

MAPLETREE NORTH ASIA COMMERCIAL TRUST

(constituted in the Republic of Singapore pursuant to a trust deed dated 14 February 2013 (as amended))

MINUTES OF PROCEEDINGS OF 5th ANNUAL GENERAL MEETING

Date/Time : Wednesday, 18 July 2018 at 2.30 p.m.
Venue : 10 Pasir Panjang Road, Mapletree Business City, Town Hall - Auditorium, Singapore 117438

1. Mr Wan Kwong Weng, as Joint Company Secretary, announced at 2.30 p.m. that the 5th Annual General Meeting ("**AGM**") of Mapletree North Asia Commercial Trust ("**MNACT**") would commence. He introduced himself as the Joint Company Secretary of Mapletree North Asia Commercial Trust Management Ltd. (the "**Manager**"), as manager of MNACT, and also the Directors and the executive officers of MNACT, as follows:
 - (i) Mr. Hiew Yoon Khong (Non-Executive Director and NRC member)
 - (ii) Mr. Michael Kok (Independent Non-Executive Director and AC member)
 - (iii) Ms. Tan Su Shan (Independent Non-Executive Director and NRC member)
 - (iv) Mr. Lok Vi Ming (Lead Independent Non-Executive Director, NRC Chairman and AC Member)
 - (v) Ms. Cindy Chow (Executive Director and Chief Executive Officer)
 - (vi) Mr. Paul Ma (Chairman)
 - (vii) Mr. Kevin Kwok (Independent Non-Executive Director and AC Chairman)
 - (viii) Mr. Ng Wah Keong (Chief Financial Officer)
 - (ix) Ms. Sandra Cheng (General Manager, Festival Walk)
 - (x) Mr. Chua Tiow Chye (Non-Executive Director)
2. Chairman welcomed all MNACT Unitholders ("**Unitholder**") to the AGM on behalf of the Manager. Upon confirmation by the Joint Company Secretary that there was a quorum present at the Meeting, Chairman declared the AGM open.
3. Chairman proceeded with the Notice of AGM. He noted that the purpose of the AGM was to seek the approval of the Unitholders to the three resolutions (the "**Resolutions**") set out in the Notice of AGM dated 29 June 2018. The Notice of AGM contained two items as ordinary business of the AGM and one item as special business of the AGM. Chairman noted that each item, being an ordinary resolution had to be carried by affirmative votes of more than fifty percent of the total votes cast on the resolution before it could be passed.
4. The Notice of AGM was noted and taken as read.
5. Chairman informed the Unitholders that in order to make the voting process transparent, voting on all three Resolutions would be conducted by a paperless poll, using wireless hand held devices given to the Unitholders.
6. Before the poll was conducted, Chairman invited Mr. Ng Wah Keong and Ms Cindy Chow to give an overview of the financial results of MNACT for the Financial Year ended 31 March 2018.

7. After the presentations were made by Mr. Ng Wah Keong and Ms Cindy Chow, Chairman invited questions from the floor. He requested that Unitholders limit themselves to a reasonable number of questions and to matters relevant to the AGM's agenda. Chairman further informed the Unitholders that questions pertaining to the financial results of the first quarter FY2018/19 would not be entertained as the Manager would be releasing MNACT's first quarter FY2018/19 results at the close of business on 30 July 2018.
8. Unitholder Mr. Tan Teck Guan noted that Management had raised funds for the Japan acquisition by way of a private placement exercise. He enquired why Management had not raised funds through a rights issue which would give the existing Unitholders an opportunity to participate. He added that Unitholders would not benefit from a private placement and if Management would consider raising fund by way of rights issue for future acquisitions. Chairman explained that private placement was the most efficient form of fund raising as it can take the form of an overnight private placement, which was the case for the Japan acquisition. This provided minimum market exposure especially in volatile market conditions. Private placement was also necessary to meet the transaction timeline for the Japan acquisition. Chairman added that while not all existing Unitholders could participate in the private placement exercise, they would benefit from the transaction with higher Distribution Per Unit ("**DPU**") as the acquisition was yield accretive. With regard to future acquisitions, Chairman informed that if the transaction was not time sensitive, Management would definitely consider raising funds through a rights issue.
9. Unitholder Mr. Tan Yew Aik raised the following questions:
 - (i) He referred to page 16 of the Annual Report and noted that the Gross Revenue increased by 1.3% and Property Operating Expenses increased by 4.4% between FY17/18 compared to FY16/17. In light of that, he also enquired about the rationale for the increase in Base Fee and Performance Fee for FY17/18 compared to FY16/17.
 - (ii) He referred to page 71 of the Annual Report on the long term incentive ("**LTI**") award for the senior management and enquired about the Total Shareholder Return ("**TSR**") targets imposed.
10. With regard the increase in Property Operating Expenses for FY17/18 as compared to FY16/17, Ms. Cindy Chow explained that it was mainly due to increased property tax incurred by Gateway Plaza as a result of the change in the basis of assessment of property tax, as well as a corresponding increase in property tax due to higher revenue. As for the increase in Base Fee and Performance Fee, Ms. Cindy Chow explained that the Base Fee is computed based on 10% per annum of Distributable Income ("**DI**") for the financial year, and the Performance Fee is computed based on 25% of DPU growth of the current financial year against that of last year. If the Manager does not grow the DI each year, the Base Fee would be affected as it would either become stagnant or lower and if the Manager does not grow the DPU each year, there would be no Performance Fee payable to the Manager. As such, the interest of the Manager is aligned with the Unitholders' interest.
11. With regard to the TSR targets imposed on the senior management, Mr. Lok Vi Ming explained that LTI award is a big component of the senior management's remuneration. In determining the CEO's pay, a balanced approach has been adopted and various factors such as the financial and non-financial performance were taken into consideration. He added that the Nominating and Remuneration

Committee was guided by the consultant, Mercer, on remuneration matters. Chairman added that the Board was mindful of excessive risk taking and as such, a large part of the CEO's pay was in variable components linked to the performance of the REIT. On the other hand, the financial reward also needed to be fair and reasonable to ensure market competitiveness and to motivate and spur the CEO to continue to excel.

12. Unitholder Mr. Ling Chun Huan thanked the Management for the wonderful performance for the last 5 years. He then went on to raise the following questions:
 - (i) He enquired about the Manager's outlook on Hong Kong and China and also the REIT's performance for the next 5 years.
 - (ii) He commented that there had been a recent acquisition by another REIT (unrelated to Mapletree) whereby it was found out post acquisition that the valuation conducted for purpose of the acquisition was inflated. He enquired if Management would be carrying out another independent valuation on the Japan Portfolio post acquisition to verify the value of the Japan Portfolio.
13. With regard to the valuation of the Japan Portfolio, Chairman informed that, as disclosed in the Circular and highlighted at the Extraordinary General Meeting held on 24 April 2018, two independent valuers were appointed to conduct valuation on the Japan Portfolio. The Manager had also conducted substantial due diligence on the properties, including conducting its own desktop valuation, to ensure that they meet the Manager's criteria (including pricing). Further, an independent financial adviser was appointed to review the transaction and had opined that the transaction was based on normal commercial terms and would not be prejudicial to the interests of MNACT and its minority unitholders. As such, the Manager is of the opinion that another valuation would not be required post acquisition.
14. With regard to the outlook on Hong Kong and China and also the REIT's performance for the next 5 years, Chairman commented that the retail outlook for Hong Kong has improved as the Manager has observed an increase in tourist arrivals resulting in higher retail sales. Festival Walk remains resilient. As for the outlook on China, there had been some measures taken by the China government to tighten peer-to-peer ("P2P") lending to contain credit extension. However, in terms of financial performance, the REIT's assets in China are still growing moderately. Barring any further escalation of the trade war and corresponding downside risks, the Manager is hopeful that the REIT's performance would continue to be sustainable.
15. There being no further questions, Chairman proceeded to conduct the Poll in respect of the three Resolutions. He informed that as Chairman of the AGM, he held valid proxies in respect of all the three Resolutions from eligible Unitholders.
16. Boardroom Corporate & Advisory Services Pte. Ltd., the appointed Polling Agent for the conduct of the Poll, explained the procedures for the electronic poll voting process.
17. Chairman then proceeded to introduce each of the Resolutions and put the motions on the table by asking for a proposer and a seconder for each of the Resolutions.

18. Resolution 1 was to receive and adopt the Report of the Trustee, the Statement by the Manager and the Audited Financial Statements of MNACT for the financial year ended 31 March 2018 together with the Auditor's Report thereon. These were all included in the Annual Report, a copy of which can be downloaded on MNACT's website.
19. Unitholder Ms. Emilia Jeow Ah Eng raised the following questions:
- (i) She noted that the gearing level had increased after the acquisition of the Japan Portfolio. She enquired as to how the Manager intended to bring down the gearing level as it would impact future borrowings especially with increasing interest rates.
 - (ii) She referred to page 111 of the Annual Report and enquired about the reason for the decrease in cash and cash equivalents compared to the last financial year.
20. With regard to the increase in gearing level, Chairman explained that the Manager has always maintained that the comfortable gearing level was up to 42%. At the current level proforma gearing level of approximately 39%, the available amount for future acquisition was about S\$400 million. Furthermore, the regulatory limit is 45%. With regard to the increasing interest rates, Chairman informed that for every 50 basis point increase, the impact to the FY17/18 DPU was only 1.1%.
21. With regard to the decrease in cash and cash equivalent, Mr. Ng Wah Keong explained that this was mainly due to the net repayment of borrowings of about S\$32 million. There were also additions to investment properties and plant and equipment of about S\$6 million, being expenses incurred to further enhance the REIT's assets.
22. Unitholder Mr. Ho Hai Pang (Henry) referred to page 71 of the Annual report and enquired if the remuneration of Other Key Management Personnel listed was the same banding as the CEO and if not, why did the Manager not disclose their banding. Mr. Lok Vi Ming informed that it was not based on the same banding as the CEO, and referred Mr. Ho Hai Pang to page 72 of the Annual Report where it is stated that the total remuneration for the CEO and the key management personnel for FY17/18 was S\$3.33 million. Mr Wan Kwong Weng added that the Manager had explained on page 72 of the Annual Report the reasons the Board decided not to disclose remuneration of its key executive in bands of S\$250,000. He highlighted that as the REIT is externally managed, the remuneration of the Manager's personnel are paid by the Manager and not the REIT. The REIT only pays the Manager its Management Fees.
23. Mr. Tan Hock Juan (Francis) enquired if unitholders' approval was required for unit buyback. Chairman informed that unitholders' approval would be required for unit buyback. He added that the Manager had no plans to carry out any unit buyback exercise.
24. Ms. Tee Boon Lee Tanice He referred to page 108 of the Annual Report and enquired about the reason for the decline in Total Assets and increase in the Derivative component. Mr. Ng Wah Keong explained that the derivatives are refer to the instruments such as currency forward contracts, interest rate swaps and cross currency interest rate swap that were strictly for hedging purposes only. The accounting standard, FRS 39, *Financial Instruments: Recognition and*

Measurement, requires the derivative instruments be measured at market value. Therefore, the increase in derivative instruments was mainly due to the mark-to-market effect on the derivatives instruments. Chairman added that these were market values movements and these derivatives were used to hedge interest and currency rates.

25. Unitholder Ms. Koh Mei Ling proposed and Unitholder Ms. Tong Wern Chek seconded. Chairman then invited the Unitholders to vote on Resolution 1. For Resolution 1, Unitholders cast 99% of the eligible votes "FOR" the motion and 1% of the eligible votes "AGAINST" the motion. Chairman declared Resolution 1 carried as an ordinary resolution.
26. Resolution 2 was to re-appoint PricewaterhouseCoopers LLP as Auditors of MNACT to hold office until the conclusion of the next Annual General Meeting of MNACT and to authorise the Manager to fix the remuneration of the Auditors. Unitholder Ms. Hooi Pik Ling proposed and Unitholder Ms. Tong Wern Chek seconded. Chairman then invited the Unitholders to vote on Resolution 2. For Resolution 2, Unitholders cast 99.98% of the eligible votes "FOR" the motion and 0.02% of the eligible votes "AGAINST" the motion. Chairman declared Resolution 2 carried as an ordinary resolution.
27. Resolution 3 was to approve a general mandate to be given to the Manager to (i) issue new units ("**Units**") in MNACT whether by way of rights, bonus or otherwise and/or make or grant offers, agreements or options that might or would require Units to be issued at any time and upon such terms and conditions and for such purposes and to such persons as the Manager may in its absolute discretion deem fit; and (ii) issue Units in pursuance of any instruments made or granted by the Manager while this Resolution is in force, provided that the conditions set out in the Notice of AGM were met. Unitholder Ms. Koh Mei Ling proposed and Unitholder Ms. Tong Wern Chek seconded. Chairman then invited the Unitholders to vote on Resolution 3. For Resolution 3, Unitholders cast 97.62% of the eligible votes "FOR" the motion and 2.38% of the eligible votes "AGAINST" the motion. Chairman declared Resolution 3 carried as an ordinary resolution.
28. As there was no other matter to be transacted at the AGM, the Chairman declared the Meeting closed at 3.40 p.m.

CONFIRMED AS A TRUE RECORD OF THE PROCEEDINGS HELD

PAUL MA KAH WOH
CHAIRMAN
BOARD OF DIRECTORS
MAPLETREE NORTH ASIA COMMERCIAL TRUST MANAGEMENT LTD.