

For Immediate Release

Gains across gross revenue, NPI and DPU in 2Q FY23/24 against 1Q FY23/24 despite forex and interest rate headwinds

- **Stable financial performance:** Singapore drove growth with better performance while largely stable contributions from overseas properties were weighed down by stronger SGD
- **Steady operational performance:** Underpinned by higher commitment across most markets with both retail assets near full commitment
- **Higher portfolio rental reversion:** Led by Singapore with core assets registering notable rental uplifts
- **VivoCity:** Positive momentum continued to drive tenant sales above pre-COVID levels, and new enhancement work in the pipeline
- **Festival Walk:** Sustained revenue supported by near full occupancy, shopper and tenant sales recovery, and continued progress towards rental stabilisation
- **Improved debt profile and risk management:** Via higher fixed rate debt and targeted swapping of HKD loan into CNH
- **Sustainability milestones:** Achieved marked progress in GRESB ratings and expanded solar power generation capacity by more than 50%

Summary of MPACT's Results

	2Q FY23/24	1Q FY23/24	Variance (%)
Gross revenue (S\$'000) ¹	240,162	237,118	1.3
Property operating expenses (S\$'000) ¹	(57,004)	(57,918)	1.6
- <i>Utility expenses</i>	<i>(10,585)</i>	<i>(9,896)</i>	<i>(7.0)</i>
Net property income (S\$'000) ¹	183,158	179,200	2.2
Net finance costs ¹	(57,553)	(54,101)	(6.4)
Amount available for distribution to Unitholders (S\$'000)	118,035	114,752	2.9
Distribution per Unit (Singapore cents)	2.24	2.18	2.8

¹ Gross revenue, property operating expenses, NPI and net finance costs do not include contribution from The Pinnacle Gangnam. MPACT will share profit after tax of The Pinnacle Gangnam based on its 50% effective interest.

	2Q FY23/24	2Q FY22/23	Variance (%)
Gross revenue (S\$'000) ¹	240,162	218,165	10.1
Property operating expenses (S\$'000) ¹ - <i>Utility expenses</i>	(57,004) (10,585)	(49,654) (5,139)	(14.8) (106.0)
Net property income (S\$'000) ¹	183,158	168,511	8.7
Net finance costs (S\$'000) ¹	(57,553)	(41,861)	(37.5)
Amount available for distribution to Unitholders (S\$'000)	118,035	117,683	0.3
Distribution per Unit (Singapore cents)	2.24	2.44	(8.2)

	1H FY23/24	1H FY22/23	Variance (%)
Gross revenue (S\$'000) ¹	477,280	353,162	35.1
Property operating expenses (S\$'000) ¹ - <i>Utility expenses</i>	(114,922) (20,481)	(77,987) (7,150)	(47.4) (186.4)
Net property income (S\$'000) ¹	362,358	275,175	31.7
Net finance costs (S\$'000) ¹	(111,654)	(60,935)	(83.2)
Amount available for distribution to Unitholders (S\$'000)	232,787	200,970	15.8
Distribution per Unit (Singapore cents)	4.42	4.94	(10.5)

Singapore, 26 October 2023 – MPACT Management Ltd., as manager of Mapletree Pan Asia Commercial Trust (“MPACT” and as manager of MPACT, the “Manager”), announced gains in gross revenue, net property income (“NPI”) and Distribution per Unit (“DPU”) for 2Q FY23/24 against 1Q FY23/24. Gross revenue and NPI for the quarter rose 1.3% and 2.2% in comparison to 1Q FY23/24, respectively, to S\$240.2 million and S\$183.2 million. This was on the back of better performance by the Singapore assets, while largely stable contributions from the overseas properties were weighed down by forex effects resulting from a stronger Singapore dollar (“SGD”). Despite forex headwinds and a rising interest rate environment, DPU for 2Q FY23/24 climbed 2.8% against the preceding quarter to 2.24 Singapore cents.

¹ Gross revenue, property operating expenses, NPI and net finance costs do not include contribution from The Pinnacle Gangnam. MPACT will share profit after tax of The Pinnacle Gangnam based on its 50% effective interest.

Year-on-year, both 2Q FY23/24 and 1H FY23/24 recorded growth in gross revenue and NPI. This was driven by stronger performance of the Singapore assets and full period contributions from the overseas assets acquired through the merger. Singapore's solid performance more than offset the rise in utility costs but gains from the merger were diluted by a stronger SGD against all foreign currencies. Higher interest rates exerted pressure on the DPU, leading to year-on-year declines for the second quarter and the first half.

Ms Sharon Lim, Chief Executive Officer of the Manager, said, "We are proud to report like-for-like gains in gross revenue, NPI and DPU for 2Q FY23/24 over the preceding quarter, led by robust performance in Singapore and commendable stability in our overseas assets. This achievement was despite sustained pressure from higher utility expenses, adverse forex movements and elevated interest rates. It also demonstrates the effectiveness of our asset management effort, which has lifted portfolio's committed occupancy and secured meaningful rental reversions."

She added, "While external factors like currency fluctuations and higher interest rates will persist in shaping the broader landscape, our focus remains on nimble asset and capital management. For example, VivoCity in Singapore continues to excel and we are already initiating enhancements on an F&B cluster on Level 1 to further elevate the mall's performance. In Hong Kong, Festival Walk continues to adapt with a retail mix increasingly aligned with local preferences, and we expect its revenue stability to sustain in tandem with improving operational metrics. We have also taken steps to enhance our balance sheet and optimise our debt profile. MPACT's resilience lies in the intrinsic strength of our core assets – VivoCity and Mapletree Business City – and the operational expertise of our team. We will continue to keep our fingers on the market's pulse and stay agile, ensuring that we are well-positioned to navigate challenges and capitalise on opportunities as they arise."

OPERATIONAL PERFORMANCE

Portfolio NPI for 2Q FY23/24 increased 8.7% year-on-year to S\$183.2 million, with a healthy 76.3% NPI margin. The uptick was driven by Singapore's robust performance and full period contributions from the overseas properties acquired through the merger. Similarly, portfolio NPI for 1H FY23/24 rose 31.7% year-on-year, reaching S\$362.4 million.

During 1H FY23/24, MPACT successfully renewed and re-let over 1.3 million square feet of lettable area, yielding a 3.2% portfolio rental uplift. Our core assets, VivoCity and Mapletree Business City, stood out with strong rental uplifts of 14.2% and 7.1%, respectively.

The portfolio committed occupancy climbed to 96.3% as at 30 September 2023. Increased commitments were recorded in the majority of markets, with MPACT's two retail assets, VivoCity and Festival Walk, close to full commitment. The tenant retention rate for the portfolio was 75.2%. The weighted average lease expiry ("WALE") was 2.2 years for retail and 2.8 years for office/business park segments, resulting to an overall portfolio WALE of 2.5 years.

CAPITAL MANAGEMENT

To navigate the rising interest rate environment, targeted steps were taken to enhance the balance sheet and debt profile. Over the quarter, the fixed rate debt was raised from 74.2% to 79.9%. The swapping of a portion of HKD loans into CNH further optimised the debt mix, reducing the HKD component from 30% to 27% and increasing the CNH component from 0.3% to 4% of the total debt. This adjustment better aligns MPACT's debt with the AUM composition, yielding risk management and interest rate benefits.

To mitigate volatilities arising from forex movement, approximately 92% of MPACT's expected distributable income (based on rolling four quarters) was derived from or hedged into SGD.

The debt maturity profile remained well-distributed with no more than 21% of debt expiring in any financial year. Refinancing for FY23/24 has been mostly completed, and early works are already in progress for refinancing in FY24/25.

As at 30 September 2023, the aggregate leverage ratio was 40.7% and the average term to maturity was 3.0 years. The weighted average all-in cost of debt was 3.34% per annum (annualised based on 1H ended 30 September 2023), and the adjusted interest coverage ratio was approximately 3.0 times on a 12-month trailing basis.

By the close of the reporting period, MPACT has a financial cushion of approximately S\$1.1 billion in cash and undrawn committed facilities, ensuring sufficient liquidity for working capital and financial obligations.

SUSTAINABILITY HIGHLIGHTS

The Manager has made significant advances in its sustainability journey. One achievement was the attainment of a five-star rating in the 2023 GRESB Real Estate Assessment. As an internationally recognised benchmark, the GRESB five-star is the highest rating and a clear recognition of MPACT's ongoing efforts towards sustainability practices. MPACT has also continued to be graded "A" for GRESB Public Disclosure.

Another milestone was the expansion of our solar generation capacity with more solar panels installed at Mapletree Business City and VivoCity in Singapore. This increased the portfolio's total solar generation capacity by more than 50% to 3,729 kWp. These advancements demonstrate the Manager's unwavering dedication to embed sustainability into the business, thereby ensuring long-term value for all stakeholders.

DISTRIBUTION TO UNITHOLDERS

DPU for 2Q FY23/24 is 2.24 Singapore cents. Unitholders can expect to receive the distribution on Friday, 8 December 2023. The Transfer Books and Register of Unitholders of MPACT will be closed at 5.00 p.m. on Friday, 3 November 2023.

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About Mapletree Pan Asia Commercial Trust

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 Singapore Exchange Securities Limited on 27 April 2011, it made its public market debut as Mapletree Commercial Trust and was subsequently renamed MPACT on 3 August 2022 following the merger with Mapletree North Asia Commercial Trust. Its 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, Hong Kong, China, Japan and South Korea).

MPACT's portfolio comprises 18 commercial properties across five key gateway markets of Asia – five in Singapore, one in Hong Kong, two in China, nine in Japan and one in South Korea. They have a total lettable area of 11.2 million square feet independently valued at S\$16.6 billion (as at 31 March 2023). For more information, please visit www.mapletrerepact.com.

About the Manager – MPACT Management Ltd.

MPACT is managed by MPACT Management Ltd., a wholly-owned subsidiary of Mapletree Investments Pte Ltd. The Manager's main responsibility is to manage MPACT's assets and liabilities for the benefit of Unitholders. The Manager is also responsible for setting the strategic direction of MPACT on the acquisition, divestment and/or enhancement of assets of MPACT in accordance with its stated investment strategy. The Manager's key objectives are to provide Unitholders of MPACT with an attractive rate of return on their investment through regular and relatively stable distributions and to achieve long-term growth in DPU and net asset value per Unit, with an appropriate capital structure for MPACT.

About the Sponsor – Mapletree Investments Pte Ltd

Headquartered in Singapore, Mapletree Investments Pte Ltd ("MIPL") is a global real estate development, investment, capital and property management company committed to sustainability. Its strategic focus is to invest in markets and real estate sectors with good growth potential. By combining its key strengths, MIPL has established a track record of award-winning projects, and delivers consistent and high returns across real estate asset classes.

MIPL manages three Singapore-listed real estate investment trusts ("REITs") and eight private equity real estate funds, which hold a diverse portfolio of assets in Asia Pacific, Europe, the United Kingdom ("UK") and the United States ("US"). As at 31 March 2023, Mapletree owns and manages S\$77.4 billion of office, retail, logistics, industrial, data centre, residential and student accommodation properties.

MIPL's assets are located across 13 markets globally, namely Singapore, Australia, Canada, China, Europe, Hong Kong, India, Japan, Malaysia, South Korea, the UK, the US and Vietnam. To support its global operations, MIPL has established an extensive network of offices in these countries.

For more information, please visit www.mapletree.com.sg.

IMPORTANT NOTICE

This release is for information only and does not constitute an offer or solicitation of an offer to sell or invitation to subscribe for or acquire any units in Mapletree Pan Asia Commercial Trust ("MPACT", and the units in MPACT, the "Units").

The past performance of MPACT and MPACT Management Ltd., in its capacity as manager of MPACT (the "Manager"), is not indicative of the future performance of MPACT and the Manager. The value of the Units and the income derived from them may fall as well as rise. Units are not obligations of, deposits in, or guaranteed by, the Manager or any of its affiliates. An investment in Units is subject to investment risks, including the possible loss of the principal amount invested. Investors have no right to request the Manager to redeem their Units while the Units are listed. It is intended that unitholders may only deal in their Units through trading on the Singapore Exchange Securities Trading Limited ("SGX-ST"). Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.

This release may also contain forward-looking statements 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 the Manager's current view of future events.

Nothing in this release should be construed as financial, investment, business, legal or tax advice and you should consult your own independent professional advisors. Neither the Manager nor any of its affiliates, advisers or representatives shall have any liability whatsoever (in negligence or otherwise) for any loss howsoever arising, whether directly or indirectly, from any use, reliance or distribution of this presentation or its contents or otherwise arising in connection with this presentation. This release shall be read in conjunction with MPACT's financial results for the Second Quarter and Financial Period from 1 April 2023 to 30 September 2023 in the SGXNET announcement dated 26 October 2023.

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