

INVESTMENT ACTIVITIES AND CAPITAL MANAGEMENT

Mapletree's capital management business focuses on the management of public-listed real estate investment trusts (REITs) and private real estate funds. Through a wide array of investment platforms, the Group offers real estate investment opportunities across diversified asset classes to meet different needs and risk profiles of both retail and institutional investors.

Mapletree has built up a wealth of experience in the real estate capital management market. The Group is currently managing or has managed 14 capital management vehicles on behalf of many of the world's top institutional investors including sovereign wealth funds, pension funds, insurance companies, banks and private investors. Our real estate portfolio offers investors exposure to both diversified and sector-focused portfolios across the public and private real estate markets.

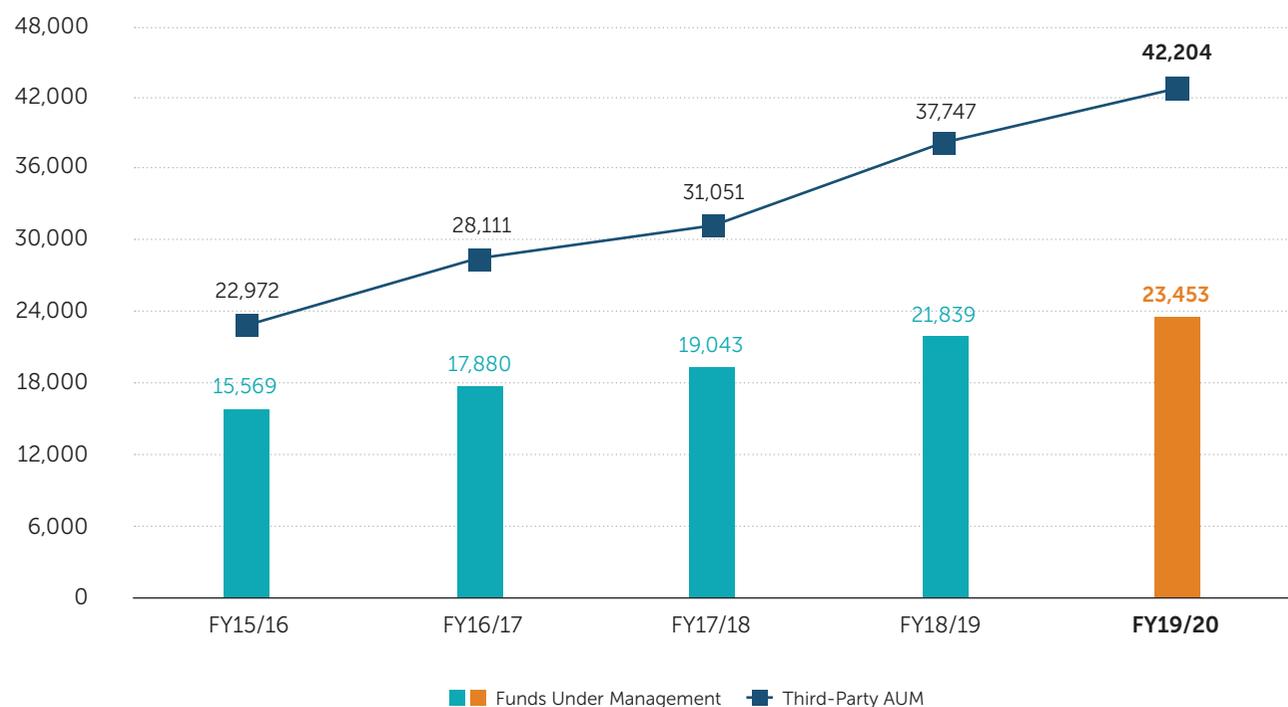
The Group has built a strong reputation as an industry leader in the Singapore REIT market and private capital management business with origination, structuring and

fundraising capabilities. As at 31 March 2020, Mapletree has assets under management (AUM) of S\$60.5 billion, of which S\$42.2 billion (69.8% of AUM) are third-party managed assets under four Singapore-listed REITs and six private funds¹. In the last decade, Mapletree has grown its third-party AUM by more than five times.

In line with our business objective to deliver consistent and high returns, Mapletree constantly seeks new opportunities to launch new capital management platforms and focuses on building lasting relationships with its capital partners by leveraging its strong pipeline and performance of real estate assets.

FIVE-YEAR GROWTH IN THIRD-PARTY AUM & CAPITAL UNDER MANAGEMENT

(S\$ million)



Enhanced Capital Management Portfolio with New Australian Fund – Mapletree Australia Commercial Private Trust (MASCOT)

Mapletree has continued to boost its capital management capabilities and expanded its geography of private funds in Financial Year 2019/2020 (FY19/20). In November 2019, Mapletree successfully closed a commercial private trust in Australia, MASCOT, with A\$654 million (~S\$592 million) in equity. Mapletree retained a 24%² stake in MASCOT, demonstrating alignment of its interest with those of the investors. MASCOT aims to deliver an attractive total return by investing in high quality commercial assets in Australia. It is a fully invested income yielding fund comprising 10 commercial assets strategically located in key gateway cities namely Sydney, Melbourne, Adelaide, Brisbane and Perth.

US\$1.8 billion (~S\$2.5 billion) Equity Raised for Mapletree’s First Pan United States (US)-European Logistics Fund – Mapletree US & EU Logistics Private Trust (MUSEL)

The Group has also successfully completed its syndication of MUSEL. MUSEL is a fully invested income yielding portfolio comprising 262 logistics assets across 26 states in the US and 20 cities across seven European countries, with a total investment value of US\$4.3 billion (~S\$6 billion), raising a total of US\$1.8 billion (~S\$2.5 billion) in equity. Despite the competitive fundraising environment, it attracted strong investor support from a geographically diversified group of investors that includes insurance companies, financial institutions and family offices. Mapletree continues to retain a 33%² stake in MUSEL to align with investor interests, similar to its approach with other sponsored private funds and its four Singapore-listed REITs.

The success in syndicating both MASCOT and MUSEL is testament to the strong confidence that investors have in Mapletree’s capital management and global real estate capabilities.

In addition to MASCOT and MUSEL, Mapletree manages four other funds – Mapletree China Opportunity Fund II (MCOF II), Mapletree India China Fund (MIC Fund), Mapletree Global Student Accommodation Private Trust (MGSA) and Mapletree’s Japan-focused logistics development fund (MJLD).

UPCOMING SUCCESSFUL EXIT OF MJLD

MJLD was launched in 2014 with a committed capital of JPY51 billion (~S\$689 million) which exceeded the original target of JPY44 billion (~S\$594 million). The fund was set up with an objective to invest in logistics development assets and select completed logistics assets in Japan.

Upon the end of its investment period in 2017, MJLD had made 12 investments, which account for around 80%³ of MJLD’s capital commitment. The divestment of the projects started in 2018 with the earliest divestment of three assets in September 2018. The fund sold six assets as a portfolio to a fund managed by Blackstone in July 2019. The divestment of other assets took place subsequently with the final asset disposed to Mapletree Logistics Trust (MLT) in February 2020. With the divestment of all the assets, MJLD is on track to deliver an expected return of 1.8 times equity multiple and net IRR⁴ of 23.7%, attesting to the Group’s ability to deliver high returns to its investors.

ACHIEVED A SUCCESSFUL EXIT – MIC FUND

MIC Fund was launched in 2008 with a committed capital of US\$1.2 billion (~S\$1.7 billion). The fund was set up with an objective to invest in commercial, residential and

mixed-use property developments in two large emerging economies, China and India. Upon the end of its investment period in 2013, MIC Fund⁴ had made seven investments. The projects have been progressively divested since 2011 and the fund was fully realised in April 2020, achieving a net IRR⁴ estimated at 13.6% and 2.0 times equity multiple.

DELIVERING STABLE RETURNS BACKED BY STRONG SPONSOR

Mapletree continues to syndicate new private funds to meet investors’ needs, as well as deliver strong and sustainable returns to investors via its listed platforms. Strengthening the Group’s capital management capability is an important strategy to achieve its optimal capital structure. The Group’s four Singapore-listed REITs – namely MLT, Mapletree Industrial Trust, Mapletree Commercial Trust and Mapletree North Asia Commercial Trust – have performed strongly, maintained credible earnings and consistently delivered strong returns to its investors since their respective initial public offerings. This demonstrates the high quality of Mapletree’s REITs and their portfolios, as well as Mapletree as a committed and strong sponsor. The four REITs also achieved an annual distribution yield per unit of between 4.4% and 8.5% in FY19/20.

BROADENING OUR GLOBAL PRESENCE

During the year, Mapletree further expanded globally, beyond Asia, in terms of its investment footprint and client coverage. The Group enlarged its commercial portfolio in Europe by acquiring office assets in Ireland and Poland. The AUM for the Europe commercial portfolio is approximately S\$2 billion, representing approximately 10% of the overall commercial AUM of Mapletree. In September 2019, the Group and Mapletree Industrial Trust (MIT) announced the 50:50 joint

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venture to acquire 10 powered shell data centres from Digital Realty, and to enter into a joint venture with Digital Realty to co-invest in three existing Digital Realty hyperscale data centres. The total transaction is valued at US\$1.4 billion (~S\$1.9 billion). Mapletree has become a truly

global real estate manager with a high quality, diversified international investor base. The Group endeavors to align the development of current and new products with its investors' evolving investment requirements. Mapletree will continue to grow the size of its capital management

business by developing innovative real estate investment products that cater to the varying investment needs and risk-return profiles of investors. The Group is currently exploring the possibility of launching a private fund with its Europe commercial portfolio.

| Name of Fund/ REIT | Brief Description | Launch/ Listing Date | Investment Universe | Investment Focus | Fund Life (Years) | Fund Size/ NAV ⁵ |
|-------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|---------------------|---------------------------------------------------|-------------------|-----------------------------------|
| Private Funds – Existing | | | | | | |
| Mapletree Australia Commercial Private Trust (MASCOT) | Established with the objective to invest in income generating commercial assets that are strategically located in key Australian gateway cities. | 2019 | Australia | Commercial | 5 | A\$654 million (~S\$592 million) |
| Mapletree US & EU Logistics Private Trust (MUSEL) | Established with the objective to invest in high quality and strategically located logistics asset in the US and Europe. | 2019 | The US and Europe | Logistics | 7 | US\$1.8 billion (~S\$2.5 billion) |
| Mapletree Global Student Accommodation Private Trust (MGSA) | Established with the objective to invest in an attractive and resilient income-producing student accommodation portfolio in the UK and the US. | 2017 | The UK and the US | Student Accommodation | 5 | US\$535 million (~S\$742 million) |
| MJLD | Established with the objective of generating attractive total returns by investing in logistics development assets in Japan. | 2014 | Japan | Logistics | 6 | JPY51 billion (~S\$689 million) |
| Mapletree China Opportunity Fund II (MCOF II) | Established with the objective of maximising total returns by investing in a portfolio of development projects and projects with value enhancement potential located in Tier 1 and Tier 2 cities in China. | 2013 | China | Commercial, Industrial, Residential and Mixed-use | 9 | US\$1.4 billion (~S\$1.9 billion) |
| Mapletree India China Fund (MIC Fund) ¹ | Established with the objective of maximising total returns by acquiring, developing and realising real estate projects in China and India. | 2008 | China and India | Commercial and Mixed-use | 12 | US\$1.2 billion (~S\$1.7 billion) |

| Name of Fund/ REIT | Brief Description | Launch/ Listing Date | Investment Universe | Investment Focus | Fund Size/ NAV ⁵ |
|-----------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------|------------------------------------------|---------------------------|-----------------------------------|
| Private Funds – Fully realised | | | | | |
| MJOF | Established with the objective of generating a stable and recurring income yield with an attractive total return, by investing predominantly in income-generating office spaces located primarily on or around the fringe of Tokyo CBD and within the Greater Tokyo area. Fully realised and achieved 1.9 times equity multiple and net IRR ⁴ of 27.2%. | 2014 | Japan | Commercial | JPY65 billion (~S\$878 million) |
| Mapletree Industrial Fund (MIF) | Established with the objective of investing in industrial assets in Asia for yield and appreciation. Fully realised and achieved 1.5 times multiple and net IRR ⁴ of 15.1%. | 2006 | Pan Asia | Industrial | US\$299 million (~S\$415 million) |
| Mapletree Industrial Trust - Private (MITP) | Held the S\$1.7 billion of industrial assets acquired from JTC in 2008. Fully realised and achieved 1.5x multiple and net IRR ⁴ of 19.1%. | 2008 | Singapore | Industrial | S\$708 million |
| Mapletree Real Estate Mezzanine Fund (MREM) | Focused on originating and executing real estate mezzanine loans in Asia. Fully realised in FY07/08 and achieved 1.2 times equity multiple and net IRR ⁴ of 25.3%. | 2005 | Pan Asia | All | S\$90 million |
| Public Listed – REITs | | | | | |
| Mapletree North Asia Commercial Trust (MNACT) | REIT investing in a diversified portfolio of income-producing commercial real estate in Greater China and Japan. | 2013 | Greater China and Japan | Commercial | S\$4.7 billion |
| Mapletree Commercial Trust (MCT) | REIT investing on a long-term basis in a diversified portfolio of office and retail assets in Singapore. | 2011 | Singapore | Commercial | S\$5.8 billion |
| Mapletree Industrial Trust (MIT) | REIT investing in a diversified portfolio of income-producing assets used for industrial purposes in Singapore and income-producing assets used primarily as data centres beyond Singapore. | 2010 | Singapore and North America ⁶ | Industrial & Data Centres | S\$3.6 billion |
| Mapletree Logistics Trust (MLT) | First Asia-focused logistics REIT in Singapore, with the principal strategy of investing in a diversified portfolio of income-producing logistics real estate and real estate related assets in Asia Pacific. | 2005 | Asia Pacific | Logistics | S\$4.6 billion |

Note: All information provided as at 31 March 2020 unless otherwise stated.

1 MIC Fund was fully realised in April 2020.
2 Excluding director and senior management's stake in fund.
3 Total required equity for projects (including amount drawn from fund level loan for bridging purpose) as a percentage of total committed equity.

4 After expenses, taxes and base management fee but before carried interest.
5 Total fund size for private funds; NAV attributable to unitholders for listed REITs as at 31 March 2020.

6 Invest in income-producing real estate used primarily for industrial purposes in Singapore and income-producing real estate used primarily as data centres worldwide beyond Singapore.