

# MANAGING CHALLENGES DIVERSIFYING PORTFOLIO ENHANCING RESILIENCE



ANNUAL  
REPORT  
2019/2020

maple<sup>tree</sup>  
north asia commercial

# MANAGING CHALLENGES DIVERSIFYING PORTFOLIO ENHANCING RESILIENCE

FY19/20 was a year of exceptional challenges for MNACT in the wake of the social unrests in Hong Kong SAR and then COVID-19, and which was not helped by the continuing global political and trade tensions. Navigating through this very difficult operating environment, the Manager has remained vigilant and adaptive in executing its strategy across the markets which MNACT operates in.

On the operational front, the Manager stood in support of our loyal tenants whose businesses have been severely impacted, by providing rental reliefs over the third quarter and fourth quarter of FY19/20 to help them tide through the period.

At the same time, the strategic acquisitions of the two office properties in Greater Tokyo, Japan, in February 2020 have buffered the impact on MNACT's profit and resulted in greater diversification of MNACT's portfolio.

The Manager remains committed and disciplined in managing the challenges ahead, and will continue to accelerate income diversification through accretive acquisitions, and further reinforce the resilience of MNACT's portfolio through active asset management and prudent capital management, to deliver balanced and long-term returns to the Unitholders.

## CORPORATE PROFILE

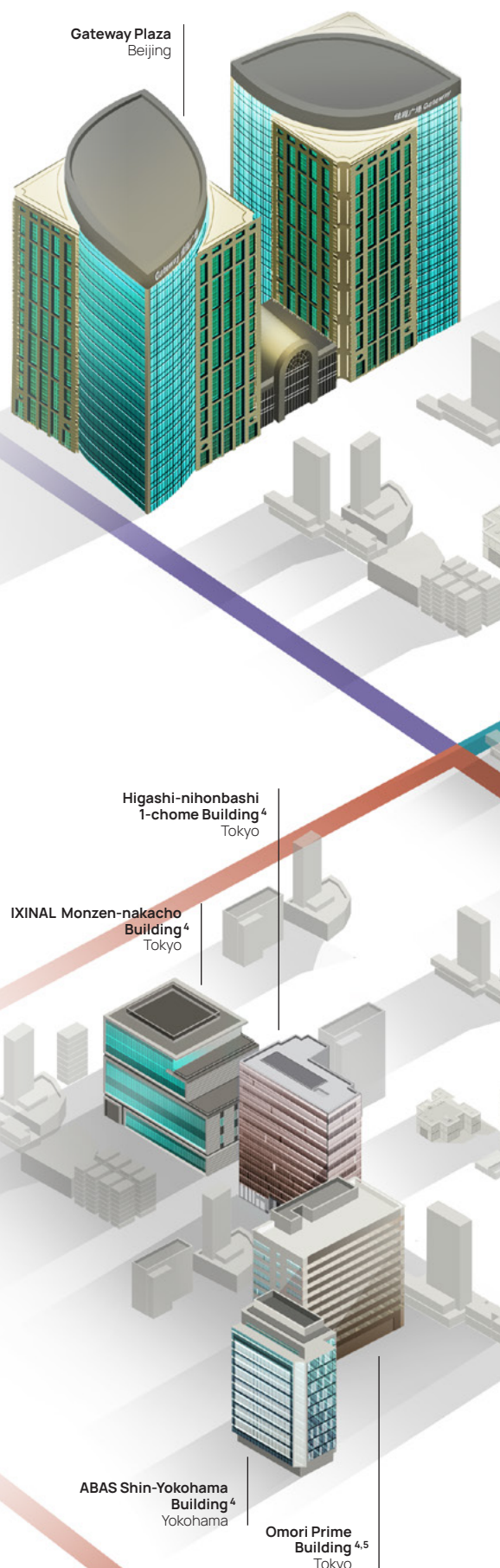
Listed on the Singapore Exchange Securities Trading Limited ("SGX-ST") on 7 March 2013, Mapletree North Asia Commercial Trust ("MNACT") is the first real estate investment trust ("REIT") that offers investors the opportunity to invest in best-in-class commercial properties situated in prime locations in China, in Hong Kong SAR<sup>1</sup> and in Japan. MNACT is also the fourth REIT sponsored by Mapletree Investments Pte Ltd ("MIPL" or the "Sponsor"), a leading real estate development, investment, capital and property management company headquartered in Singapore. It is managed by Mapletree North Asia Commercial Trust Management Ltd. ("MNACTM", or the "Manager"), a wholly-owned subsidiary of MIPL. As of 31 March 2020, MNACT had a market capitalisation of approximately S\$2.7 billion.

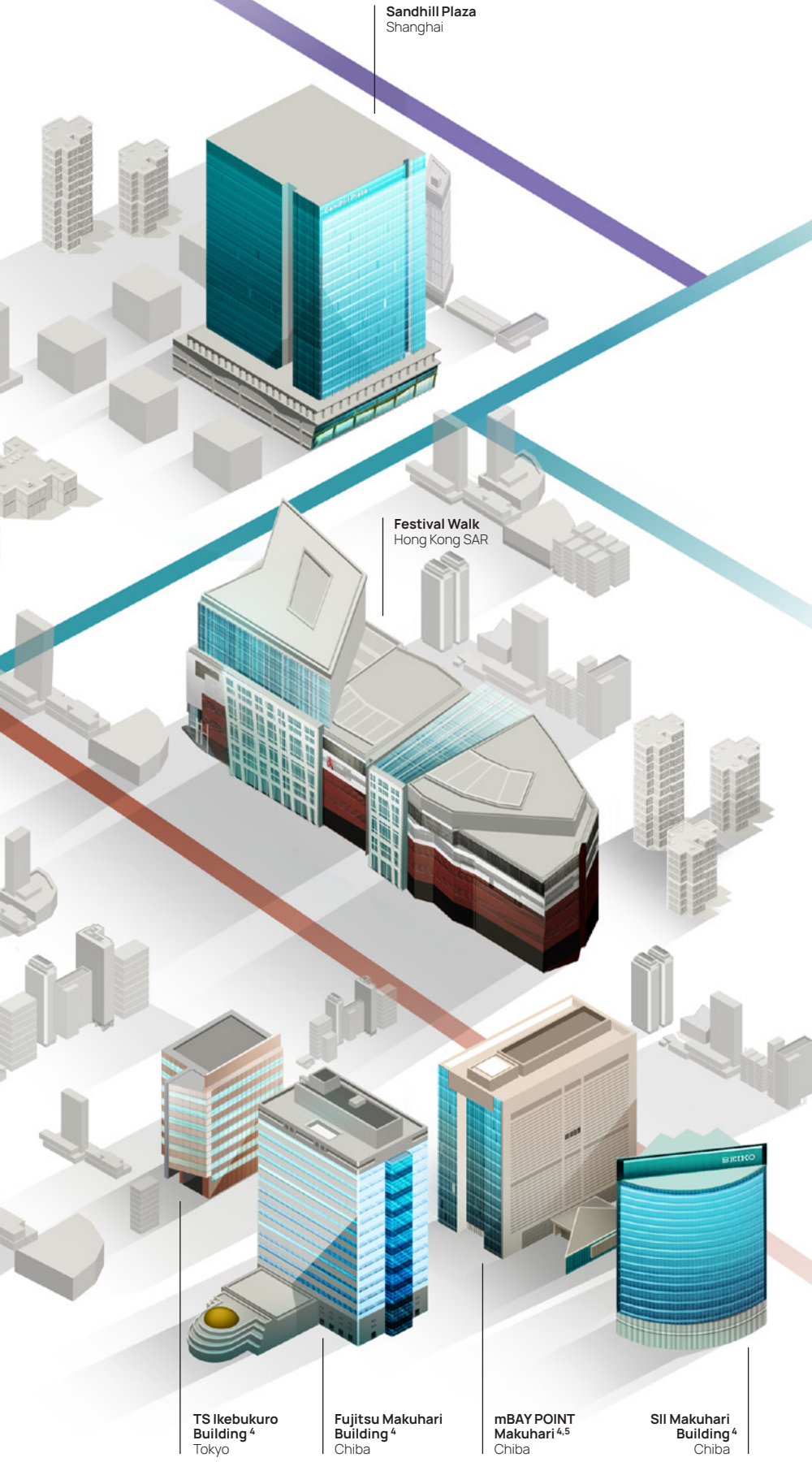
MNACT's portfolio comprises 11 properties<sup>2</sup> in China, in Hong Kong SAR and in Japan. As of 31 March 2020, they cover a lettable area of approximately 5.2 million square feet, with a combined book value<sup>3</sup> of S\$8.3 billion.

<sup>1</sup> Hong Kong SAR refers to the Hong Kong Special Administrative Region ("SAR").

<sup>2</sup> Includes the two new office properties (mBAY POINT Makuhari ("MBP") and Omori Prime Building ("Omori")) located in Greater Tokyo, Japan, which were acquired on 28 February 2020. Please refer to MNACT's SGX-ST Announcement dated 28 February 2020 titled "Issuance of the Transaction Units to Sponsor's Nominee, and Completion of Acquisitions of Two Office Properties in Greater Tokyo and Use of Proceeds".

<sup>3</sup> Please refer to page 22 in the Financial Review and Capital Management section for the valuations by asset.





Sandhill Plaza  
Shanghai

Festival Walk  
Hong Kong SAR

TS Ikebukuro  
Building<sup>4</sup>  
Tokyo

Fujitsu Makuhari  
Building<sup>4</sup>  
Chiba

mBAY POINT  
Makuhari<sup>4,5</sup>  
Chiba

SII Makuhari  
Building<sup>4</sup>  
Chiba

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Kindly refer to the following information on this Annual Report:

1. Online Annual Report: As part of the Manager's environmental conservation efforts, only limited copies of MNACT's Annual Report are printed. A PDF version of the Annual Report is available for download from [www.mapletreenorthasiacommercialtrust.com](http://www.mapletreenorthasiacommercialtrust.com).
2. Any discrepancies in the figures and percentages within the tables and charts are due to rounding. Where applicable, these are rounded to one decimal place.

<sup>4</sup> Collectively known as the "Japan Properties".

<sup>5</sup> Please refer to MNACT's SGX-ST Announcement dated 4 December 2019 titled "The Proposed Acquisitions of Two Office Properties in Greater Tokyo".

These are illustrations of MNACT's properties, and are not drawn to scale.