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FINANCIALS & OTHERS

REPORT OF THE TRUSTEE

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

DBS Trustee Limited (the "Trustee") is under a duty to take into custody and hold the assets of Mapletree North Asia Commercial Trust ("MNACT") and its subsidiaries (the "Group") in trust for the holders ("Unitholders") of units in MNACT. 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 North Asia 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) (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 MNACT and the Group during the financial year covered by these financial statements, set out on pages 133 to 193, 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,
18 May 2021

STATEMENT BY THE MANAGER

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

In the opinion of the Directors of Mapletree North Asia Commercial Trust Management Ltd., the accompanying financial statements of Mapletree North Asia Commercial Trust ("MNACT") and its subsidiaries (the "Group"), as set out on pages 133 to 193, comprising the Statements of Financial Position of MNACT and the Group, and Portfolio Statement of the Group as at 31 March 2021, the Statements of Profit and Loss, Statements of Comprehensive Income, Distribution Statements and Statements of Movements in Unitholders' Funds of MNACT 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 MNACT and of the Group as at 31 March 2021, the portfolio holdings of the Group as at 31 March 2021, and the financial performance, amount distributable and movements in Unitholders' funds of MNACT and of the Group and the consolidated cash flows of the Group for the financial year then ended in accordance with the Singapore Financial Reporting Standards (International) and the applicable requirements of the Code on Collective Investment Schemes relating to financial reporting. At the date of this statement, there are reasonable grounds to believe that MNACT and the Group will be able to meet its financial obligations as and when they materialise.

For and on behalf of the Manager,
Mapletree North Asia Commercial Trust Management Ltd.

Cindy Chow Pei Pei
Director

Singapore,
18 May 2021

INDEPENDENT AUDITOR'S REPORT TO THE UNITHOLDERS OF MAPLETREE NORTH ASIA 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 and Portfolio Statement of Mapletree North Asia Commercial Trust ("MNACT") and its subsidiaries (the "Group"), and the Statement of Profit and Loss, Statement of Comprehensive Income, Statement of Financial Position, Distribution Statement and Statement of Movement in Unitholders' Funds of MNACT are properly drawn up in accordance with the Singapore Financial Reporting Standards (International) ("SFRS(I)s") and the applicable requirements of the Code on Collective Investment Schemes relating to financial reporting, so as to present fairly, in all material respects, the consolidated financial position of the Group, the financial position of MNACT and the consolidated portfolio holdings of the Group as at 31 March 2021, the consolidated financial performance of the Group and the financial performance of MNACT, the consolidated amount distributable of the Group and the amount distributable of MNACT, the consolidated movements in Unitholders' funds of the Group and the movements in Unitholders' funds of MNACT, and the consolidated cash flows of the Group for the financial year ended on that date.

What we have audited

The financial statements of MNACT and the Group comprise:
- the statements of profit and loss of MNACT and of the Group for the financial year ended 31 March 2021;
- the statements of comprehensive income of MNACT and of the Group for the financial year then ended;
- the statements of financial position of MNACT and of the Group as at 31 March 2021;
- the distribution statements of MNACT and of the Group for the financial year then ended;
- the statements of movements in Unitholders' funds of MNACT 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 2021; 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 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.

Our Audit Approach

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the accompanying financial statements. In particular, we considered where management made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

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 2021. 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 2021, the carrying value of the Group's investment properties of S$7.7 billion 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 capitalisation rates, discount rates and adjusted price per square metre and are dependent on the nature of each investment property and the prevailing market conditions. The key inputs used by the valuers as at 31 March 2021 are disclosed in Note 13 to the accompanying financial statements. Furthermore, the valuation reports obtained from independent property valuers for certain investment properties have highlighted the uncertainty of the Coronavirus Disease 2019 ("COVID-19") outbreak. Accordingly, the valuation of these investment properties may be subjected to more fluctuation subsequent to 31 March 2021 than during normal market conditions.	We involved our internal specialists in our audit procedures. Our audit procedures included the following: • assessed the competency, capabilities and objectivity of the external valuers engaged by the Group; • obtained an understanding of the techniques used by the external valuers in determining the valuations of individual investment properties; • discussed the critical assumptions made by the external valuers for the key inputs used in the valuation techniques; • tested the integrity of information on a sampling basis, including underlying lease and financial information provided to the external valuers; and • assessed the reasonableness of the capitalisation rates, discount rates and adjusted price per square metre by benchmarking these against prior year inputs and those of comparable properties based on information available as at 31 March 2021. We found the external valuers to be members 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. We have also assessed the adequacy of the disclosures relating to the assumptions and the impact of COVID-19 on the valuation of investment properties, as we consider them as likely to be significant to users of the financial statements given the estimation uncertainty and sensitivity of the valuations.

INDEPENDENT AUDITOR'S REPORT TO THE UNITHOLDERS OF MAPLETREE NORTH ASIA COMMERCIAL TRUST

(CONSTITUTED UNDER A TRUST DEED IN THE REPUBLIC OF SINGAPORE)

Other Information

The Manager is responsible for the other information. The other information comprises the "Report of the Trustee" and the "Statement by the Manager" (but does not include the financial statements and our auditor's report thereon) which we obtained prior to the date of this auditor's report, and other sections of MNACT's Annual Report ("Other Sections"), which 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 for the Financial Statements

The Manager is responsible for the preparation and fair presentation of these financial statements in accordance with the SFRS(I)s and the applicable requirements of the Code on Collective Investment Schemes relating to financial reporting 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 Manager's responsibilities include overseeing the Group's financial reporting process.

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.

INDEPENDENT AUDITOR'S REPORT TO THE UNITHOLDERS OF MAPLETREE NORTH ASIA COMMERCIAL TRUST

(CONSTITUTED UNDER A TRUST DEED IN THE REPUBLIC OF SINGAPORE)

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

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 Alex Toh Wee Keong.

PricewaterhouseCoopers LLP
Public Accountants and Chartered Accountants
Singapore,
18 May 2021

STATEMENTS OF PROFIT AND LOSS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

	Note	Group 2021 S$'000	Group 2020 S$'000	MNACT 2021 S$'000	MNACT 2020 S$'000
Gross revenue	3	**391,415**	354,478	**-**	-
Property operating expenses	4	**(99,375)**	(76,991)	**-**	-
Net property income		**292,040**	277,487	**-**	-
Other income					
Dividend income		**-**	-	**128,677**	142,137
Interest income		**2,050**	2,114	**67**	465
Other non-operating income - interim insurance proceeds[1]		**46,393**	-	**-**	-
Other gains					
Net foreign exchange gain		**1,525**	5,110	**453**	43
Expenses					
Manager's management fees					
- Base fee		**(21,591)**	(23,217)	**(15,847)**	(19,761)
- Performance fee		**-**	-	**-**	-
Trustee's fee		**(821)**	(787)	**(821)**	(787)
Other trust expenses	5	**(2,461)**	(2,112)	**(643)**	(248)
Finance costs	6	**(71,595)**	(74,901)	**-**	-
Share of profit of a joint venture	17	**3,428**	-	**-**	-
Profit before net change in fair value of investment properties and financial derivatives		**248,968**	183,694	**111,886**	121,849
Net change in fair value of investment properties	13	**(480,957)**	(17,906)	**-**	-
Net change in fair value of financial derivatives		**3,886**	(4,070)	**-**	-
(Loss)/profit before income tax		**(228,103)**	161,718	**111,886**	121,849
Income tax expenses	7(a)	**(36,459)**	(37,452)	**(12)**	(79)
(Loss)/profit for the financial year		**(264,562)**	124,266	**111,874**	121,770
(Loss)/profit attributable to:					
Unitholders		**(265,788)**	123,556	**111,874**	121,770
Non-controlling interests[2]		**1,226**	710	**-**	-
		(264,562)	124,266	**111,874**	121,770
Earnings per unit (cents)					
- Basic and diluted	8	**(7.857)**	3.862	**3.307**	3.806

[1] Relates to the interim payments by the insurers, as partial payment on account of the estimated insurance claims for property damage and revenue loss due to business interruption at Festival Walk.

[2] Non-controlling interests refer to the 1.53% effective interest in the Japan Properties held by Mapletree Investments Japan Kabushiki Kaisha ("MIJ").

STATEMENTS OF COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

	Note	Group		MNACT	
		2021 S$'000	2020 S$'000	**2021 S$'000**	2020 S$'000
(Loss)/profit for the financial year		**(264,562)**	124,266	**111,874**	121,770
Other comprehensive income/(loss):					
Items that may be reclassified subsequently to profit or loss:					
Currency translation differences					
- (Loss)/gains		**(40,161)**	75,327	**-**	-
- Reclassification		**834**	(1,939)	**-**	-
- Share of a foreign joint venture		**(2,188)**	-	**-**	-
Cash flow hedges					
- Fair value changes, net of tax		**39,789**	(30,517)	**3,065**	(5,665)
- Reclassification		**(46,033)**	42,043	**821**	1,595
Other comprehensive (loss)/income, net of tax		**(47,759)**	84,914	**3,886**	(4,070)
Total comprehensive (loss)/income		**(312,321)**	209,180	**115,760**	117,700
Total comprehensive (loss)/income attributable to:					
Unitholders		**(313,260)**	208,189	**115,760**	117,700
Non-controlling interests*		**939**	991	**-**	-
		(312,321)	209,180	**115,760**	117,700

* Non-controlling interests refer to the 1.53% effective interest in the Japan Properties held by Mapletree Investments Japan Kabushiki Kaisha ("MIJ").

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

STATEMENTS OF FINANCIAL POSITION
AS AT 31 MARCH 2021

	Note	Group		MNACT	
		2021 S$'000	2020 S$'000	**2021 S$'000**	2020 S$'000
ASSETS					
Current assets					
Cash and bank balances	9	**252,198**	207,798	**87,092**	53,209
Trade and other receivables	10	**14,596**	17,671	**8,729**	7,059
Other current assets	11	**3,361**	1,893	**-**	-
Inventories		**569**	638	**-**	-
Derivative financial instruments	12	**1,990**	129	**1,404**	128
		272,714	228,129	**97,225**	60,396
Non-current assets					
Derivative financial instruments	12	**22,040**	7,528	**-**	-
Investment properties	13	**7,674,050**	8,347,232	**-**	-
Plant and equipment	15	**3,307**	3,785	**-**	-
Investments in subsidiaries	16	**-**	-	**2,691,823**	2,673,349
Investment in a joint venture	17	**116,562**	-	**-**	-
		7,815,959	8,358,545	**2,691,823**	2,673,349
Total assets		**8,088,673**	8,586,674	**2,789,048**	2,733,745
LIABILITIES					
Current liabilities					
Trade and other payables	18	**122,060**	149,957	**16,069**	41,306
Borrowings	19	**207,406**	352,669	**-**	-
Lease liabilities		**62**	77	**-**	-
Current income tax liabilities	7(b)	**27,805**	33,874	**151**	198
Derivative financial instruments	12	**9,544**	5,313	**1,342**	3,952
		366,877	541,890	**17,562**	45,456
Non-current liabilities					
Trade and other payables	18	**105,861**	109,894	**-**	-
Borrowings	19	**3,063,847**	3,019,639	**-**	-
Lease liabilities		**-**	64	**-**	-
Derivative financial instruments	12	**16,216**	51,397	**-**	-
Deferred tax liabilities	20	**150,749**	133,160	**-**	-
		3,336,673	3,314,154	**-**	-
Total liabilities		**3,703,550**	3,856,044	**17,562**	45,456
NET ASSETS		**4,385,123**	4,730,630	**2,771,486**	2,688,289
Represented by:					
Unitholders' funds		**4,275,933**	4,575,669	**2,771,424**	2,692,113
General reserve	21	**5,167**	3,782	**-**	-
Hedging reserve	22	**(104)**	6,164	**62**	(3,824)
Foreign currency translation reserve	23	**94,688**	135,892	**-**	-
		4,375,684	4,721,507	**2,771,486**	2,688,289
Non-controlling interests*		**9,439**	9,123	**-**	-
		4,385,123	4,730,630	**2,771,486**	2,688,289
UNITS IN ISSUE ('000)	24	**3,434,337**	3,342,916	**3,434,337**	3,342,916
NET ASSET VALUE PER UNIT (S$)		**1.274**	1.412	**0.807**	0.804

* Non-controlling interests refer to the 1.53% effective interest in the Japan Properties held by Mapletree Investments Japan Kabushiki Kaisha ("MIJ").

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

DISTRIBUTION STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

	Group		MNACT	
	2021 S$'000	2020 S$'000	**2021 S$'000**	2020 S$'000
(Loss)/profit for the financial year attributable to Unitholders	**(265,788)**	123,556	**111,874**	121,770
Adjustment for net effect of non-tax deductible/ (chargeable) items and other adjustments (Note A)	**475,938**	104,372	**98,276**	106,158
Amount available for distribution	**210,150**	227,928	**210,150**	227,928
Amount available for distribution to Unitholders at beginning of the financial year	**16,639**	62,141	**16,639**	62,141
	226,789	290,069	**226,789**	290,069
Distribution to Unitholders:				
Distribution of 1.956 cents per unit for the period from 1 January 2019 to 31 March 2019	**-**	(62,081)	**-**	(62,081)
Distribution of 1.950 cents per unit for the period from 1 April 2019 to 30 June 2019	**-**	(62,043)	**-**	(62,043)
Distribution of 1.937 cents per unit for the period from 1 July 2019 to 30 September 2019	**-**	(61,749)	**-**	(61,749)
Distribution of 1.671 cents per unit for the period from 1 October 2019 to 31 December 2019	**-**	(53,378)	**-**	(53,378)
Distribution of 1.070 cents per unit for the period from 1 January 2020 to 27 February 2020 (Note 18)	**-**	(34,179)	**-**	(34,179)
Distribution of 0.496 cents per unit for the period from 28 February 2020 to 31 March 2020	**(16,636)**	-	**(16,636)**	-
Distribution of 2.876 cents per unit for the period from 1 April 2020 to 30 September 2020	**(96,832)**	-	**(96,832)**	-
Total Unitholders' distribution (including capital return) (Note B)	**(113,468)**	(273,430)	**(113,468)**	(273,430)
Amount available for distribution to Unitholders at end of the financial year	**113,321**	16,639	**113,321**	16,639

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

Major non-tax deductible/(chargeable) items:				
- Trustee's fee	**821**	787	**821**	787
- Financing fees	**4,691**	3,437	**-**	-
- Net change in fair value of investment properties net of deferred tax impact	**476,930**	23,525	**-**	-
- Manager's base fee paid/payable in units	**15,847**	19,761	**15,847**	19,761
- Property Manager's management fees paid/payable in units	**9,605**	10,150	**-**	-
- Net change in fair value of financial derivatives	**(3,886)**	4,070	**-**	-
- Net foreign exchange gain on capital item	**834**	(1,939)	**-**	-
Net overseas income distributed back to MNACT in the form of capital returns	**-**	-	**74,549**	26,387
Net overseas income not distributed to MNACT	**-**	-	**7,371**	26,229
Other non-tax deductible items and other adjustments	**11,144**	11,664	**(312)**	77
	515,986	71,455	**98,276**	73,241
Interim insurance proceeds (net of tax)[1]	**(40,048)**	-	**-**	-
Festival Walk Top-Ups[2]	**-**	32,917	**-**	32,917
	475,938	104,372	**98,276**	106,158

Note B:
Total Unitholders' distribution:

- From operations	**74,936**	178,279	**74,936**	178,279
- From Unitholders' contribution	**38,532**	95,151	**38,532**	95,151
	113,468	273,430	**113,468**	273,430

[1] Interim insurance proceeds (net of tax) of S$40.0 million relating to the claims for property damage and revenue loss due to business interruption ("Business Interruption Insurance Amount") at Festival Walk, were received. As announced on 4 December 2019, the Business Interruption Insurance Amount will be used to repay the external borrowings incurred to fund the distribution top-ups paid to unitholders in FY19/20. Any Business Interruption Insurance Amount in excess of the distribution top-ups will be distributed to unitholders.

[2] Festival Walk Top-Ups comprise (i) the estimated loss of Festival Walk retail revenue for the period from 13 November 2019 to 15 January 2020 (ii) the estimated loss of Festival Walk office revenue for the period from 13 November 2019 to 25 November 2019. Festival Walk Top-Ups were made so as to mitigate the impact on the distributable income as rental from the tenants was not collectable over those periods that the mall and office were closed. Please refer to Note 3 for more details.

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

STATEMENTS OF MOVEMENTS IN UNITHOLDERS' FUNDS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

	Note	Group		MNACT	
		2021 S$'000	2020 S$'000	**2021 S$'000**	2020 S$'000
Operations					
Beginning of the financial year		**1,735,551**	1,791,595	**(148,005)**	(91,496)
(Loss)/profit for the financial year attributable to Unitholders		**(265,788)**	123,556	**111,874**	121,770
Distributions to Unitholders		**(74,936)**	(178,279)	**(74,936)**	(178,279)
Transfer to general reserve		**(1,385)**	(1,321)	**-**	-
End of the financial year		**1,393,442**	1,735,551	**(111,067)**	(148,005)
Unitholders' contribution					
Beginning of the financial year		**2,840,118**	2,734,001	**2,840,118**	2,734,001
Management fees paid in units		**18,163**	33,692	**18,163**	33,692
Issuance of Transaction Units		**-**	144,776	**-**	144,776
Issuance of units arising from Distribution Reinvestment Plan		**63,422**	23,050	**63,422**	23,050
Issue expenses		**(680)**	(250)	**(680)**	(250)
Distributions to Unitholders		**(38,532)**	(95,151)	**(38,532)**	(95,151)
End of the financial year		**2,882,491**	2,840,118	**2,882,491**	2,840,118
Unitholders' funds at end of the financial year		**4,275,933**	4,575,669	**2,771,424**	2,692,113
General reserve					
Beginning of the financial year		**3,782**	2,461	**-**	-
Transfer from Operations		**1,385**	1,321	**-**	-
End of the financial year	21	**5,167**	3,782	**-**	-
Hedging reserve					
Beginning of the financial year		**6,164**	(5,354)	**(3,824)**	246
Fair value changes, net of tax		**39,784**	(30,505)	**3,065**	(5,665)
Reclassification to profit or loss, net of tax		**(46,052)**	42,023	**821**	1,595
End of the financial year	22	**(104)**	6,164	**62**	(3,824)
Foreign currency translation reserve					
Beginning of the financial year		**135,892**	62,777	**-**	-
Reclassification to profit or loss		**834**	(1,939)	**-**	-
Translation differences relating to financial statements of:					
- foreign subsidiaries and quasi-equity loans		**(39,850)**	75,054	**-**	-
- a foreign joint venture		**(2,188)**	-	**-**	-
End of the financial year	23	**94,688**	135,892	**-**	-
Net assets attributable to Unitholders at end of the financial year		**4,375,684**	4,721,507	**2,771,486**	2,688,289
Non-controlling interests					
Beginning of the financial year		**9,123**	4,675	**-**	-
Profit after tax for the financial year		**1,226**	710	**-**	-
Cash flow hedges					
- Fair value changes, net of tax		**5**	(12)	**-**	-
- Reclassification, net of tax		**19**	20	**-**	-
Contribution from non-controlling interests		**-**	3,741	**-**	-
Distributions to non-controlling interests (capital returns)		**(623)**	(284)	**-**	-
Translation differences relating to financial statements of foreign subsidiaries and quasi-equity loans		**(311)**	273	**-**	-
End of the financial year		**9,439**	9,123	**-**	-

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

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

	Note	Group 2021 S$'000	Group 2020 S$'000
Cash flows from operating activities			
(Loss)/profit for the financial year		**(264,562)**	124,266
Adjustments for:			
- Income tax expenses	7(a)	**36,459**	37,452
- Amortisation of rent free incentive		**(119)**	(509)
- Depreciation	15	**1,306**	1,238
- Plant and equipment written off		**35**	101
- Net change in fair value of investment properties	13	**480,957**	17,906
- Net change in fair value of financial derivatives		**(3,886)**	4,070
- Manager's management fees paid/payable in units		**15,847**	19,761
- Property Manager's management fees paid/payable in units		**9,605**	10,150
- Finance costs	6	**71,595**	74,901
- Interest income		**(2,050)**	(2,114)
- Net foreign exchange gain on capital item		**834**	(1,939)
- Share of profit of a joint venture		**(3,428)**	-
Operating cash flows before working capital changes		**342,593**	285,283
Changes in working capital:			
- Trade and other receivables and other current assets		**1,345**	(7,689)
- Inventories		**69**	34
- Trade and other payables		**(5,498)**	8,448
Cash generated from operations		**338,509**	286,076
Income tax paid	7(b)	**(25,403)**	(20,308)
Net cash provided by operating activities		**313,106**	265,768
Cash flows from investing activities			
Additions to investment properties	13	**(19,743)**	(12,803)
Additions to plant and equipment	15	**(957)**	(1,694)
Net cash outflow on acquisition of investment properties[1]		**-**	(464,693)
Net cash outflow on investment in a joint venture		**(114,650)**	-
Interest income received		**1,491**	2,940
Net cash used in investing activities		**(133,859)**	(476,250)
Cash flows from financing activities			
Repayment of borrowings		**(614,599)**	(174,285)
Repayment of medium term note		**-**	(98,313)
Proceeds from borrowings		**638,605**	654,751
Financing fees paid		**(3,889)**	(4,095)
Net proceeds		**20,117**	378,058
Principal payment of lease liabilities		**(77)**	(53)
Proceeds from issuance of Transaction Units		**-**	144,776
Payment of issue expenses		**(500)**	(30)
Payment of distributions to Unitholders (net of distribution in units)[2]		**(84,225)**	(216,201)
Payment of distributions to non-controlling interests (capital returns)		**(623)**	(284)
Contribution from non-controlling interests		**-**	3,741
Interest paid		**(65,904)**	(73,183)
Change in restricted cash		**(5,003)**	(15,524)
Net cash (used in)/ provided by financing activities		**(136,215)**	221,300

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

	Note	Group 2021 S$'000	2020 S$'000
Net increase in cash and cash equivalents		**43,032**	10,818
Cash and cash equivalents at beginning of the financial year		**188,208**	175,168
Effect of currency translation on cash and cash equivalents		**(1,964)**	2,222
Cash and cash equivalents at end of the financial year	9	**229,276**	188,208

[1] The amount was adjusted for the net identifiable assets acquired, liabilities assumed (2020: S$15,876,000).

[2] This amount excludes S$63.4 million (2020: S$23.1 million) distributed through the issuance of 70,129,942 new units (2020: 19,391,049) in MNACT in FY20/21 as part of payment of distributions for the periods from 1 January 2020 to 31 March 2020 and 1 April 2020 to 30 September 2020 (FY19/20: 1 October 2019 to 31 December 2019) pursuant to the Distribution Reinvestment Plan ("DRP").

RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

			Non-cash changes		
	Beginning of financial year $'000	Net cash flows $'000	Finance costs (Note 6) $'000	Foreign exchange movement $'000	End of financial year $'000
2021					
Borrowings	**3,372,308**	**20,117**	**4,693**	**(125,865)**	**3,271,253**
Interest payable within "Trade and other payables" (Note 18)	**8,603**	**(65,904)**	**66,902**	**(1,849)**	**7,752**
2020					
Borrowings	2,867,904	378,058	3,448	122,898	3,372,308
Interest payable within "Trade and other payables" (Note 18)	8,285	(73,183)	71,453	2,048	8,603

PORTFOLIO STATEMENT
AS AT 31 MARCH 2021

Description of properties	Acquisition date	Term of lease	Remaining term of lease	Location	Existing use
Investment property in The Hong Kong Special Administrative Region of China ("Hong Kong SAR"):					
Festival Walk	07/03/2013	54 years	26 years ending in 2047	No. 80 Tat Chee Avenue, Kowloon Tong, Hong Kong SAR	Commercial
Investment properties in China ("China"):					
Gateway Plaza	07/03/2013	50 years	32 years ending in 2053	No. 18 Xiaguangli, East 3rd Ring Road North, Chaoyang District, Beijing, China	Commercial
Sandhill Plaza	17/06/2015	50 years	39 years ending in 2060	Blocks 1 to 5 and 7 to 9, No. 2290 Zuchongzhi Road, Pudong New District, Shanghai, China	Commercial
Investment properties in Japan ("Japan Properties")					
IXINAL Monzen-nakacho Building("MON")	25/05/2018	Freehold	-	5-4, Fukuzumi 2-chome, Koto-ku, Tokyo, Japan	Commercial
Higashi-nihonbashi 1-chome Building ("HNB")	25/05/2018	Freehold	-	4-6, Higashi-Nihonbashi 1-chome, Chuo-ku, Tokyo, Japan	Commercial
TS Ikebukuro Building ("TSI")	25/05/2018	Freehold	-	63-4, Higashi-Ikebukuro 2-chome, Toshima-ku, Tokyo, Japan	Commercial

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

Gross revenue for financial year ended 31/03/2021 S$'000	Gross revenue for financial year ended 31/03/2020 S$'000	**Occupancy rates at 31/03/2021 %**	Occupancy rates at 31/03/2020 %	Latest valuation date	**Valuation at 31/03/2021 S$'000**	Valuation at 31/03/2020 S$'000	**Percentage of net assets attributable to Unitholders at 31/03/2021**	Percentage of net assets attributable to Unitholders at 31/03/2020
185,163	195,091	**99.6**	99.8	31/03/2021	**4,520,082**	5,090,037	**103.3**	107.8
79,142	81,174	**92.9**	91.5	31/03/2021	**1,334,441**	1,367,996	**30.5**	29.0
25,807	25,243	**97.9**	98.0	31/03/2021	**500,727**	483,879	**11.5**	10.3
5,365	4,356	**100.0**	80.8	31/03/2021	**101,056**	110,352	**2.3**	2.3
1,659	1,652	**100.0**	100.0	31/03/2021	**29,403**	31,858	**0.7**	0.7
3,672	3,590	**100.0**	100.0	31/03/2021	**65,847**	71,589	**1.5**	1.5

PORTFOLIO STATEMENT

AS AT 31 MARCH 2021

Description of properties	Acquisition date	Term of lease	Remaining term of lease	Location	Existing use
Investment properties in Japan ("Japan Properties") (continued)					
ABAS Shin-Yokohama Building ("ASY")	25/05/2018	Freehold	-	6-1, Shin-Yokohama 2-chome, Kohoku-ku, Yokohama City, Kanagawa, Japan	Commercial
SII Makuhari Building ("SMB")	25/05/2018	Freehold	-	8, Nakase 1-chome, Mihama-ku, Chiba-shi, Chiba, Japan	Commercial
Fujitsu Makuhari Building ("FJM")	25/05/2018	Freehold	-	9-3, Nakase 1-chome, Mihama-ku, Chiba-shi, Chiba, Japan	Commercial
Omori Prime Building ("OPB")	28/02/2020	Freehold	-	21-12, Minami-oi 6-chome, Shinagawa-ku, Tokyo, Japan	Commercial
mBAY POINT Makuhari ("MBP")	28/02/2020	Freehold	-	6, Nakase 1-chome, Mihama-ku, Chiba-shi, Chiba, Japan	Commercial
Investment properties - Group					
Other assets and liabilities - Group					
Net assets					
Less: Non-controlling interests					
Net assets attributable to Unitholders					

Notes:

The carrying amounts of the investment properties as at 31 March 2021 (2020: 31 March 2020) were based on independent full valuations undertaken by Cushman & Wakefield Limited (HK SAR and China properties) and CBRE K.K. (Japan Properties) (2020: Cushman & Wakefield K.K.), independent valuers. Cushman & Wakefield Limited and CBRE K.K. (2020: Cushman & Wakefield Limited and Cushman & Wakefield K.K.) have 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, income capitalisation method and direct comparison method. The direct comparison method is only used for China 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 1 to 10 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 31/03/2021 S$'000	Gross revenue for financial year ended 31/03/2020 S$'000	**Occupancy rates at 31/03/2021 %**	Occupancy rates at 31/03/2020 %	Latest valuation date	**Valuation at 31/03/2021 S$'000**	Valuation at 31/03/2020 S$'000	**Percentage of net assets attributable to Unitholders at 31/03/2021**	Percentage of net assets attributable to Unitholders at 31/03/2020
2,282	2,225	**100.0**	100.0	31/03/2021	**34,839**	38,089	**0.8**	0.8
23,392	22,768	**100.0**	100.0	31/03/2021	**349,621**	370,067	**8.0**	7.8
14,896	14,506	**100.0**	100.0	31/03/2021	**238,434**	259,324	**5.4**	5.5
5,309	449	**100.0**	100.0	31/03/2021	**88,208**	95,894	**2.0**	2.0
44,728	3,424	**93.9**	86.6	31/03/2021	**411,392**	428,147	**9.4**	9.1
391,415	354,478				**7,674,050**	8,347,232	**175.4**	176.8
					(3,288,927)	(3,616,602)	**(75.2)**	(76.6)
					4,385,123	4,730,630	**100.2**	100.2
					(9,439)	(9,123)	**(0.2)**	(0.2)
					4,375,684	4,721,507	**100.0**	100.0

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1. GENERAL

Mapletree North Asia Commercial Trust ("MNACT") is a Singapore-domiciled Real Estate Investment Trust constituted pursuant to the Trust Deed dated 14 February 2013 (as amended) between Mapletree North Asia 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.

MNACT 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 MNACT and its subsidiaries (the "Group") is to invest, directly or indirectly, in a diversified portfolio of income-producing real estate in China, Hong Kong SAR, Japan and South Korea. It focuses primarily on commercial assets (predominantly for retail and/or office use), as well as other real estate-related assets. It has the primary objective of achieving an attractive level of return from rental income and long-term capital growth.

MNACT has entered into several service agreements in relation to the management of MNACT 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 MNACT ("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 MNACT 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 and/or Units. In relation to the Japan Properties, the asset management services are provided by Mapletree Investments Japan Kabushiki Kaisha ("MIJ"). In view of the fees payable in cash to the MIJ for the Japan Properties, the Manager has elected to waive the Base Fee, which it is otherwise entitled to under the Trust Deed for as long as the Manager and MIJ are wholly-owned by Mapletree Investments Pte Ltd and the MIJ continues to receive the Japan Asset Management Fee in respect of the Japan Properties.

1. GENERAL (continued)

(B) Management fees (continued)

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 and/or Units.

The Manager has waived its entitlement to any performance fee as provided under the Trust Deed until such time that the Group's DPU exceeds 7.124 cents ("Threshold DPU"), which was the DPU achieved in FY19/20, prior to the full year impact of COVID-19.

Upon the Group's DPU performance exceeding the Threshold DPU, the waiver will cease (and the Threshold DPU will no longer be applicable) in subsequent years, and the Manager will continue to be entitled to receive the performance fee in accordance with the Trust Deed.

(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 MNACT'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 MNACT's interest.

The acquisition and disposal fee will be paid in the form of cash and/or 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 North Asia Commercial 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 and/or Units (as the Manager may in its sole discretion determine).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

1. **GENERAL** (continued)

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

(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 and/or Units (as the Manager may in its sole discretion determine).

(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
- (in the event that the project management fee is more than S$100,000), 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 and/or 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 Singapore Financial Reporting Standards (International) ("SFRS(I)"), the applicable requirements of the Code on Collective Investment Schemes ("CCIS") issued by the Monetary Authority of Singapore ("MAS") relating to financial reporting and the provisions of the Trust Deed.

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 SFRS(I) 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 2020, the Group has adopted the new or amended SFRS(I) and Interpretations of SFRS(I) ("INT SFRS(I)") 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 transitional provisions in the respective SFRS(I) and INT SFRS(I).

The adoption of these new or amended SFRS(I) and INT SFRS(I) 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 years, except as follows:

Interest Rate Benchmark Reform

Following the 2007-2008 global financial crisis, the reform and replacement of benchmark interest rates such as LIBOR, SOR, HIBOR, TIBOR and other IBORs has become a priority for global regulators. There is currently uncertainty around the timing and precise nature of these changes.

In accordance with the transition provisions, the Group has adopted the amendments to SFRS(I) 9, SFRS(I) 1- 39 and SFRS(I) 7 in relation to the interest rate benchmark reform. The amendments provide temporary relief from applying specific hedge accounting requirements to hedging relationships directly affected by inter-bank offered rate ("IBOR") reform. The reliefs have the effect that IBOR reform should not generally cause hedge accounting to terminate. However, any hedge ineffectiveness continues to be recorded in the income statement. The reliefs will cease to apply when the uncertainties arising from interest rate benchmark reform are no longer present.

Currently, there are no changes to the various inter-bank offered rates ("IBORs") applicable to the Group's hedged debts, interest rate on the cash flows of the hedged debts as well as the associated interest swaps and cross currency interest rate swaps.

As such, no changes were required to any of the amounts recognised, including hedging reserve, in the current or prior period as a result of these amendments.

2.2 Revenue recognition

(a) Rental income and service charges from operating leases

Rental income and service charges 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 the profit or loss when earned.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.2 Revenue recognition (continued)

(a) Rental income and service charges from operating leases (continued)

Any changes in the scope or the consideration for a lease, that was not part of the original terms and conditions of the lease (for example, rent concessions given which were not contemplated as part of the original terms and conditions of the lease) are accounted for as lease modifications.

For operating leases, the Group accounts for a modification to an operating lease as a new lease from the effective date of the modification, recognising the remaining lease payments as income on a either a straight-line basis or another systematic basis over the remaining lease term.

(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 set out in Note 1(D).

(b) Management fees

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

(c) Trustee's fees

Trustee's fees are recognised on an accrual basis using the applicable formula set out in Note 1(A).

2.4 Borrowing costs

Borrowing costs are recognised in profit or loss 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.

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.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.5 Income tax (continued)

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.

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 and joint venture 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, except for investment properties. Investment properties measured at fair value are presumed to be recovered entirely through sale.

Current and deferred income taxes are recognised as income or expense in profit or loss, 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 in China. 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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

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.

Non-controlling interests comprise the portion of a subsidiary's net results of operations and its net assets, which is attributable to the interests that are not owned directly or indirectly by the Unitholders of the Trust. They are shown separately in the consolidated statement of profit and loss, statement of comprehensive income, statement of changes in equity, and balance sheet. Total comprehensive income is attributed to the noncontrolling interests based on their respective interests in a subsidiary, even if this results in the non-controlling interests having a deficit balance.

(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 noncontrolling 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 the Group'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 profit or loss.

Please refer to the paragraph "Investments in subsidiaries and joint venture", for the accounting policy on investments in subsidiaries (Note 2.7) in the separate financial statements of MNACT.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.6 Group accounting (continued)

(b) Transactions with non-controlling interests

Changes in the Group's ownership interest in a subsidiary that do not result in a loss of control over the subsidiary are accounted for as transactions with Unitholders of the Trust. Any difference between the change in the carrying amounts of the non-controlling interest and the fair value of the consideration paid or received is recognised within equity attributable to the Unitholders of the Trust.

(c) Joint ventures

Joint ventures are entities over which the Group has joint control as a result of contractual arrangements, and rights to the net assets of the entities.

Investment in a joint venture is accounted for in the consolidated financial statements using the equity method of accounting less impairment losses, if any.

(i) Acquisition

An investment in a joint venture is initially recognised at cost. The cost of an acquisition is measured at the fair value of the assets given, equity instruments issued or liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Goodwill on joint ventures represents the excess of the cost of acquisition of the joint ventures over the Group's share of the fair value of the identifiable net assets of the joint ventures and is included in the carrying amount of the investments.

(ii) Equity method of accounting

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of its joint ventures' post-acquisition profits or losses of the investee in profit or loss and its share of movements in other comprehensive income of the investee's other comprehensive income. Dividends received or receivable from the joint ventures are recognised as a reduction of the carrying amount of the investments. When the Group's share of losses in a joint venture equals to or exceeds its interest in the joint venture, the Group does not recognise further losses, unless it has legal or constructive obligations to make, or has made, payments on behalf of the joint venture.

If the joint venture subsequently reports profits, the Group resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised. Interest in a joint venture includes any long-term loans for which settlement is never planned nor likely to occur in the foreseeable future.

Unrealised gains on transactions between the Group and its joint ventures are eliminated to the extent of the Group's interest in the joint ventures. Unrealised losses are also eliminated unless the transactions provide evidence of impairment of the assets transferred. The accounting policies of joint ventures are changed where necessary to ensure consistency with the accounting policies adopted by the Group.

(iii) Disposals

Investments in joint ventures are derecognised when the Group loses joint control. If the retained equity interest in the former joint venture is a financial asset, the retained equity interest is measured at fair value. The difference between the carrying amount of the retained interest at the date when joint control is lost, and its fair value and any proceeds on partial disposal, is recognised in profit or loss.

Please refer to the paragraph "Investments in subsidiaries and joint venture" for the accounting policy on investment in a joint venture (Note 2.7) in the separate financial statements of MNACT.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.7 Investments in subsidiaries and joint venture

Investments in subsidiaries and joint venture are stated at cost less accumulated impairment losses (Note 2.10) in MNACT's Statement of Financial Position. On disposal of investments in subsidiaries and joint venture, the difference between net disposal proceeds and the carrying amount of the investment is recognised in profit or loss.

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 profit or loss.

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 profit or loss. The costs of maintenance, repairs and minor improvements are recognised in profit or loss when incurred.

On disposal of an investment property, the difference between the net disposal proceeds and the carrying amount is taken to profit or loss.

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 profit or loss for the financial period in which the changes arise.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.9 Plant and equipment (continued)

(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 profit or loss.

2.10 Impairment of non-financial assets

Plant and equipment
Investments in subsidiaries and joint venture

Plant and equipment and investments in subsidiaries and joint venture 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 profit or loss.

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 profit or loss.

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

Classification and measurement

The Group classifies its financial assets as held at amortised cost.

The classification depends on the Group's business model for managing the financial assets as well as the contractual terms of the cash flows of the financial asset.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.12 Financial assets (continued)

Classification and measurement (continued)

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

The Group reclassifies debt instruments when and only when its business model for managing those assets changes.

(i) At initial recognition

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

(ii) At subsequent measurement

Debt instruments

Debt instruments mainly comprise of cash and bank balances, trade and other receivables and other current assets (except for prepayments).

There are three prescribed subsequent measurement categories, depending on the Group's business model in managing the assets and the cash flow characteristic of the assets.

The Group managed these group of financial assets by collecting the contractual cash flow and these cash flows represents solely payment of principal and interest. Accordingly, these group of financial assets are measured at amortised cost subsequent to initial recognition.

A gain or loss on a debt instrument that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets are recognised using the effective interest rate method.

The Group assesses on forward looking basis the expected credit losses associated with its debt instruments carried at amortised cost.

For trade receivable, the Group applied the simplified approach permitted by the SFRS(I) 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

For other receivables, other current assets (except for prepayments) and cash and bank balances, the general 3 stage approach is applied. Credit loss allowance is based on 12-month expected credit loss if there is no significant increase in credit risk since initial recognition of the assets. If there is a significant increase in credit risk since initial recognition, lifetime expected credit loss will be calculated and recognised.

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 profit or loss over the period of the borrowings using the effective interest method.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

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 other comprehensive income and transferred to profit or loss when the hedged interest expense on the borrowings is recognised in profit or loss. The fair value changes on the ineffective portion of interest rate swaps are recognised immediately in profit or loss.

(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 other comprehensive income and transferred to profit or loss when the hedged interest expense on the borrowings and/or the exchange differences arising from the translation of the borrowings is recognised in profit or loss. The fair value changes on the ineffective portion of cross currency interest rate swaps are recognised immediately in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.16 Derivative financial instruments and hedging activities (continued)

(a) Cash flow hedge (continued)

(iii) Forward currency contracts

MNACT has entered into forward currency contracts that qualify as cash flow hedges at MNACT 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 forward currency contracts designated as cash flow hedges are recognised in other comprehensive income and transferred to profit or loss 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 profit or loss.

(b) Derivatives that are not designated or do not qualify for hedge accounting

Fair value changes on forward currency contracts which do not qualify for hedge accounting at Group level, are recognised in the profit or loss when the changes arise. Such derivatives are presented as current assets or liabilities if they are either held for trading or are expected to be realised within 12 months after the balance sheet date.

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 Leases

(a) When the Group is a lessee

At contract inception, the Group assesses if the contract contains a lease. A contract contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Reassessment is only required when the terms and conditions of the contract are changed.

(i) Right-of-use ("ROU") assets

The Group recognises a ROU asset and lease liability at the date which the underlying asset is available for use. ROU assets are measured at cost which comprises the initial measurement of lease liabilities adjusted for any lease payments made at or before the commencement date and lease incentive received.

These ROU assets are subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the ROU assets or the end of the lease term, and are presented within "Property, plant and equipment".

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.18 Leases (continued)

(a) When the Group is a lessee (continued)

(ii) Lease liabilities

Lease liability is initially measured at the present value of the lease payments discounted using the implicit rate in the lease, if the rate can be readily determined. If that rate cannot be readily determined, the Group shall use its incremental borrowing rate.

Lease liability is subsequently measured at amortised cost using the effective interest method.

(iii) Short term and low value leases

The Group has elected to not recognise ROU assets and lease liabilities for short-term leases that have lease terms of 12 months or less and leases of low value leases, except for sublease arrangements. Lease payments relating to these leases are expensed to profit or loss on a straight-line basis over the lease.

(b) When the Group is a lessor

Refer to Note 2.2(a) for the accounting policy applicable to the Group as a lessor.

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 MNACT'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 profit or loss, 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 recognised in other comprehensive income and included in the foreign currency translation reserve within the Statements of Movements in Unitholders' Funds of the Group.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.20 Currency translation (continued)

(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 recognised in other comprehensive income and 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 recognised in other comprehensive income and taken to the foreign currency translation reserve. When a foreign operation is sold or any loan forming part of the net investment in foreign operation is repaid, such currency translation differences recorded in the foreign currency translation reserve are recognised in profit and loss as part of the gain or loss on sale.

2.21 Units and unit issuance expenses

Proceeds from the issuance of Units in MNACT 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.

2.23 Distribution policy

MNACT's distribution policy is to distribute 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). With effect from 1 April 2020, the distribution is on a half-yearly basis instead of quarterly basis.

The Manager has introduced and implemented the Distribution Reinvestment Plan ("DRP") on 4 December 2019. The DRP provides Unitholders with the option to receive their distributions declared, either in the form of units or cash or a combination of both. DRP enables MNACT to conserve its cash balance and improve its liquidity position and aggregate leverage.

3. GROSS REVENUE

	Group	
	2021 **S$'000**	2020 S$'000
Rental income (net of rental reliefs granted)	**317,190**	303,394
Service charges	**26,296**	11,615
Other operating income	**47,929**	39,469
	391,415	354,478

The turnover rental income recognised in rental income during the financial year was S$4,499,000 (2020: S$2,648,000).

Ad-hoc rental reliefs of S$50,463,000 (2020: S$18,136,000) were granted to the Group's tenants during the financial year. The rental reliefs granted are recognised as a reduction of revenue in the financial period in which they are granted to the tenants.

In the previous financial year, there was lower revenue from Festival Walk as there were no rental collection during the closure of Festival Walk's mall from 13 November 2020 to 15 January 2021 and its office tower from 13 to 25 November 2020. To mitigate the above impact on the distributable income when the mall and office tower were closed, the Manager had implemented Festival Walk Top-Ups over the third and the fourth quarters of the previous financial year. Please refer to footnote 2 of the Distribution Statements for more details on Festival Walk Top-Ups. The loss of retail and office revenue during the closures as well as property damage sustained are covered under the insurance policies.

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	
	2021 **S$'000**	2020 S$'000
Staff costs*	**3,969**	4,012
Utilities and property maintenance	**33,361**	16,376
Marketing and promotion expenses	**4,732**	4,443
Professional fees	**2,784**	1,512
Property and other taxes	**26,603**	23,456
Property and lease management fees	**15,401**	13,803
Property management reimbursements**	**9,493**	10,311
Other operating expenses	**3,032**	3,078
	99,375	76,991

* This relates to employees of Festival Walk and includes contribution to defined contribution plans of S$240,000 (2020: S$240,000).

** Includes reimbursements paid/payable to the Property Manager in respect of agreed employee expenditure incurred by the Property Manager for providing its services under the Property Management Agreement.

The Group's daily operations and administrative functions are provided by the Manager and Property Manager.

All of the Group's investment properties generate rental income and the above expenses are direct operating expenses arising therefrom.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

5. OTHER TRUST EXPENSES

	Group		MNACT	
	2021 S$'000	2020 S$'000	**2021 S$'000**	2020 S$'000
Consultancy and professional fees	**600**	468	**85**	72
Valuation fees	**101**	62	**-**	-
Other trust expenses	**1,760**	1,582	**558**	176
	2,461	2,112	**643**	248

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

	Group		MNACT	
	2021 S$'000	2020 S$'000	**2021 S$'000**	2020 S$'000
Auditors' remuneration	**361**	354	**48**	45

Auditors of the Group comprise member firms of PricewaterhouseCoopers International Limited.

6. FINANCE COSTS

	Group	
	2021 S$'000	2020 S$'000
Interest expense	**66,240**	81,475
Cash flow hedges, reclassified from hedging reserve (Note 22)	**662**	(10,022)
Financing fees	**4,693**	3,448
	71,595	74,901

7. INCOME TAX

(a) Income tax expenses

	Group		MNACT	
	2021 S$'000	2020 S$'000	**2021 S$'000**	2020 S$'000
Tax expense attributable to current financial year's results is made up of:				
Current income tax				
- Singapore	**12**	79	**12**	79
- Foreign	**9,999**	10,546	**-**	-
	10,011	10,625	**12**	79
Withholding tax – Foreign	**10,233**	11,088	**-**	-
	20,244	21,713	**12**	79
Deferred tax (Note 20)	**16,353**	15,771	**-**	-
	36,597	37,484	**12**	79
Over provision in preceding financial years:				
Current income tax – Foreign	**(138)**	(32)	**-**	-
	36,459	37,452	**12**	79

7. INCOME TAX (continued)

(a) Income tax expenses (continued)

The 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		MNACT	
	2021 S$'000	2020 S$'000	**2021 S$'000**	2020 S$'000
(Loss)/profit before tax	**(228,103)**	161,718	**111,886**	121,849
Less: share of profit of a joint venture	**(3,428)**	-	**-**	-
	(231,531)	161,718	**111,886**	121,849
Tax calculated at a tax rate of 17% (2020: 17%)	**(39,360)**	27,492	**19,021**	20,714
Effects of:				
- Expenses not deductible for tax purposes	**5,857**	4,925	**2,865**	3,528
- Income not subject to tax	**(5,116)**	(1,939)		-
- Changes in fair value of investment properties:				
- Not subject to tax	**72,874**	7,909	**-**	-
- Different tax rates	**4,455**	538	**-**	-
- Income not subject to tax due to tax transparency ruling (Note 2.5)	**-**	-	**(21,874)**	(24,163)
- Different tax rates in other countries	**(2,299)**	(1,386)	**-**	-
- Over provision in preceding financial years	**(138)**	(32)	**-**	-
- Others	**186**	(55)	**-**	-
Tax charge	**36,459**	37,452	**12**	79

(b) Movements in current income tax liabilities

	Group		MNACT	
	2021 S$'000	2020 S$'000	**2021 S$'000**	2020 S$'000
Beginning of the financial year	**33,874**	31,216	**198**	119
Income tax paid	**(25,403)**	(20,308)	**(59)**	*
Tax expense	**20,244**	21,713	**12**	79
Over provision in preceding financial years	**(138)**	(32)	**-**	-
Translation differences on consolidation	**(772)**	1,285	**-**	-
End of the financial year	**27,805**	33,874	**151**	198

* The amount is below S$1,000.

(c) The tax charge relating to each component of other comprehensive income is as follows:

	2021			2020		
	Before tax S$'000	**Tax charge S$'000**	**After tax S$'000**	Before tax S$'000	Tax charge S$'000	After tax S$'000
Cash flow hedges						
- Fair value changes	**42,776**	**(2,987)**	**39,789**	(33,370)	2,853	(30,517)
- Reclassification	**(46,153)**	**120**	**(46,033)**	40,163	1,880	42,043
Currency translation differences						
- (Loss)/gains	**(40,161)**	**-**	**(40,161)**	75,327	-	75,327
- Reclassification	**834**	**-**	**834**	(1,939)	-	(1,939)
- Share of a foreign joint venture	**(2,188)**	**-**	**(2,188)**	-	-	-
Other comprehensive income	**(44,892)**	**(2,867)**	**(47,759)**	80,181	4,733	84,914

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

8. EARNINGS PER UNIT

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

	Group		MNACT	
	2021	2020	**2021**	2020
Net (loss)/profit attributable to Unitholders of MNACT (S$'000)	**(265,788)**	123,556	**111,874**	121,770
Weighted average number of units outstanding during the financial year ('000)	**3,382,632**	3,199,143	**3,382,632**	3,199,143
Basic and diluted (loss)/earnings per unit (cents)	**(7.857)**	3.862	**3.307**	3.806

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.

9. CASH AND BANK BALANCES

	Group		MNACT	
	2021 S$'000	2020 S$'000	**2021 S$'000**	2020 S$'000
Cash at bank and on hand	**117,020**	145,662	**10,092**	46,653
Short-term bank deposits	**135,178**	62,136	**77,000**	6,556
	252,198	207,798	**87,092**	53,209

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

	Group	
	2021 S$'000	2020 S$'000
Cash and bank balances	**252,198**	207,798
Less: Restricted cash*	**(22,922)**	(19,590)
Cash and cash equivalents per consolidated statement of cash flows	**229,276**	188,208

* 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 for use in capital expenditure, interest expense and certain property related expenses to ensure these liabilities can be met when incurred.

10. TRADE AND OTHER RECEIVABLES

	Group		MNACT	
	2021 S$'000	2020 S$'000	**2021 S$'000**	2020 S$'000
Trade receivables:				
- Non-related parties	**3,349**	1,892	**1,840**	390
Amounts due from subsidiaries (non-trade)	**-**	-	**6,874**	6,479
Accrued revenue	**6,923**	7,020	**-**	-
Interest receivables	**901**	342	**11**	2
Other receivables	**3,423**	8,417	**4**	188
	14,596	17,671	**8,729**	7,059

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

Included in other receivables in the previous financial year was the refundable withholding tax and consumption tax relating to the acquisition of MBP and Omori, total amounting to S$6,484,000. These were received in the current financial year.

11. OTHER CURRENT ASSETS

	Group 2021 S$'000	Group 2020 S$'000
Deposits	**51**	52
Prepayments	**3,310**	1,841
	3,361	1,893

12. DERIVATIVE FINANCIAL INSTRUMENTS

The Group holds derivatives instruments, as part of its hedging strategy, to hedge its foreign currency and interest rate risk exposures.

	Group			
	Maturity	Contract notional amount S$'000	Fair value Assets S$'000	Fair value Liabilities S$'000
31 March 2021				
Cash flow hedging instruments:				
Interest rate swaps (current)	July 2021- March 2022	**198,628**	**-**	**(2,214)**
Interest rate swaps (non-current)	July 2022 - May 2025	**1,040,750**	**-**	**(13,506)**
Cross currency interest rate swaps (current)	September 2021 - March 2022	**175,000**	**586**	**(5,988)**
Cross currency interest rate swaps (non-current)	November 2022 - March 2027	**724,387**	**22,040**	**(2,710)**
Non-hedging instruments:				
Currency forwards (current)	April 2021 - December 2021	**107,523**	**1,404**	**(1,342)**
			24,030	**(25,760)**
Represented by:				
Current position			**1,990**	**(9,544)**
Non-current position			**22,040**	**(16,216)**
Percentage of derivatives to the Group's net asset value				**(0.04%)**
31 March 2020				
Cash flow hedging instruments:				
Interest rate swaps (current)	April 2020 - March 2021	392,502	1	(1,361)
Interest rate swaps (non-current)	July 2021 - May 2025	1,080,315	1,152	(12,602)
Cross currency interest rate swaps (non-current)	September 2021 - March 2027	906,373	6,376	(38,795)
Non-hedging instruments:				
Currency forwards (current)	June 2020 - December 2020	112,761	128	(3,952)
			7,657	(56,710)
Represented by:				
Current position			129	(5,313)
Non-current position			7,528	(51,397)
Percentage of derivatives to the Group's net asset value				(1.04%)

At 31 March 2021, the fixed interest rates payable on interest rate swaps and cross currency interest rate swaps vary from 0.13% to 3.58% (2020: 0.13% to 3.58%) per annum and the fixed and floating interest rates receivable vary from 0.08% to 3.96% (2020: 0.07% to 3.96%) per annum.

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12. DERIVATIVE FINANCIAL INSTRUMENTS (continued)

	MNACT			
		Contract	Fair value	
	Maturity	notional amount S$'000	Assets S$'000	Liabilities S$'000
31 March 2021				
Cash flow hedging instruments:				
Currency forwards (current)	April 2021 – December 2021	**107,523**	**1,404**	**(1,342)**
Percentage of derivatives to MNACT's net asset value				*
31 March 2020				
Cash flow hedging instruments:				
Currency forwards (current)	June 2020 - December 2020	112,761	128	(3,952)
Percentage of derivatives to MNACT's net asset value				(0.14%)

* Less than 0.01%

The exposure of contractual notional amount of derivative financial instruments held for hedging which are based on IBORs are S$1,443,588,000 (2020: S$1,680,712,000).

Interest rate benchmark reform

To transition existing contracts and agreements that reference the various IBORs to their respective new benchmark interest rates, adjustments for term differences and credit differences might need to be applied to the new benchmark interest rates, to enable the two benchmark rates to be economically equivalent on transition.

In calculating the change in fair value attributable to the hedged risk of floating-rate debts, the Group has made the following assumptions that reflect its current expectations:

- The floating-rate debts will move to the respective new IBORs (except for HIBOR and TIBOR which will co-exist with their respective new IBORs in the respective countries) during 2022 and the spread will be similar to the spread included in the interest rate swaps and cross currency interest rate swaps used as hedging instruments; and
- No other changes to the terms of the floating-rate debts are anticipated.

12. DERIVATIVE FINANCIAL INSTRUMENTS (continued)

		Carrying Amount		Changes in fair value used for calculating hedge ineffectiveness			
	Contractual notional amount S$'000	Assets/ (Liabilities) S$'000	Financial statement line item	Hedging instrument S$'000	Hedged Item S$'000	Hedge ineffectiveness recognised in P&L S$'000	Maturity date
Hedging instruments used in Group's hedging strategy in 2021							
Group							
Cash flow hedge							
Interest rate risk							
- Interest rate swaps to hedge floating rate borrowings	1,239,378	(15,720)	Derivative financial instruments	(11,328)	11,328	-	July 2021 - May 2025
Interest rate risk/foreign exchange risk							
- Cross currency interest rate swaps to hedge foreign currency interest and principal payments and floating rate borrowings	899,387	13,928	Derivative financial instruments	54,104	(54,104)	-	September 2021 - March 2027
MNACT							
Cash flow hedge							
Foreign exchange risk							
- Forward contracts to hedge highly probable transactions	107,523	62	Derivative financial instruments	3,065	(3,065)	-	April 2021 - December 2021
Hedging instruments used in Group's hedging strategy in 2020							
Group							
Cash flow hedge							
Interest rate risk							
- Interest rate swaps to hedge floating rate borrowings	1,472,817	(12,810)	Derivative financial instruments	(3,729)	3,729	-	April 2020 - May 2025
Interest rate risk/foreign exchange risk							
- Cross currency interest rate swaps to hedge foreign currency interest and principal payments and floating rate borrowings	906,373	(32,419)	Derivative financial instruments	(29,641)	29,641	-	September 2021 - March 2027
MNACT							
Cash flow hedge							
Foreign exchange risk							
- Forward contracts to hedge highly probable transactions	112,761	(3,824)	Derivative financial instruments	(5,665)	5,665	-	June 2020 - December 2020

At 31 March 2021, the Group's weighted average hedge rates for interest rate swaps and cross currency swaps were 0.94% and 2.07% (SGD1: HKD5.75, USD1: HKD7.79, SGD1: JPY81.23 and HKD1: JPY14.28) [2020: 1.21% and 2.06% (SGD1: HKD5.75, USD1: HKD7.79, SGD1: JPY81.23 and HKD1: JPY14.28)] respectively.

At 31 March 2021, MNACT's weighted average hedged rates for outstanding forward contracts were SGD1: HKD5.76, SGD1: RMB5.05, SGD1: JPY77.91 and SGD1: KRW 839.20 (2020: SGD1: HKD5.65, SGD1: RMB5.18 and SGD1: JPY77.29).

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13. INVESTMENT PROPERTIES

(a) Movements during the financial year

	Group 31 March 2021 S$'000	2020 S$'000
Beginning of the financial year	**8,347,232**	7,609,543
Additions (Note 13(c))	**19,743**	12,803
Acquisition	**-**	484,746
Net change in fair value of investment properties	**(480,957)**	(17,906)
Translation difference on consolidation	**(211,968)**	258,046
End of the financial year	**7,674,050**	8,347,232

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$'000	China S$'000	Japan S$'000	Total S$'000
2021				
Beginning of the financial year	**5,090,037**	**1,851,875**	**1,405,320**	**8,347,232**
Additions*, including effect of amortisation of leasing related and capitalised costs	**12,111**	**(380)**	**8,012**	**19,743**
Net change in fair value of investment properties	**(428,673)**	**(78,783)**	**26,499**	**(480,957)**
Translation differences on consolidation	**(153,393)**	**62,456**	**(121,031)**	**(211,968)**
End of the financial year	**4,520,082**	**1,835,168**	**1,318,800**	**7,674,050**

	Hong Kong SAR S$'000	China S$'000	Japan S$'000	Total S$'000
2020				
Beginning of the financial year	4,966,850	1,859,835	782,858	7,609,543
Additions, including effect of amortisation of leasing related and capitalised costs	8,202	13	4,588	12,803
Acquisition*	-	-	484,746	484,746
Net change in fair value of investment properties	(46,526)	14,536	14,084	(17,906)
Translation differences on consolidation	161,511	(22,509)	119,044	258,046
End of the financial year	5,090,037	1,851,875	1,405,320	8,347,232

* Included non-audit fees of S$32,000 (2020: S$145,000) paid to the auditor of MNACT Group for the service rendered as the independent reporting auditor in relation to non-audit services in connection with acquisition of MBP and OBP.

The TMK bonds and certain bank loans are secured on the Japan Properties with carrying amounts on the balance sheet of S$1,318,800,000 (2020: S$1,405,320,000) (Note 19).

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:

- Income capitalisation – Properties are valued by capitalising the net income on a fully leased basis at a blended rate to arrive at the core capital value. The net income of the building is the estimated current rate and potential future income from existing vacancies after deducting all necessary outgoings and expenses. The adopted yield reflects the nature, location and tenancy profile of the property together with the prevailing property market condition.

- 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.

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
Income capitalisation	Capitalisation rate	4.15% – 5.50% (2020: 4.15% - 5.50%) per annum	The higher the capitalisation rate, the lower the fair value.
Discounted cash flow	Discount rate	3.80% – 9.25% (2020: 3.90% - 9.25%) per annum	The higher the discount rate, the lower the fair value.
Direct comparison (only for China properties)	Adjusted price per square metre	RMB 37,766 – RMB 61,997 (2020: RMB 37,766 - RMB 65,003)	The higher the adjusted price per square metre, the higher the fair value.

(e) Valuation processes of the Group

The Group engages independent and qualified valuers 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 2021, the fair values of the properties were determined by Cushman & Wakefield Limited and CBRE K.K. (2020: Cushman & Wakefield Limited and Cushman & Wakefield K.K.).

The independent valuers are of the view that the valuation techniques and estimates they have employed are reflective of the current market conditions and have taken into account the impact of COVID-19 based on information available as at 31 March 2021. Given the uncertainty over the length and severity of the COVID-19 outbreak in the respective countries in which the Group operates and the ongoing measures being adopted by them to address the outbreak, valuations for certain investment properties may be subjected to more fluctuations subsequent to 31 March 2021 than during normal market conditions. The Manager has reviewed the appropriateness of the valuation techniques and the assumptions applied by the independent valuers.

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14. LEASES – THE GROUP AS A LESSOR

The Group has leased out their owned investment properties to third parties and related parties (Note 28) for monthly lease payments. These leases are classified as operating leases because the risk and rewards incidental to ownership of the assets are not substantially transferred.

Although the Group is exposed to changes in the residual values of its investment properties at the end of the current leases, the Group typically enters into new operating leases and therefore will not immediately realise any reduction in residual value at the end of these leases. Expectations about the future residual values are reflected in the fair value of the investment properties in Note 13.

Rental income from investment properties are disclosed in Note 3.

Undiscounted non-cancellable lease payments from the operating leases to be received after the reporting date are as follows:

	31 March 2021 S$'000	31 March 2020 S$'000
Less than one year	**343,570**	363,047
One to two years	**262,264**	298,327
Two to three years	**154,112**	218,318
Three to four years	**53,211**	131,010
Four to five years	**24,500**	44,481
Later than five years	**6,504**	22,348
Total undiscounted lease payments	**844,161**	1,077,531

The future minimum lease receivables under non-cancellable leases exclude the portion of lease receivables which is computed based on a percentage of the sales achieved by some of the lessees. The contingent lease receivables received during the financial year and recognised in the Group's revenue are disclosed in Note 3.

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.

15. PLANT AND EQUIPMENT

	Computer equipment S$'000	Other fixed assets S$'000	Total S$'000
Group			
2021			
Cost			
Beginning of the financial year	**1,693**	**6,379**	**8,072**
Additions	**320**	**637**	**957**
Write-offs	**(10)**	**(191)**	**(201)**
Translation difference on consolidation	**(51)**	**(200)**	**(251)**
End of the financial year	**1,952**	**6,625**	**8,577**
Accumulated depreciation			
Beginning of the financial year	**1,515**	**2,772**	**4,287**
Depreciation charge	**106**	**1,200**	**1,306**
Write-offs	**(8)**	**(158)**	**(166)**
Translation difference on consolidation	**(47)**	**(110)**	**(157)**
End of the financial year	**1,566**	**3,704**	**5,270**
Net book value			
End of the financial year	**386**	**2,921**	**3,307**

15. PLANT AND EQUIPMENT (continued)

	Computer equipment S$'000	Other fixed assets S$'000	Total S$'000
Group			
2020			
Cost			
Beginning of the financial year	1,603	4,852	6,455
Additions	94	1,600	1,694
Write-offs	(53)	(226)	(279)
Translation difference on consolidation	49	153	202
End of the financial year	1,693	6,379	8,072
Accumulated depreciation			
Beginning of the financial year	1,400	1,704	3,104
Depreciation charge	123	1,115	1,238
Write-offs	(53)	(125)	(178)
Translation difference on consolidation	45	78	123
End of the financial year	1,515	2,772	4,287
Net book value			
End of the financial year	178	3,607	3,785

ROU assets acquired under leasing arrangements are presented together with the owned assets of the same class.

16. INVESTMENTS IN SUBSIDIARIES

	MNACT	
	2021 S$'000	2020 S$'000
Equity investments at cost	**1,139,696**	1,132,875
Loans to subsidiaries	**1,552,127**	1,540,474
	2,691,823	2,673,349

The loans to subsidiaries are unsecured, interest-free and 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. Accordingly, the Manager considers these loans to be part of the Trust's net investment in the subsidiaries and has accounted for these loans in accordance with Note 2.7.

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16. INVESTMENTS IN SUBSIDIARIES (continued)

The Group has the following significant subsidiaries as at 31 March 2021 and 2020:

Name of subsidiary	Principal activities	Country of incorporation	Effective interest held by the Group	
			2021 %	2020 %
Festival Walk (2011) Limited [a]	Property investment	Hong Kong SAR	**100.0**	100.0
HK Gateway Plaza Company Limited [b]	Property investment	Hong Kong SAR	**100.0**	100.0
Shanghai Zhan Xiang Real Estate Company Limited [b]	Property investment	China	**100.0**	100.0
Tsubaki Tokutei Mokuteki Kaisha [c]	Property investment	Japan	**98.47**	98.47
GK Makuhari Blue [c]	Property investment	Japan	**98.47**	98.47

(a) Audited by PricewaterhouseCoopers, Hong Kong

(b) Audited by PricewaterhouseCoopers Zhong Tian, China

(c) Audited by PricewaterhouseCoopers Aarata LLC, Japan

As at 31 March 2021 and 2020, the Group only had two subsidiaries with non-controlling interests of 1.53%. The non-controlling interests are not material to the Group.

The Group does not have any other subsidiaries that has non-controlling interests that are material to the Group. Accordingly, no summarised financial information of subsidiaries with non-controlling interests are presented.

17. INVESTMENT IN A JOINT VENTURE

	Group	
	2021 S$'000	2020 S$'000
Unquoted equity, at costs	**115,322**	-
Share of post-acquisition reserves	**1,240**	-
	116,562	-

The movement in investment in a joint venture is as follows:

	Group	
	2021 S$'000	2020 S$'000
Beginning of the financial year	**-**	-
Acquisition*	**115,322**	-
Share of profit	**3,428**	-
Share of other comprehensive income	**(2,188)**	-
End of the financial year	**116,562**	-

* Acquisition includes accrued transaction costs amounting to $672,000 as at 31 March 2021 (2020: Nil). There are fees for non-audit services paid/payable to auditors of MNACT Group of $107,000 which has been capitalised as part of investment in joint venture.

On 30 October 2020, the Group acquired 50% interest in a joint venture which owns a high quality office building, The Pinnacle Gangnam, located at Gangnam-gu, Seoul, South Korea ("TPG").

17. INVESTMENT IN A JOINT VENTURE (continued)

The Group's interest in the joint venture is as follows:

Name of joint venture	Principal activities	Country of incorporation	Effective interest held by the Group 2021 %	2020 %
IGIS Qualified Investment Type Private Placement Real Estate Investment Trust No. 6*	Property investment	South Korea	**50.0**	-

* Not required to be audited under the laws of the country of incorporation.

Set out below is the summarised financial information for the Group's material joint venture.

Summarised statement of comprehensive income

	TPG 2021 S$'000
Revenue	9,563
Profit before tax*	8,082
Income tax expense	(1,226)
Profit after tax	6,856
Other comprehensive income	(4,376)
Total comprehensive income	2,480
Dividends received from joint venture	-

* Includes interest income and interest expense of $28,000 and $3,158,000 respectively.

Summarised statement of financial position

	TPG 2021 S$'000
Cash and bank balances	26,791
Other current assets	321
Non-current asset - Investment property	543,469
Total assets	570,581
Current trade and other payables	27,536
Deferred tax liabilities	1,233
Non-current borrowings	315,746
Total liabilities	344,515
Net assets	226,066
Group's equity interest	50%
Group's share of net assets	113,033
Acquisition cost	3,529
Carrying amount of investment	116,562

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18. TRADE AND OTHER PAYABLES

	Group		MNACT	
	2021 S$'000	2020 S$'000	**2021 S$'000**	2020 S$'000
Current				
Trade payables	**1,877**	2,863	**336**	154
Accruals	**36,094**	34,888	**2,265**	2,679
Amounts due to subsidiaries (non-trade)	**-**	-	**4,439**	56
Amounts due to related parties (trade)	**14,829**	8,429	**9,027**	4,224
Amount due to a related party (non-trade)	**2**	14	**2**	14
Tenancy deposits and advance rental	**53,805**	56,287	**-**	-
Other deposits	**1,041**	1,083	**-**	-
Interest payable	**7,752**	8,603	**-**	-
Advanced distribution payable	**-**	34,179	**-**	34,179
Other payables	**6,660**	3,611	**-**	-
	122,060	149,957	**16,069**	41,306
Non-current				
Tenancy deposits and advance rental	**105,861**	109,894	**-**	-
	227,921	259,851	**16,069**	41,306

Accruals include accrued capital expenditure and property taxes for investment properties.

In the previous year, there was an advanced distribution payment accrued of S$34,179,000 or 1.07 cents per unit which was declared payable to eligible Unitholders on 28 February 2020. This represents the distribution for the period from 1 January 2020 to 27 February 2020 to Unitholders existing as at 28 February 2020 and prior to the issuance of new units pursuant to the Transaction Units (Note 24(iii)).

Included in trade amounts due to related parties are amounts due to the Property Manager of S$5,802,000 (2020: S$4,205,000) and the Manager of S$9,027,000 (2020: S$4,224,000).

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

19. BORROWINGS

	Group	
	2021 S$'000	2020 S$'000
Current		
Bank loans	**32,987**	353,148
Medium-term notes	**175,000**	-
	207,987	353,148
Non-current		
Bank loans	**2,450,335**	2,213,635
TMK bonds	**78,943**	86,305
Medium-term notes	**544,713**	730,406
Gross borrowings	**3,281,978**	3,383,494
Less: Unamortised transaction costs	**(10,725)**	(11,186)
Net borrowings	**3,271,253**	3,372,308
Represented by:		
Current position	**207,406**	352,669
Non-current position	**3,063,847**	3,019,639

The above borrowings are unsecured except for the TMK bonds and certain bank loans amounting to S$703,764,000 (2020: S$774,424,000), which are secured over the Japan Properties (Note 13).

19. BORROWINGS (continued)

(a) Maturity of borrowings

The bank loans mature between 2021 and 2026 (2020: 2020 and 2025), TMK bonds mature between 2024 and 2025 (2020: 2024 and 2025), and medium-term notes mature between 2021 and 2027 (2020: 2021 and 2027).

(b) Interest rates

The weighted average effective interest rates per annum are as follows:

	2021 %	2020 %
Group		
Bank loans	**1.34**	2.13
TMK bonds	**0.41**	0.41
Medium-term notes	**3.42**	3.42

(c) Interest rate risks

The exposure of the borrowings of the Group at the reporting dates (before taking into account the derivatives to swap the floating rates to fixed rates) to interest rate changes and the contractual repricing dates 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
Group				
31 March 2021				
Borrowings	**2,473,748**	**-**	**797,505**	**3,271,253**
31 March 2020				
Borrowings	2,557,115	-	815,193	3,372,308

(d) Carrying amounts and fair values

The carrying amount of the current and non-current bank loans and TMK bonds, which are at variable market rates, approximate their fair values at the reporting date.

The fair value of the current and non-current fixed-rate medium-term notes of S$746,105,000 (2020: S$736,697,000) is determined from adjusted quoted prices and is within Level 2 of the fair value hierarchy.

(e) Medium-term notes

In May 2013, the Group established, together with DBS Trustee Limited, in its capacity as Trustee of MNACT ("MNACT Trustee"), a US$1,500,000,000 Euro Medium Term Securities Programme ("MTN Programme") via its subsidiaries, Mapletree North Asia Commercial Trust Treasury Company (S) Pte. Ltd. ("MNACT S-TCo") and Mapletree North Asia Commercial Treasury Company (HKSAR) Limited ("MNACT HK-TCo").

Under the MTN Programme, MNACT Trustee, MNACT S-TCo and MNACT 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.

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19. BORROWINGS (continued)

(e) Medium-term notes (continued)

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 MNACT.

Total Medium-term notes outstanding as at 31 March 2021 under the MTN Programme was S$719,713,000 (2020: S$730,406,000) consisting of:

	Maturity date	Fixed interest rate	Interest payment in arrear	**31 March 2021 ’000**	31 March 2020 ’000
(i)	8 September 2021	3.20%	Semi-annually	**S$75,000**	S$75,000
(ii)	9 March 2022	3.43%	Semi-annually	**S$100,000**	S$100,000
(iii)	9 November 2022	3.96%	Semi-annually	**S$100,000**	S$100,000
(iv)	22 March 2023	3.50%	Semi-annually	**S$120,000**	S$120,000
(v)	20 April 2023	3.25%	Semi-annually	**HK$600,000**	HK$600,000
(vi)	20 September 2023	3.00%	Semi-annually	**HK$700,000**	HK$700,000
(vii)	11 March 2027	3.65%	Semi-annually	**HK$580,000**	HK$580,000

(f) TMK Bonds

The TMK bonds of JPY6,390 million as at 31 March 2021 and 2020 bear floating interest rate of 3 Month JPY Tibor plus spread (0.32% and 0.36%) per annum and mature between 2024 and 2025.

(g) Undrawn committed borrowing facilities

As at 31 March 2021, the Group had unutilised facilities of S$378,217,000 (2020: S$283,218,000) available to meet its future obligations.

20. DEFERRED TAX

	Group	
	2021 S$’000	2020 S$’000
Beginning of the financial year	**133,160**	119,889
Tax charge to profit or loss (Note 7(a))	**16,353**	15,771
Tax charge/(tax credit) to other comprehensive income (Note 7(c))	**2,867**	(4,733)
Translation difference on consolidation	**(1,631)**	2,233
End of the financial year	**150,749**	133,160

20. DEFERRED TAX (continued)

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					
2021					
Beginning of the financial year	**70,039**	**63,611**	**(3,789)**	**3,299**	**133,160**
Tax charge to profit or loss (Note 7(a))	**19,270**	**(4,432)**	**-**	**1,515**	**16,353**
Tax charge to other comprehensive income (Note 7(c))	**-**	**-**	**2,867**	**-**	**2,867**
Translation difference on consolidation	**(3,020)**	**1,556**	**-**	**(167)**	**(1,631)**
End of the financial year	**86,289**	**60,735**	**(922)**	**4,647**	**150,749**
2020					
Beginning of the financial year	57,501	58,666	944	2,778	119,889
Tax charge to profit or loss (Note 7(a))	10,143	5,402	-	226	15,771
Tax credit to other comprehensive income (Note 7(c))	-	-	(4,733)	-	(4,733)
Translation difference on consolidation	2,395	(457)	-	295	2,233
End of the financial year	70,039	63,611	(3,789)	3,299	133,160

21. 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.

22. HEDGING RESERVE

	Group					
	2021			2020		
	Interest rate risk S$'000	**Interest rate/ foreign exchange risk S$'000**	**Total S$'000**	Interest rate risk S$'000	Interest rate/ foreign exchange risk S$'000	Total S$'000
Beginning of the financial year	**(11,674)**	**17,838**	**6,164**	(8,422)	3,068	(5,354)
Fair value changes	**(11,328)**	**54,104**	**42,776**	(3,729)	(29,641)	(33,370)
Tax charge (Note 7(c))	**726**	**(3,593)**	**(2,867)**	722	4,011	4,733
Reclassification to profit or loss						
- Finance costs (Note 6)	**8,418**	**(7,756)**	**662**	(237)	(9,785)	(10,022)
- Foreign exchange	**-**	**(46,815)**	**(46,815)**	-	50,185	50,185
Less: Non-controlling interests	**(24)**	**-**	**(24)**	(8)	-	(8)
End of the financial year	**(13,882)**	**13,778**	**(104)**	(11,674)	17,838	6,164

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FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

22. HEDGING RESERVE (continued)

	MNACT	
	2021	2020
	Foreign exchange risk S$'000	Foreign exchange risk S$'000
Beginning of the financial year	**(3,824)**	246
Fair value changes, net of tax	**3,065**	(5,665)
Reclassification to profit or loss	**821**	1,595
End of the financial year	**62**	(3,824)

23. FOREIGN CURRENCY TRANSLATION RESERVE

	Group	
	2021 S$'000	2020 S$'000
Beginning of the financial year	**135,892**	62,777
Translation differences relating to financial statements of:		
- foreign subsidiaries and quasi-equity loans	**(40,161)**	75,327
- a foreign joint venture	**(2,188)**	-
Reclassification to profit or loss	**834**	(1,939)
Less: Non-controlling interests	**311**	(273)
End of the financial year	**94,688**	135,892

The foreign currency translation reserve comprises foreign exchange differences arising from the translation of the financial statements of foreign entities and the translation of foreign currency loans used to hedge or form part of the Group's net investments in foreign entities. The Group's foreign currency translation reserve arises from HKD, RMB, JPY and KRW.

24. UNITS IN ISSUE

	Group and MNACT 31 March	
	2021 '000	2020 '000
Beginning of the financial year	**3,342,916**	3,173,892
Units issued for		
- settlement of Management fees	**21,291**	25,925
- Transaction Units	**-**	123,708
- Distribution Reinvestment Plan	**70,130**	19,391
End of the financial year	**3,434,337**	3,342,916

24. UNITS IN ISSUE (continued)

The following units were issued during the financial year:

(i) 21,290,696 (2020: 25,925,151) units, at issue prices ranging from S$0.76 to S$0.92 (2020: S$1.14 to S$1.42) per unit as payment of Management fees to the Manager and the Property Manager. 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 in which the management fees accrued.

(ii) 70,129,942 (2020: 19,391,049) units, at issue prices ranging from S$0.86 to S$1.14 (2020: S$1.19) per unit, pursuant to the Distribution Reinvestment Plan ("DRP"). The DRP was introduced on 4 December 2019 whereby the Unitholders are given the option to receive their distribution in units instead of cash or a combination of units and cash.

The following units were issued in the prior financial year:

(iii) 123,708,135 units, at an issue price of S$1.17 per unit, in respect of issuance of transaction units (the "Transaction Units") to the Sponsor's Nominee for the acquisition of the Japan Properties.

Each unit in MNACT represents an undivided interest in MNACT. 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 MNACT by receiving a share of all net cash proceeds derived from the realisation of the assets of MNACT less any liabilities, in accordance with their proportionate interests in MNACT. However, a Unitholder does not have the right to require that any assets (or part thereof) of MNACT 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 MNACT) 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 MNACT 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 MNACT. 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 MNACT exceed its assets.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

25. CAPITAL COMMITMENTS

Development expenditures contracted for at the reporting date but not recognised in the financial statements amounted to S$13,758,604 (2020: S$1,062,000).

26. 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 North Asia 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 receivable from the offshore assets, back into Singapore Dollars.

26. FINANCIAL RISK MANAGEMENT (continued)

Financial risk factors (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$'000	JPY S$'000	USD S$'000	KRW S$'000	Total S$'000
Group							
31 March 2021							
Financial assets							
Cash and bank balances	**85,745**	**14,332**	**84,560**	**67,460**	**101**	**-**	**252,198**
Trade and other receivables and other current assets [1]	**1,855**	**5,001**	**4,480**	**3,311**	**-**	**-**	**14,647**
Derivative financial instruments	**1,404**	**8,092**	**-**	**14,534**	**-**	**-**	**24,030**
	89,004	**27,425**	**89,040**	**85,305**	**101**	**-**	**290,875**
Financial liabilities							
Trade and other payables	**(13,436)**	**(100,321)**	**(45,066)**	**(68,924)**	**(174)**	**-**	**(227,921)**
Lease liabilities	**-**	**(62)**	**-**	**-**	**-**	**-**	**(62)**
Derivative financial instruments	**(1,342)**	**(19,364)**	**-**	**(5,054)**	**-**	**-**	**(25,760)**
Borrowings	**(804,000)**	**(1,624,453)**	**(35,365)**	**(700,230)**	**(107,205)**	**-**	**(3,271,253)**
	(818,778)	**(1,744,200)**	**(80,431)**	**(774,208)**	**(107,379)**	**-**	**(3,524,996)**
Net financial assets/ (liabilities)	**(729,774)**	**(1,716,775)**	**8,609**	**(688,903)**	**(107,278)**	**-**	**(3,234,121)**
Less: Net financial (assets)/ liabilities denominated in the respective entities' functional currencies	**37,988**	**1,616,920**	**(4,683)**	**689,119**	**-**	**-**	
Currency forwards	**-**	**(52,875)**	**(30,762)**	**(21,985)**	**-**	**(1,901)**	
Cross currency interest rate swaps [#]	**692,000**	**100,178**	**-**	**-**	**107,205**	**-**	
Net currency exposure	**214**	**(52,552)***	**(26,836)***	**(21,769)***	**(73)**	**(1,901)***	

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

26. FINANCIAL RISK MANAGEMENT (continued)

Financial risk factors (continued)

(a) Market risk (continued)

(i) Currency risk (continued)

	SGD S$'000	HKD S$'000	RMB S$'000	JPY S$'000	USD S$'000	Total S$'000
Group						
31 March 2020						
Financial assets						
Cash and bank balances	45,250	20,876	76,570	63,544	1,558	207,798
Trade and other receivables and other current assets[1]	591	5,603	2,778	8,745	6	17,723
Derivative financial instruments	128	1,153	-	6,376	-	7,657
	45,969	27,632	79,348	78,665	1,564	233,178
Financial liabilities						
Trade and other payables	(41,766)	(106,174)	(39,680)	(72,034)	(197)	(259,851)
Lease liabilities	-	(141)	-	-	-	(141)
Derivative financial instruments	(3,952)	(30,483)	-	(22,275)	-	(56,710)
Borrowings	(692,000)	(1,765,018)	(34,973)	(769,426)	(110,891)	(3,372,308)
	(737,718)	(1,901,816)	(74,653)	(863,735)	(111,088)	(3,689,010)
Net financial assets/(liabilities)	(691,749)	(1,874,184)	4,695	(785,070)	(109,524)	(3,455,832)
Less: Net financial (assets)/ liabilities denominated in the respective entities' functional currencies	(272)	1,771,102	1,695	785,072	-	
Currency forwards	-	(51,523)	(34,172)	(27,066)	-	
Cross currency interest rate swaps[#]	692,000	103,478	-	-	110,895	
Net currency exposure	(21)	(51,127)*	(27,782)*	(27,064)*	1,371	

[1] Excludes prepayments.

26. FINANCIAL RISK MANAGEMENT (continued)

Financial risk factors (continued)

(a) Market risk (continued)

(i) Currency risk (continued)

MNACT's currency exposure is as follows:

	SGD S$'000	HKD S$'000	RMB S$'000	JPY S$'000	USD S$'000	KRW S$'000	Total S$'000
MNACT							
31 March 2021							
Financial assets							
Cash and bank balances	83,081	85	3,926	-	-	-	87,092
Trade and other receivables	7,603	506	-	-	620	-	8,729
Derivative financial instruments	1,404	-	-	-	-	-	1,404
	92,088	591	3,926	-	620	-	97,225
Financial liabilities							
Trade and other payables	(16,069)	-	-	-	-	-	(16,069)
Derivative financial instruments	(1,342)	-	-	-	-	-	(1,342)
	(17,411)	-	-	-	-	-	(17,411)
Net financial assets	74,677	591	3,926	-	620	-	79,812
Less: Net financial assets denominated in MNACT's functional currency	(74,677)	-	-	-	-	-	
Add: Highly probable forecast transactions	-	52,875	30,762	21,985	-	1,901	
Less: Currency forwards	-	(52,875)	(30,762)	(21,985)	-	(1,901)	
Net currency exposure	-	591	3,926	-	620	-	

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

26. FINANCIAL RISK MANAGEMENT (continued)

Financial risk factors (continued)

(a) **Market risk** (continued)

(i) ***Currency risk*** (continued)

	SGD S$'000	HKD S$'000	RMB S$'000	JPY S$'000	USD S$'000	Total S$'000
MNACT						
31 March 2020						
Financial assets						
Cash and bank balances	45,174	88	6,389	1	1,557	53,209
Trade and other receivables	5,896	522	-	-	641	7,059
Derivative financial instruments	128	-	-	-	-	128
	51,198	610	6,389	1	2,198	60,396
Financial liabilities						
Trade and other payables	(41,306)	-	-	-	-	(41,306)
Derivative financial instruments	(3,952)	-	-	-	-	(3,952)
	(45,258)	-	-	-	-	(45,258)
Net financial assets	5,940	610	6,389	1	2,198	15,138
Less: Net financial assets denominated in MNACT's functional currency	(5,940)	-	-	-	-	
Add: Highly probable forecast transactions	-	51,523	34,172	27,066	-	
Less: Currency forwards	-	(51,523)	(34,172)	(27,066)	-	
Net currency exposure	-	610	6,389	1	2,198	

At 31 March 2021, the Group had cross currency interest rate swaps to swap S$395.0 million (2020: S$395.0 million) Medium-term notes to HK$2,270.0 (2020: HK$2,270.0 million), and US$80.0 million (2020: US$80.0 million) bank loan to HK$623.3 million (2020: HK$623.2 million), S$297.0 million (2020: S$297.0 million) bank loan to JPY 24,126.0 million (2020: JPY 24,126.0 million) and HK$580.0 million (2020: HK$580.0 million) Medium-term note to JPY8,281.8 million (2020: JPY8,281.8 million).

* Net currency exposure of S$52.6 million, S$26.8 million, S$21.8 million and S$1.9 million (2020: S$51.1 million, S$27.8 million, S$27.1 million and Nil) for HKD, RMB and JPY (subsidiaries) and KRW (joint venture) respectively mainly relates to currency forward contracts entered into to hedge future foreign currency income receivable in FY2021/2022 (2020: FY2020/2021), back into SGD.

26. **FINANCIAL RISK MANAGEMENT** (continued)

Financial risk factors (continued)

(a) **Market risk** (continued)

(i) ***Currency risk*** (continued)

The Group's main foreign currency exposure is in HKD, RMB, JPY and KRW. If the HKD, RMB, JPY and KRW change against the SGD by 5% (2020: 5%) with all other variables including tax being held constant, the effects on profit after tax and Unitholders' funds for the year arising from the net financial asset/liability position will be as follows:

	Group Increase/(decrease)	
	2021 S$'000	2020 S$'000
HKD against SGD		
- strengthened	**(2,627)**	(2,556)
- weakened	**2,627**	2,556
RMB against SGD		
- strengthened	**(1,342)**	(1,389)
- weakened	**1,342**	1,389
JPY against SGD		
- strengthened	**(1,088)**	(1,353)
- weakened	**1,088**	1,353
KRW against SGD		
- strengthened	**(95)**	-
- weakened	**95**	-

As at 31 March 2021 and 2020, MNACT's foreign currency exposure mainly relates to its cash and bank balances denominated in RMB. If the RMB change against the SGD by 5% with all other variables including tax being held constant, the effects on profit after tax and Unitholders' funds for the year arising from the net financial asset/liability position will be S$196,000 (2020: S$319,000).

(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.

A change of 50 basis point ("bps") in interest rates at the reporting date would have increased/(decreased) profit after tax and Unitholders' funds by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant.

NOTES TO THE FINANCIAL STATEMENTS

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26. FINANCIAL RISK MANAGEMENT (continued)

Financial risk factors (continued)

(a) Market risk (continued)

(ii) Cash flow and fair value interest rate risk (continued)

	Profit after tax		Unitholders' fund (including hedging reserve)	
	50bps increase S$'000	50bps (decrease) S$'000	50bps increase S$'000	50bps (decrease) S$'000
Group				
2021				
Interest rate swap	**-**	**-**	**17,033**	**(17,033)**
Unhedged variable rate instruments	**(3,332)**	**3,332**	**(3,332)**	**3,332**
Cash flow sensitivity (net)	**(3,332)**	**3,332**	**13,701**	**(13,701)**
2020				
Interest rate swap	-	-	20,669	(20,669)
Unhedged variable rate instruments	(3,140)	3,140	(3,140)	3,140
Cash flow sensitivity (net)	(3,140)	3,140	17,529	(17,529)

(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.

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 MNACT's major classes of financial assets are cash and bank balances and trade and other receivables.

Information on trade receivables provided to management are as follows:

	Group		MNACT	
	2021 S$'000	2020 S$'000	**2021 S$'000**	2020 S$'000
<u>**By geographical areas**</u>				
Singapore	**1,840**	390	**1,840**	390
Hong Kong SAR	**712**	698	**-**	-
China	**797**	804	**-**	-
Japan	**-**	-	**-**	-
	3,349	1,892	**1,840**	390

26. FINANCIAL RISK MANAGEMENT (continued)

Financial risk factors (continued)

(b) Credit risk (continued)

(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		MNACT	
	2021 S$'000	2020 S$'000	**2021 S$'000**	2020 S$'000
Past due 0 to 3 months	**478**	1,047	**-**	-
Past due 3 to 6 months	**178**	65	**-**	-
Past due over 6 months	**227**	2	**-**	-
	883	1,114	**-**	-

Management assessed that no allowance for impairment is required in respect of trade receivables in the view of the Group's credit management policy, where the outstanding account receivables balances can be offset by tenancy deposits in the event of default. Hence, the credit losses for the Group is not expected to be significant.

There were no allowances for impairment provided based on the collection trend in the last two financial years. MNACT will monitor the current approach of recognising impairment allowances based on lifetime expected losses i.e. credit loss expected over the life of the receivables and adjusted for current and forward-looking estimates.

As at 31 March 2021 and 2020, the Group and MNACT 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 sufficient level of cash, bank balances and adequate committed credit facilities, as part of the Manager's prudent liquidity risk management. As at 31 March 2021, the Group had a net current liabilities of S$94,163,000 (2020: S$313,761,000) which is mainly due to borrowings maturing by March 2022 (2020: March 2021). As at 31 March 2021, the Group has undrawn but committed borrowing facilities of S$378,217,000 (2020: S$283,218,000) and an untapped balance of S$1,290,466,000 (2020: S$1,250,749,000) from the MTN Programme to meet operational expenses, refinance borrowings and for the servicing of financial obligations as and when they fall due.

The Manager also monitors and observes the CCIS issued by the MAS concerning the leverage limit as well as bank covenants imposed by the banks on the various borrowings.

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26. FINANCIAL RISK MANAGEMENT (continued)

Financial risk factors (continued)

(c) Liquidity risk (continued)

The table below analyses the maturity profile of the Group's and MNACT'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				
31 March 2021				
Derivative financial instruments:				
Net-settled interest rate swaps				
- Net payments	**(8,816)**	**(5,369)**	**(2,194)**	**-**
Gross-settled cross currency interest rate swaps				
- Receipts	**2,416**	**1,364**	**2,641**	**-**
- Payments	**(3,929)**	**(2,673)**	**(5,177)**	**-**
Gross-settled currency forwards				
- Receipts	**63,225**	**-**	**-**	**-**
- Payments	**(64,567)**	**-**	**-**	**-**
Trade and other payables	**(122,060)**	**(41,467)**	**(62,760)**	**(1,634)**
Lease liabilities	**(62)**	**-**	**-**	**-**
Borrowings	**(264,552)**	**(611,610)**	**(2,342,939)**	**(224,961)**
	(398,345)	**(659,755)**	**(2,410,429)**	**(226,595)**
31 March 2020				
Derivative financial instruments:				
Net-settled interest rate swaps				
- Net payments	(2,346)	(1,598)	(3,677)	(100)
Gross-settled cross currency interest rate swaps				
- Receipts	24,322	22,774	22,963	-
- Payments	(18,257)	(16,402)	(16,241)	-
Gross-settled currency forwards				
- Receipts	102,488	-	-	-
- Payments	(106,440)	-	-	-
Trade and other payables	(149,957)	(21,783)	(77,534)	(10,577)
Lease liabilities	(77)	(64)	-	-
Borrowings	(429,912)	(475,511)	(2,305,594)	(414,474)
	(580,179)	(492,584)	(2,380,083)	(425,151)
MNACT				
31 March 2021				
Derivative financial instruments:				
Gross-settled currency forwards				
- Receipts	**63,225**	**-**	**-**	**-**
- Payments	**(64,567)**	**-**	**-**	**-**
Trade and other payables	**(16,069)**	**-**	**-**	**-**
	(17,411)	**-**	**-**	**-**
31 March 2020				
Derivative financial instruments:				
Gross-settled currency forwards				
- Receipts	102,488	-	-	-
- Payments	(106,440)	-	-	-
Trade and other payables	(41,306)	-	-	-
	(45,258)	-	-	-

26. FINANCIAL RISK MANAGEMENT (continued)

Financial risk factors (continued)

(d) Capital management

The primary objective of the Manager's capital management is to ensure the Group maintains an optimal capital structure within the borrowing limit set out in the CCIS issued by the MAS. The Manager seeks to maintain an optimal capital structure to balance the cost of capital and the returns to Unitholders. There were no changes to the Manager's approach to capital management during the financial year.

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 50.0% (2020: 45.0%) of the fund's deposited property. The Group has complied with the Aggregate Leverage requirement for the financial years ended 31 March 2021 and 2020.

The aggregate leverage ratio is calculated as total borrowings divided by total assets, including the Group's proportionate share of its joint venture's borrowings and deposited property value.

	Group	
	2021 S$'000	2020 S$'000
Total borrowings*	**3,418,406**	3,360,525
Total assets*	**8,236,402**	8,560,659
Aggregate leverage ratio	**41.5%**	39.3%
Percentage of the Group's total borrowings (Note 19) to the Group's net asset value	**74.6%**	71.4%

* Excludes share attributable to non-controlling interests, and includes the Group's proportionate share of joint venture's borrowings and deposited property value.

The Group and MNACT 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 2021 and 2020.

(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		MNACT	
Level 2	**2021 S$'000**	2020 S$'000	**2021 S$'000**	2020 S$'000
Assets				
Derivative financial instruments	**24,030**	7,657	**1,404**	128
Liabilities				
Derivative financial instruments	**(25,760)**	(56,710)	**(1,342)**	(3,952)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

26. FINANCIAL RISK MANAGEMENT (continued)

Financial risk factors (continued)

(e) Fair value measurements (continued)

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 19(d).

(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		MNACT	
	2021 S$'000	2020 S$'000	**2021 S$'000**	2020 S$'000
Financial derivative assets at fair value through profit or loss	**24,030**	7,657	**1,404**	128
Financial derivative liabilities at fair value through profit or loss	**(25,760)**	(56,710)	**(1,342)**	(3,952)
Financial assets at amortised cost[1]	**266,845**	225,521	**95,821**	60,268
Financial liabilities at amortised cost	**(3,499,236)**	(3,632,300)	**(16,069)**	(41,306)

[1] Excludes prepayments.

27. PARENT AND ULTIMATE PARENT

For financial reporting purposes under SFRS(I) 10 *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.

28. 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.

28. SIGNIFICANT RELATED PARTY TRANSACTIONS (continued)

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		MNACT	
	2021 S$'000	2020 S$'000	**2021 S$'000**	2020 S$'000
Manager's management fees paid/payable	**15,847**	19,761	**15,847**	19,761
Japan asset management fee	**5,744**	3,456	**-**	-
Property Manager's management fees paid/payable	**14,122**	13,153	**-**	-
Acquisition fees waived by the Manager	**-**	3,523	**-**	3,523
Lease rental received/receivable	**23,941**	20,687	**-**	-
Project management fee paid/payable	**945**	58	**-**	-
Property management cost reimbursements	**9,493**	10,311	**-**	-
Interest expense and financing fees paid/payable	**9,134**	10,282	**-**	-
Transaction Units issued	**-**	144,776	**-**	144,776
Reimbursement of bank guarantees and due diligence consultant costs for the acquisition of TPG	**289**	-	**-**	-
Acquisition fees paid	**2,729**	-	**-**	-

29. 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 North Asia, primarily China, Hong Kong SAR, Japan and South Korea. The Group is in the business of investing, directly or indirectly, in a diversified portfolio of income-producing real estate in the North Asia region which is used primarily for commercial purposes (including real estate used predominantly for retail and/or office purposes), as well as other real estate-related assets.

Management assesses the performance of the geographic segments based on a measure of its net property income and profit before interest income, finance costs and change in fair value of investment properties and financial derivatives as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

Manager management fees, trustee fees, other trust expenses are allocated based on the total asset of the respective geographic segments. Interest income and finance costs are not allocated to segments, as the treasury activities are centrally managed by the Group.

The Group provides a single product/service - commercial business.

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FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

29. SEGMENT INFORMATION (continued)

The segment information provided to Management for the reportable segments for the financial year ended 31 March 2021 is as follows:

	Hong Kong SAR S$'000	China S$'000	Japan S$'000	South Korea S$'000	Others* S$'000	Total S$'000
Gross revenue	**185,164**	**104,948**	**101,303**	**-**	**-**	**391,415**
Net property income	**138,748**	**86,966**	**66,326**	**-**	**-**	**292,040**
Profit before interest income, finance cost and net change in fair value of investment properties and financial derivatives	**177,742**	**75,628**	**61,850**	**3,535**	**(242)**	**318,513**
Interest income						**2,050**
Finance cost						**(71,595)**
Net change in fair value of investment properties	**(428,673)**	**(78,783)**	**26,499**	**-**	**-**	**(480,957)**
Net change in fair value of financial derivatives						**3,886**
Loss before income tax						**(228,103)**
Income tax expense						**(36,459)**
Loss after income tax						**(264,562)**
Other Segment items						
Other non-operating income - interim insurance proceeds	**46,393**	**-**	**-**	**-**	**-**	**46,393**
Share of profit of a joint venture	**-**	**-**	**-**	**3,428**	**-**	**3,428**
Capital expenditure						
- Investment properties@	**12,111**	**(380)**	**8,012**	**-**	**-**	**19,743**
- Plant and equipment	**957**	**-**	**-**	**-**	**-**	**957**
	13,068	**(380)**	**8,012**	**-**	**-**	**20,700**
Segment assets						
- Investment properties#	**4,520,082**	**1,835,168**	**1,318,800**	**-**	**-**	**7,674,050**
- Investment in a joint venture	**-**	**-**	**-**	**116,562**	**-**	**116,562**
- Other segment assets	**23,980**	**86,743**	**71,747**	**2,528**	**89,033**	**274,031**
	4,544,062	**1,921,911**	**1,390,547**	**119,090**	**89,033**	**8,064,643**
Derivative financial instruments						**24,030**
Consolidated total assets						**8,088,673**
Segment liabilities						
- Trade and other payables	**100,495**	**45,072**	**68,924**	**684**	**12,746**	**227,921**
- Lease liabilities	**62**	**-**	**-**	**-**	**-**	**62**
- Current income tax liabilities						**27,805**
- Deferred tax liabilities						**150,749**
						406,537
Borrowings and Derivative financial instruments						**3,297,013**
Consolidated total liabilities						**3,703,550**

29. SEGMENT INFORMATION (continued)

The segment information provided to Management for the reportable segments for the financial year ended 31 March 2020 is as follows:

	Hong Kong SAR S$'000	China S$'000	Japan S$'000	Others* S$'000	Total S$'000
Gross revenue	195,091	106,417	52,970	-	354,478
Net property income	148,967	88,583	39,937	-	277,487
Profit before interest income, finance cost and net change in fair value of investment properties and financial derivatives	142,122	78,117	36,476	(234)	256,481
Interest income					2,114
Finance cost					(74,901)
Net change in fair value of investment properties	(46,526)	14,536	14,084	-	(17,906)
Net change in fair value of financial derivatives					(4,070)
Profit before income tax					161,718
Income tax expense					(37,452)
Profit after income tax					124,266
Other Segment items					
Capital expenditure					
- Investment properties@	8,202	13	4,588	-	12,803
- Plant and equipment	1,694	-	-	-	1,694
	9,896	13	4,588	-	14,497
Segment assets					
- Investment properties#	5,090,037	1,851,875	1,405,320	-	8,347,232
- Other segment assets	31,231	73,765	72,999	53,790	231,785
	5,121,268	1,925,640	1,478,319	53,790	8,579,017
Derivative financial instruments					7,657
Consolidated total assets					8,586,674
Segment liabilities					
- Trade and other payables	106,370	39,681	72,033	41,767	259,851
- Lease liabilities	141	-	-	-	141
- Current income tax liabilities					33,874
- Deferred tax liabilities					133,160
					427,026
Borrowings and Derivative financial instruments					3,429,018
Consolidated total liabilities					3,856,044

* Others segment comprises MNACT and a subsidiary, which are not reportable segments individually.

\# Investment properties contribute significantly to total non-current assets.

@ Included in additions are capitalised expenditure and amortisation of capitalised expenditure during the financial year.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

30. FINANCIAL RATIOS

	Group	
	2021 %	2020 %
Ratio of expenses to weighted average net assets[1]		
- including performance component of Manager's management fees	**0.54**	0.57
- excluding performance component of Manager's management fees	**0.54**	0.57
Ratio of total operating expenses to net asset value[2]	**2.84**	2.18
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$124,350,000 (2020: S$103,107,000) 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.

31. EVENTS OCCURRING AFTER REPORTING DATE

Distributions payable

	cents per unit	S$'000
Distribution for the period 1 October 2020 to 31 March 2021 announced on 22 April 2021 payable on 21 June 2021	**3.299**	**113,318**

32. NEW OR AMENDED ACCOUNTING STANDARDS AND INTERPRETATIONS EFFECTIVE FOR FUTURE FINANCIAL PERIODS

Several new or amended standards and interpretations to existing standards are effective for annual periods beginning on or after 1 April 2021, and have not been applied in the preparation of the Group financial statements for the financial year ended 31 March 2021.

The new or amended standards and interpretations which are relevant for the Group are listed below, and the Group plans to adopt these standards and interpretations on the required effective date. These standards are not expected to have any significant effect on the financial statements of the Group.

SFRS(I)	Title	Effective date (annual periods beginning on or after)
Amendments to SFRS(I) 9, SFRS(I) 1-39 and SFRS(I) 7	Interest Rate Benchmark Reform (Phase 2)	1 April 2021
Amendments to SFRS(I) 1-1	Classification of Liabilities as Current or Non-current	1 April 2023

32. NEW OR AMENDED ACCOUNTING STANDARDS AND INTERPRETATIONS EFFECTIVE FOR FUTURE FINANCIAL PERIODS (continued)

Amendments to SFRS(I) 1-1 *Classification of Liabilities as Current or Non-current*

The narrow-scope amendments to SFRS(I) 1-1 Presentation of Financial Statements clarify that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Classification is unaffected by the expectations of the entity or events after the reporting date (e.g. the receipt of a waver or a breach of covenant). The amendments also clarify what SFRS(I) 1-1 means when it refers to the 'settlement' of a liability.

The amendments could affect the classification of liabilities, particularly for entities that previously considered management's intentions to determine classification and for some liabilities that can be converted into equity.

The Group does not expect any significant impact arising from applying these amendments.

Amendments to SFRS(I) 9, SFRS(I) 1-39 and SFRS(I) 7 *Interest Rate Benchmark Reform (Phase 2)*

The Phase 2 amendments to SFRS(I) 9, SFRS(I) 1-39, SFRS(I) 7 and SFRS(I) 16 are applicable for periods beginning on or after 1 January 2021 ("Phase 2 amendments"). The Phase 2 amendments provide further reliefs for hedge accounting as well as practical expedients for modifications of debts instruments and lease liabilities for lessees with Interbank Offer Rates ("IBOR") based terms. The Group has not early adopted the Phase 2 amendments.

Management is currently assessing the impact of the Phase 2 amendments on the Group.

33. AUTHORISATION OF THE FINANCIAL STATEMENTS

The financial statements were authorised for issue by the Manager and the Trustee on 18 May 2021.

STATISTICS OF UNITHOLDINGS

AS AT 28 MAY 2021

ISSUED AND FULLY PAID UNITS

3,447,765,347 units (voting rights: one vote per unit)
Market capitalisation: S$3,551,198,307.41 (based on closing price of S$1.030 per unit on 28 May 2021)

Distribution of Unitholdings

Size of Unitholdings	No. of Unitholders	%	No. of Units	%
1 - 99	211	0.74	9,427	0.00
100 - 1,000	4,153	14.49	3,808,693	0.11
1,001 - 10,000	15,440	53.89	74,714,235	2.17
10,001 - 1,000,000	8,809	30.74	353,548,544	10.25
1,000,001 and above	40	0.14	3,015,684,448	87.47
Total	**28,653**	**100.00**	**3,447,765,347**	**100.00**

Location of Unitholders

Country	No. of Unitholders	%	No. of Units	%
Singapore	27,994	97.70	3,337,755,448	96.81
Malaysia	463	1.62	12,902,614	0.37
Others	196	0.68	97,107,285	2.82
Total	**28,653**	**100.00**	**3,447,765,347**	**100.00**

Twenty Largest Unitholders

No.	Name	No. of Units	%
1.	Kent Assets Pte. Ltd.	757,364,339	21.97
2.	DBS Nominees (Private) Limited	483,693,763	14.03
3.	Citibank Nominees Singapore Pte Ltd	480,000,815	13.92
4.	HSBC (Singapore) Nominees Pte Ltd	298,702,227	8.66
5.	Suffolk Assets Pte. Ltd.	267,641,062	7.76
6.	Mapletree North Asia Commercial Trust Management Ltd.	181,212,399	5.26
7.	DBSN Services Pte. Ltd.	114,957,272	3.33
8.	Raffles Nominees (Pte.) Limited	109,752,162	3.18
9.	Mapletree North Asia Property Management Limited	90,154,063	2.61
10.	United Overseas Bank Nominees (Private) Limited	31,952,761	0.93
11.	ABN Amro Clearing Bank N.V.	29,907,667	0.87
12.	DB Nominees (Singapore) Pte Ltd	29,404,483	0.85
13.	OCBC Securities Private Limited	21,268,572	0.62
14.	BPSS Nominees Singapore (Pte.) Ltd.	19,152,771	0.56
15.	UOB Kay Hian Private Limited	17,933,465	0.52
16.	Phillip Securities Pte Ltd	11,251,138	0.33
17.	OCBC Nominees Singapore Private Limited	10,841,234	0.31
18.	iFAST Financial Pte. Ltd.	8,624,317	0.25
19.	Maybank Kim Eng Securities Pte. Ltd.	6,897,813	0.20
20.	BNP Paribas Nominees Singapore Pte. Ltd.	6,847,209	0.20
	Total	**2,977,559,532**	**86.36**

Substantial Unitholdings as at 28 May 2021

No.	Name of Company	No. of Units		% of Total Issued Capital
		Direct Interest	Deemed Interest	
1.	Temasek Holdings (Private) Limited [1]	-	1,340,816,873	38.88
2.	Fullerton Management Pte Ltd [1]	-	1,296,371,863	37.60
3.	Mapletree Investments Pte Ltd [2]	-	1,296,371,863	37.60
4.	Kent Assets Pte. Ltd.	757,364,339	-	21.97
5.	Suffolk Assets Pte. Ltd.	267,641,062	-	7.76
6.	Mapletree North Asia Commercial Trust Management Ltd.	181,212,399	-	5.26

Notes:

(1) Each of Temasek Holdings (Private) Limited ("Temasek") and Fullerton Management Pte Ltd ("Fullerton") is deemed to be interested in the 757,364,339 units held by Kent Assets Pte. Ltd. ("Kent"), 267,641,062 units held by Suffolk Assets Pte. Ltd. ("Suffolk"), 181,212,399 units held by Mapletree North Asia Commercial Trust Management Ltd. ("MNACTM") and 90,154,063 units held by Mapletree North Asia Property Management Limited ("MNAPM"). In addition, Temasek is deemed to be interested in the 44,445,010 units in which its other subsidiaries and associated companies have direct or deemed interests. Kent and Suffolk are wholly-owned subsidiaries of Mapletree Investments Pte Ltd (“MIPL”). MNACTM and MNAPM are wholly-owned subsidiaries of Mapletree Capital Management Pte. Ltd. and Mapletree Property Services Pte. Ltd. respectively, which are wholly-owned subsidiaries of MIPL. MIPL is a wholly-owned subsidiary of Fullerton which is in turn a wholly-owned subsidiary of Temasek. Each of MIPL and the associated company referred to above is an independently-managed Temasek portfolio company. Temasek and Fullerton are involved in their business or operating decisions, including those regarding their unitholdings.

(2) MIPL is deemed to be interested in the 757,364,339 units held by Kent, 267,641,062 units held by Suffolk, 181,212,399 units held by MNACTM and 90,154,063 units held by MNAPM.

Unitholdings of the Directors of the Manager as at 21 April 2021

No.	Name	No. of Units	
		Direct Interest	Deemed Interest
1.	Paul Ma Kah Woh	1,194,805	100,000
2.	Lok Vi Ming	-	190,000
3.	Kevin Kwok	775,156	-
4.	Lawrence Wong Liang Ying	-	-
5.	Michael Kok Pak Kuan	540,000	-
6.	Tan Su Shan	-	-
7.	Chua Tiow Chye	1,633,721	560,687
8.	Koh Mui Ai Wendy	-	416,000
9.	Cindy Chow Pei Pei	-	786,052

Free Float

Based on the information made available to the Manager as at 28 May 2021, approximately 60.93% of the units in MNACT 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 2021

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 (SGD'000)	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)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than $100,000)
Exempted under Rule 905 and 906 of the Listing Manual		
Mapletree Investments Pte Ltd and its subsidiaries		
- Manager's management fees	15,847	-
- Japan asset management fee	5,744	-
- Property Manager's management fees	14,122	-
- Project management fee	945	-
- Property management cost reimbursements	9,493	-
- Reimbursement of bank guarantees and due diligence consultant costs for the acquisition of TPG	289	-
- Acquisition fees	2,729	-
DBS Group Holdings Ltd and its subsidiaries		
- Trustee's fee	821	-
- Lease rental and lease related income	2,299	-
Exceptions under Rule 916 of the Listing Manual		
Mapletree Investments Pte Ltd and its subsidiaries[1]		
- Joint Venture – Acquisition of interest in TPG	272,944	-
Total	**325,233**	**-**

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 MNACT Group that involved the interests of the CEO or Director of the Manager, or any controlling Unitholder of the Trust, either still subsisting at the end of the financial year or entered into since the end of the previous financial year.

As set out in the MNACT's Prospectus dated 27 February 2013, fees and charges payable by MNACT 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. MNACT 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 28 of the Financial Statements.

[1] The joint venture is considered an interested person transaction under Rule 906 of the Listing Manual as well as Paragraph 5 of the Property Funds Appendix. However, the entry into the joint venture agreement falls within the exception under Rule 916 of the Listing Manual and accordingly, the approval of Unitholders for the joint venture is not required.