETREE PAN ASIA COMMERCIAL TRUST UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS AND DISTRIBUTION ANNOUNCEMENT FOR THE FIRST QUARTER FINANCIAL PERIOD FROM 1 APRIL 2024 TO 30 JUNE 2024

7. Review of the Performance (continued)

1Q FY24/25 versus 1Q FY23/24 (continued)

The foreign exchange gain/(loss) arose largely from the difference in foreign exchange rates for the translation of the remitted funds and the contract rates of the currency forwards.

The net change in fair value of financial derivatives relates mainly to the mark-to-market movement of currency forward contracts to hedge currency exposures of future HKD, RMB, JPY and KRW distributable income.

The unrealised foreign exchange loss and unrealised fair value change of financial derivatives have no impact on the amount available for distribution to Unitholders.

The amount available for distribution for 1Q FY24/25 was S\$110.8 million, 3.5% lower as compared to 1Q FY23/24. The DPU for 1Q FY24/25 was 2.09 Singapore cents, 4.1% lower as compared to 1Q FY23/24.

8. Variance between Actual and Forecast Results

MPACT has not disclosed any forecast to the market.

9. Commentary on the competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting and the next 12 months

Singapore Retail¹

Singapore's GDP expanded by 2.9% yoy in 2Q 2024, extending the 3.0% growth from the previous quarter, with all sectors recording growth. The economy grew 1.1% in 2023, moderating from 3.8% in 2022. Headline inflation eased to 4.8% in 2023 from 6.1% in 2022.

Combined retail sales for April-May 2024 declined 2.5% yoy, likely due to increased outbound travel and diversion of spending overseas amid a strong Singapore dollar and pricier domestic goods and services.

Approximately 0.7 million square feet of retail space is expected from 3Q 2024 to 2026, averaging 0.3 million square feet per year, lower than the past five-year annual average of 0.5 million square feet.

Retailers continue to face challenges, including manpower shortages, high operating costs, and a strong Singapore dollar which will pressure retail sales. However, the recovery in tourism, supported by the increasing return of Chinese tourists, and a strong pipeline of live entertainment acts and events, are expected to support the sector in 2024.

The overall healthy demand for retail space, alongside relatively limited upcoming supply, is expected to support the upward trajectory of rents, albeit at a moderated pace.

MAPLETREE PAN ASIA COMMERCIAL TRUST UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS AND DISTRIBUTION ANNOUNCEMENT FOR THE FIRST QUARTER FINANCIAL PERIOD FROM 1 APRIL 2024 TO 30 JUNE 2024

9. Commentary on the competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting and the next 12 months (continued)

Singapore Office¹

In 1Q 2024, the overall Islandwide vacancy rate decreased marginally by 0.3 percentage point (“pp”) quarter-on-quarter (“qoq”) to 9.6%, primarily due to the removal of office developments from the overall stock. Correspondingly, overall rents grew 1.7% qoq, with CBD Grade A rents increasing 0.7% while Grade A City Fringe rents remained stable.

From 3Q 2024 to 2026, approximately 4.1 million square feet of new office space is expected to be added, predominantly in the Core CBD. This translates to an annual average of 1.6 million square feet, exceeding the past five-year annual average of 1.0 million square feet.

Office demand is expected to remain muted as occupiers continue to grapple with high capital costs and ongoing job cuts across sectors. This environment may lead to increased rationalisation of space requirements, potentially resulting in more secondary spaces becoming available.

The incoming new supply and intensifying competition for tenants are expected to exert pressure on office occupancy levels and rents, both Islandwide and in the Core CBD. However, the projected easing of interest rates in 2H 2024 and a turn in economic sentiment could lead to an improvement in the office sector

Singapore Business Parks¹

1Q 2024 business park rents in the Central Region rose 6.1% qoq despite vacancy rate increasing 0.6 pp qoq to 11.6% over the same period. This was largely driven by newer developments commanding higher rents. Overall Islandwide vacancy inched up 0.4 pp qoq to 22.0%, while rents recorded 2.3% qoq growth over the same period.

Approximately 3.0 million square feet of new business park space is expected to enter the market from 3Q 2024 to 2026. This translates to an annual average of 1.2 million square feet, higher than the past five-year annual average of 0.6 million square feet. About one-third of the new supply is located in the Central Region, and the remainder situated in the Punggol Digital District, falling under the Rest of Island submarket.

This upcoming supply is likely to exert pressure on occupancy levels, particularly in the Rest of Island submarket. Ongoing cost pressures and soft external demand are expected to temper occupiers’ appetite for new space. As a result, the demand for business park space is projected to remain subdued. Islandwide rents are expected to observe minimal growth despite the anticipated rise in vacancy as new good quality business parks will command higher rental rates.

In the long run, Singapore’s business park sector is expected to remain attractive due to the government’s efforts in promoting high-value and knowledge-based manufacturing industries.

9. Commentary on the competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting and the next 12 months (continued)

Hong Kong Retail¹

Hong Kong's GDP grew 2.7% yoy in 1Q 2024, mainly driven by a recovery in tourism. 2Q 2024, however, experienced a moderation in inflation rate to 1.2% from 2.0% in the previous quarter.

While tourist arrivals have been on an upward trajectory, they have yet to recover to pre-social incidents and pre-COVID levels. Retail rents have thus mirrored this trend and remained below the levels recorded before these key events.

Approximately 3.4 million square feet of new retail space is expected in the remaining part of 2024, with Kowloon East under pressure with three upcoming developments adding 1.5 million square feet of retail space. This is expected to weigh on rents in the Kowloon East and Kowloon Tong submarkets.

However, continued government support and campaigns aimed at boosting Hong Kong's appeal as a tourist destination can enhance Hong Kong's retail sector and boost local consumption. These initiatives include hosting large-scale events, offering immersive tours, and organising various activities to attract visitors.

Beijing Office¹

China's GDP grew 4.7% yoy in 2Q 2024, lower than the previously forecasted 5.1%. This deceleration was mainly due to uncertainties in the external environment, weak consumption and a slowdown in property investment.

As a result of new supply, Beijing's overall vacancy rate edged up further by 0.5 pp qoq, reaching 20.6% in 2Q 2024. The persistent high vacancies, alongside increased rental incentives offered by landlords, continued to exert pressure on rental levels. Consequently, Beijing's overall rents declined 5.0% qoq in 2Q 2024. The Lufthansa submarket observed a similar broad trend for the same period, with vacancy rate edging up 0.6 pp qoq to 22.8% and rents declining 2.2% qoq.

Looking ahead, weak demand is expected to persist, likely keeping the overall vacancy rate high at potentially above 20%. Rents are expected to remain under pressure. Any improvement in the sector will largely depend on a recovery in the macroeconomic environment.

Shanghai Business Parks¹

Business park tenants in Shanghai continued to face pressure to reduce costs and increase efficiency. While net absorption saw a slight improvement in 2Q 2024 due to the introduction and take-up of new spaces, the overall demand remained weak. This was reflected in a flat qoq vacancy rate in 2Q 2024. The influx of new supply, combined with weak overall demand, prompted landlords to offer additional rent reductions and rent-free incentives. As a result, overall rents decreased by 2.9% qoq.

Approximately 4.4 million square metres of new supply is expected from 3Q 2024 to 2026. This translates to an annual average of 1.6 million square metres, which is likely to place further pressure on vacancy levels and rents.

9. Commentary on the competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting and the next 12 months (continued)

Shanghai Business Parks¹ (continued)

Despite these challenges, there are some positive signs in the longer term. Companies with high-tech capabilities and comparative advantages in sectors such as advanced manufacturing, green technologies, biotechnology, pharmaceuticals and modern services are expected to benefit from favourable government policies. Encouragingly, in 1Q 2024, the total profit of Shanghai's industrial enterprises showed growth surpassing 2023 level. A sustained improvement in corporate profitability can support a rebound in leasing demand and rents.

Japan Office¹

Japan's 1Q 2024 GDP was revised from -1.8% to -2.9% due to adjustments in statistics for the construction sector. However, the implementation of income and resident tax cuts commencing in June 2024, coupled with sustained increases in real disposable income driven by positive real wage growth, is expected to boost consumption in the second half of 2024.

The Tokyo office market exhibited varied rental movements across different locations in 2Q 2024. The Tokyo 5 and 18 wards experienced moderate rent increases, attributed to the post-pandemic economic recovery that is driving a gradual recovery in demand, alongside limited new supply. While this upward momentum is expected to continue, its pace will likely moderate. In contrast, Yokohama recorded a rise in vacancy rates due to new supply, resulting in a decline in rents. Chiba also experienced a drop in rents following the absorption of a newly completed property.

New supply in 2024 for the Tokyo's 5 wards is estimated to be about half the amount in 2023, providing some support to occupancy rates and rents. The outlook for Yokohama and Chiba is more tempered. While future supply is expected to be limited, demand is projected to remain soft.

Seoul Office¹

Korea's 2Q 2024 GDP grew by 2.9% yoy, surpassing the previous quarter's growth rate of 2.3%. This improvement was mainly driven by a growth in exports, particularly in the semiconductor and automobile sectors.

Seoul's vacancy rate rose slightly by 0.4 pp to 2.4% in 2Q 2024, mainly due to relocations by tenants rather than a contraction in demand. Despite this uptick in vacancies, the overall average rents continued to climb 1.1% qoq driven. This was driven by steady demand and high rents achieved in recently completed buildings.

GBD's vacancy rate increased by 0.3 pp to 1.8%. This was due to the relocation of several tech companies and startups to areas outside the major business districts in an effort to reduce costs. Nonetheless, average GBD rents rose by 1.4% qoq, buoyed by limited supply and strong demand.

From 2025 to 2029, approximately 0.9 million pyeong of office space is expected to be added per year, with about 55% of this new supply located in the CBD.

Looking ahead, both vacancy rates and rental levels are expected to remain healthy, particularly as no significant office supply is anticipated until 2026.

MAPLETREE PAN ASIA COMMERCIAL TRUST UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS AND DISTRIBUTION ANNOUNCEMENT FOR THE FIRST QUARTER FINANCIAL PERIOD FROM 1 APRIL 2024 TO 30 JUNE 2024

9. Commentary on the competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting and the next 12 months (continued)

Conclusion

The broad market continues to navigate a series of complexities, including geopolitical conflicts, inflationary pressures, prolonged periods of high interest rates and volatile financial markets, and these could present further downside risks. While potential rate cuts could offer some respite, uncertainties persist. Notwithstanding the headwinds, MPACT has maintained resilience. Our Singapore portfolio, comprising the majority of MPACT's assets, continues to demonstrate robust performance with high committed occupancy and healthy rental uplifts, underpinning MPACT's overall stability.

In Japan, the Manager is addressing localised market softness in Makuhari, Chiba through targeted leasing campaigns and leasing efforts. This strategy aims to mitigate the impact of NTT Urban Development's lease expiry at mBAY POINT Makuhari on 31 March 2024, and Seiko Instrument Inc.'s lease expiry at Makuhari Bay Tower on 30 June 2024. Following these changes, Makuhari Bay Tower is being converted into a multi-tenant property. At mBAY POINT Makuhari, despite the expiry of NTT Urban Development's main lease, various sub-lessees remained. As at 30 June 2024, mBAY POINT Makuhari maintained a committed occupancy of above 80%. The three properties in Makuhari accounted for about 5.4% of MPACT's FY23/24 NPI. The other six Japan properties are expected to remain stable.

The proposed divestment of Mapletree Anson is expected to strengthen our financial position and will place MPACT favourably to safeguard unitholder value and future value creation. Additionally, we are pursuing asset enhancement initiatives as part of our ongoing effort to drive performance.

The Manager's focus remains on maintaining healthy occupancy levels, steady rental income, and efficient cost management. Anchored by core assets, VivoCity and MBC, and with Singapore continuing to be a major component of the portfolio, MPACT is well-positioned to maintain stability amidst market fluctuations. The Manager is also committed to exploring and implementing measures aimed at boosting long-term unitholder value in a judicious manner.

¹ Source: Colliers, 11 July 2024

MAPLETREE PAN ASIA COMMERCIAL TRUST UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS AND DISTRIBUTION ANNOUNCEMENT FOR THE FIRST QUARTER FINANCIAL PERIOD FROM 1 APRIL 2024 TO 30 JUNE 2024

10. Distributions

(a) Current financial period

Any distributions declared for the current financial period? Yes

Name of distribution: 49th distribution for the period from 1 April to 30 June 2024

Distribution type/rate:	Distribution type	Distribution rate per unit (cents)
	Taxable Income	1.49
	Tax-Exempt Income	0.34
	Capital	0.26
	Total	2.09

Par value of units: Not meaningful

Tax rate: Taxable Income Distribution

Qualifying investors and individuals (other than those who hold their units through a partnership) will generally receive pre-tax distributions. These distributions are exempt from tax in the hands of individuals unless such distributions are derived through a Singapore partnership or from the carrying on of a trade, business or profession. Such individual unitholders, i.e. to whom the exemption will not apply, must declare the distribution received as income in their tax returns. Qualifying investors, unless they are exempt from tax because of their own circumstances, will have to pay income tax subsequently on such distributions at their own applicable tax rates.

Qualifying foreign non-individual investors and qualifying non-resident funds will receive their distributions after deduction of tax at the rate of 10%.

All other investors will receive their distributions after deduction of tax at the rate of 17%.

Tax-Exempt Income Distribution

Tax-Exempt Income Distribution is exempt from Singapore income tax in the hands of all Unitholders.

Capital Distribution

Capital Distribution represents a return of capital to Unitholders for Singapore income tax purposes and is therefore not subject to Singapore income tax. For Unitholders who are liable to Singapore income tax on profits from sale of MPACT Units, the amount of Capital Distribution will be applied to reduce the cost base of their MPACT Units for Singapore income tax purposes.

MAPLETREE PAN ASIA COMMERCIAL TRUST UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS AND DISTRIBUTION ANNOUNCEMENT FOR THE FIRST QUARTER FINANCIAL PERIOD FROM 1 APRIL 2024 TO 30 JUNE 2024

10. Distributions (continued)

(b) Corresponding period of the preceding financial period

Any distributions declared for the corresponding period of the immediate preceding financial period? Yes

Name of distribution: 45th distribution for the period from 1 April to 30 June 2023

Distribution type/rate:	Distribution type	Distribution rate per unit (cents)
	Taxable Income	1.49
	Tax-Exempt Income	0.46
	Capital	0.23
	Total	2.18

Par value of units: Not meaningful

Tax rate: Taxable Income Distribution

Qualifying investors and individuals (other than those who hold their units through a partnership) will generally receive pre-tax distributions. These distributions are exempt from tax in the hands of individuals unless such distributions are derived through a Singapore partnership or from the carrying on of a trade, business or profession. Such individual unitholders, i.e. to whom the exemption will not apply, must declare the distribution received as income in their tax returns. Qualifying investors, unless they are exempt from tax because of their own circumstances, will have to pay income tax subsequently on such distributions at their own applicable tax rates.

Qualifying foreign non-individual investors and qualifying non-resident funds will receive their distributions after deduction of tax at the rate of 10%.

All other investors will receive their distributions after deduction of tax at the rate of 17%.

Tax-Exempt Income Distribution

Tax-Exempt Income Distribution is exempt from Singapore income tax in the hands of all Unitholders.

Capital Distribution

Capital Distribution represents a return of capital to Unitholders for Singapore income tax purposes and is therefore not subject to Singapore income tax. For Unitholders who are liable to Singapore income tax on profits from sale of MPACT Units, the amount of Capital Distribution will be applied to reduce the cost base of their MPACT Units for Singapore income tax purposes.

MAPLETREE PAN ASIA COMMERCIAL TRUST UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS AND DISTRIBUTION ANNOUNCEMENT FOR THE FIRST QUARTER FINANCIAL PERIOD FROM 1 APRIL 2024 TO 30 JUNE 2024

10. Distributions (continued)

(c) Record date: The Transfer Books and Register of Unitholders of MPACT will be closed at 5.00 p.m. on Wednesday, 7 August 2024 for the purposes of determining each Unitholder's entitlement to MPACT's distribution.

The ex-distribution date will be on Tuesday, 6 August 2024.

(d) Date Payable: Thursday, 12 September 2024

11. If no distribution has been declared/recommended, a statement to that effect.

Not applicable.

12. General Mandate relating to Interested Person Transactions

MPACT has not obtained a general mandate from Unitholders for Interested Person Transactions.

13. Confirmation pursuant to Rule 720(1) of the Listing Manual

The Manager confirms that it has procured undertakings from all its directors and executive officers, in the format set out in Appendix 7.7 under the Rule 720(1) of the Listing Manual.

14. Confirmation pursuant to Rule 705(5) of the Listing Manual

The Board of Directors of the Manager has confirmed that, to the best of their knowledge, nothing has come to their attention which may render these interim financial results to be false or misleading in any material aspect.

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

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

30 July 2024