

**Issuer:** Mapletree Commercial Trust Management Ltd.

**Security:** Mapletree Commercial Trust

**Meeting details:**

Date: 26 July 2017

Time: 2.30 p.m.

Venue: 10 Pasir Panjang Road, Mapletree Business City, Town Hall – Auditorium, Singapore 117438

**Company Description**

Mapletree Commercial Trust is a real estate investment trust externally managed by Mapletree Commercial Trust Management Ltd. Mapletree Commercial Trust was formed on August 25, 2005 and is based in Singapore.

(Source: [http://www.sgx.com/wps/portal/sgxweb/home/company\\_disclosure/stockfacts?code=N2IU](http://www.sgx.com/wps/portal/sgxweb/home/company_disclosure/stockfacts?code=N2IU))

**Q1.** As disclosed in the Operations review (page 38 of the annual report), the REIT has embarked on its third Asset enhancement initiative (AEI) at VivoCity in March 2017 that will convert 9,200 square feet of anchor space into specialty stores. On a stabilised basis, this S\$2.8 million AEI is expected to contribute about 25% in returns.

- a) **Does the REIT have any other plans to carry out AEI at VivoCity, Alexandra Retail Centre or at any of the REIT's portfolio?**
- b) **How does the REIT ensure that the tenants' and/or shoppers' experience is not affected during the AEI period?**
- c) For Bank of America Merrill Lynch HarbourFront (MLHF), the occupancy was 79.2% as at 31 March 2017 and the committed occupancy is 91.6%. **Can the manager update unitholders on the status and its leasing efforts to fill up MLHF?**

**Q2.** The REIT launched an Equity Fund Raising on 26 July 2016 to part-finance the acquisition of Mapletree Business City I. Gross proceeds totalling S\$1,044.3 million were raised from the private placement tranche and the preferential offering tranche. As at 31 March 2017, MCT's total gross debt was S\$2,327.6 million and the aggregate leverage ratio was 36.3% based on total assets (page 45). The REIT's gearing ratio at the end of the financial year since 2012 is shown in the table below.

	Gearing Ratio
As at 31 March 2017	36.3%
As at 31 March 2016	35.1%
As at 31 March 2015	36.4%
As at 31 March 2014	38.7%
As at 31 March 2013	40.9%

(Source: MCT Annual Reports)

Effective 1 January 2016, under the Property Fund Guidelines of the Code on Collective Investment Schemes (CIS), the aggregate leverage should not exceed 45.0% of the deposited property.

- a) **Has the change in the guideline in the CIS led to any changes in the REIT's approach to capital management?**
- b) **Is there an internal limit set by the REIT/board on the gearing ratio of MCT?**
- c) **What is the board/manager's approach to recycling of capital, where appropriate, to optimise the REIT's portfolio?**

**Q3.** Mapletree Anson and Mapletree Business City I were acquired by MCT on 4 February 2013 and 25 August 2016 respectively. In the prospectus dated 18 April 2011, the REIT has right of first refusal to several of the sponsor's properties, including office/retails properties in the HarbourFront and Alexandra precinct.

- a) **Following the successful acquisition of MBC I, what are the REIT's future growth plans and what is the status of the remaining ROFR properties?**
- b) **Has the REIT also considered third-party acquisitions that would be yield-accretive to the current unitholders?**