

# MESSAGE FROM THE CHAIRMAN



**Mr Edmund Cheng**  
Chairman

## A STEADY PERFORMANCE

Despite the ongoing headwinds in the global economy that have led to heightened uncertainty across several markets and industries in Financial Year 2022/2023 (FY22/23), Mapletree continues to remain resilient.

The Group reported a profit after tax and minority interests (PATMI)<sup>1</sup> of S\$1,220.0 million in FY22/23 and delivered a sustained revenue<sup>2</sup> of S\$2,859.3 million in the penultimate year of its Five-Year Plan. This was mainly driven by stronger operational performance and higher fee income from our capital management business. Our total assets under management (AUM) stood at S\$77.4 billion, while third-party AUM grew by 2.9% to S\$60.2 billion. As a result, our AUM ratio improved from 2.9 times to 3.5 times.

With the goal of delivering sustained returns and long-term value to our stakeholders, the Group focused on strengthening its balance sheet to navigate headwinds and capitalise on growth opportunities. We saw potential for growth in Asia, as the region's gross domestic product is forecasted to rise at a much faster rate than the United States (US) and Europe, driven by an increase in domestic consumption following its high population growth rate.

The Group launched its inaugural open-ended China logistics fund, Mapletree China Logistics Investment Private Fund (MCLIP) in December 2022, with a "build-to-core" strategy and a seeded portfolio of 43 Grade A logistics assets across key cities in China. Through active management of its diversified portfolio, MCLIP is positioned to deliver on sustained profitability as well as stable and growing distribution yields.

Additionally, as more organisations implement a shift back to working in the office in Asia, we saw opportunities to scale up in India's office sector. The Group entered into a joint partnership with Ivanhoe Cambridge to launch an India private fund to develop, own and operate technology-sector-focused workplaces in key economic hubs in the country.

By leveraging our capabilities in identifying resilient asset classes and markets with long-term value, we aim to capitalise on opportunities for growth to ensure a future-ready portfolio.

With the logistics sector benefitting from supportive fundamentals such as increased demand from businesses requiring more warehouse space and an undersupply of Grade A warehouses, Mapletree continues to deepen its logistics footprint worldwide. In China, the Group completed the development of 14 logistics parks and now operates a total of 95 projects in over 70 cities as at 31 March 2023. In FY22/23, Mapletree has also acquired and developed logistics projects in Australia, India, Malaysia, South Korea and Vietnam, growing our overall logistics AUM to S\$30.4 billion.

Data centres have also shown their resilience, with the asset class performing well despite market challenges post-Covid-19. Mapletree is currently developing our first data centre development in Fanling, Hong Kong SAR.

The strong performance of the student accommodation sector following the reopening of borders and return of students to campus also positions this asset class as a favourable one in the long-term. As we work to rejuvenate our current portfolio with asset enhancement initiatives to improve the overall resident experience, Mapletree continues to remain on the lookout for opportunities to scale up in this sector.

Even as we strategically capitalised on opportunities for growth, the Group maintained prudence in its business strategy, continuing to adopt conservative, long-term hedging and financing practices which mitigated the effects of repeated interest rate hikes.



Located in Xuzhou, Jiangsu, Mapletree (Huaihai) Supply-Chain Center comprises two blocks of single-storey warehouses and two blocks of double-storey ramp-up warehouses and has a net lettable area of 93,373 square metres.

# MESSAGE FROM THE CHAIRMAN

## FOCUSING ON ESG

We are cognisant of the impact climate change has on the environment and our businesses. Thus, it is paramount that Mapletree remains steadfast in our commitment to sustainability. I am encouraged by our progress since we announced the launch of our “net zero by 2050” roadmap last year, as we continue to embed environmental, social, and governance (ESG) principles into our investment decisions, operations, and development projects.

In September 2022, Mapletree became a signatory to the United Nations-supported Principles for Responsible Investment (UN PRI), which further demonstrated our pledge to ensure sustainable business practices. Furthermore, we attained 3 out of 5 stars in our inaugural 2022 GRESB Real Estate Assessment. Across the portfolio, in FY22/23, the Group grew its solar generating capacity by almost 100% and attained over 300 sustainable building certifications and energy ratings.

Going forward, we are setting up a new environmental data management system to track consumption and emissions-related data across our properties. The Group also aims to plant 100,000 trees across all properties and within the communities we operate in by 2030.

It is heartening to know that our staff are on board with our sustainability goals and have been proactively organising environmental awareness activities through our Group-wide Staff Green Initiative. Held in its second year, 20 teams across 13 markets led green initiatives within their offices, enabling their colleagues to gain a deeper understanding about sustainability principles and incorporating them into their day-to-day lives.

With our global presence, the diverse perspectives, backgrounds and experiences of our global workforce add value to our operations, and we strive to ensure that all staff are given the resources they need to reach their fullest potential in a constantly changing world. These include opportunities for self-development and growth, through virtual and in-person courses, as well as activities to ensure our staff’s mental and physical well-being through wellness activities.

The Group is committed to upholding ethical business conduct and maintaining good corporate governance practices. Through frequent and transparent communication with our investors, we ensure equal access to information for all. This is especially important in times of uncertainty.

## GIVING BACK TO THE COMMUNITY

Aligned with our commitment to give back to the community, the Group has continued with its Corporate Social Responsibility (CSR) programme, committing about S\$5.5 million in FY22/23 to these activities.

With the easing of Covid-19 measures, we have been able to bring back much anticipated events.

I was delighted to see the 38<sup>th</sup> Singapore Bird Race, sponsored by Mapletree, resume as an in-person event in December 2022. We saw over 300 participants from seven categories flagged off from Mapletree Business City (MBC) during the two-day race jointly organised by BirdLife International and the Nature Society (Singapore), and supported by the National Parks Board (Sungei Buloh Wetland Reserve).

In our ongoing efforts to bring arts to the community, Mapletree presented a series of concerts at the VivoCity Amphitheatre and Mapletree Arts in the City lunchtime performances at MBC, Singapore. These included the first-ever collaboration between Mapletree and the Singapore Chinese Orchestra (SCO) in May 2022. The sold-out concert brought classic hits and melodies to an audience of over 800 spectators and fans. During the year, the long-standing Mapletree and The TENG Ensemble concert series, “Once Upon a Time” were held in July 2022 and February 2023 for the Mid-Autumn festival and Lunar



The inaugural “SCO Goes to VivoCity” concert drew over 800 spectators who were regaled by familiar favourites such as “Thunder Storm and Drought”, “The Past Can Only be Remembered” and “Nocturne to Victoria Harbour”.

New Year, respectively. Both concerts featured performances by Mapletree-TENG scholars. At MBC, we kicked off the first lunchtime performance with local singing group Peranakan Sayang and musical theatre specialists Sing'theatre.

Mapletree renewed its commitment to the Mapletree-TENG Scholarship, with S\$10,000 per scholar over a two-year period. This provides recipients from less-privileged backgrounds with financial support to pursue their passion for Chinese music. Since its establishment in 2018, 22 recipients have benefitted from this scholarship.

Education is another key pillar of Mapletree's CSR programme and through this, we hope to create meaningful opportunities to support academic growth. In January, Mapletree sponsored the two-day, student-led conference, UNICON 2023. Organised by the National University of Singapore (NUS) Entrepreneurship Society (NES), over 500 young entrepreneurs gathered to compete and participate in a series of activities. Cash prizes of S\$3,000, S\$1,500 and S\$500 were awarded to the top three finalists of the Asia leg of TigerLaunch, a global entrepreneurship competition.



Ms Kirbie Koh, Vice President Externals, UNICON 2023; Mr Wan Kwong Weng, Group Chief Corporate Officer, Mapletree; Minister of State Alvin Tan; Mr Lee Jun Liang, President, UNICON 2023; and Ms Cloey Wong, Vice President Internals, UNICON 2023, launching the event with a ribbon-cutting ceremony.

In addition, Mapletree organised and presented a public exhibition at VivoCity, Singapore in collaboration with the NUS College of Design and Engineering. Titled "From Waste to Useful Aerogel: Upcycling for Sustainability", the exhibition showcased the use of novel technology to upcycle waste materials into useful aerogels.

Mapletree also provides underprivileged students with financial assistance through bursaries funded by the Group's endowed donations at the six local universities in Singapore. This year, in appreciation of the longstanding contributions of former directors – Mr Paul Ma Kah Woh, Mr Tsang Yam Pui and Mr Wong Meng Meng, bursaries at three existing partner universities – NUS, the Singapore Management University and the Singapore University of Technology and Design, were named after them.



Peranakan Sayang performing in-person for Arts in the City at MBC.

In support of the healthcare sector in Singapore, Mapletree supported the National University Hospital's Management and Innovation for Longevity in Elderly Surgical Patients programme through a sponsorship that funds the procurement of additional medical and rehabilitation equipment used to evaluate and enhance the fitness levels of patients aged 65 years and above.

# MESSAGE FROM THE CHAIRMAN

This year's Mapletree Staff CSR Programme saw 25 teams submitting proposals to organise activities that help support their local communities. Of these, 19 teams received S\$5,000 each in seed funding across 10 markets – Singapore, Australia, China, Hong Kong SAR, Japan, South Korea, the Netherlands, the UK, the US, and Vietnam.

At this juncture, I would like to take the opportunity to thank Ms Chan Chia Lin and Mr Tan Wah Yeow, who stepped down from the CSR Board Committee in FY22/23, for their generous contributions and invaluable support as Board members since FY19/20. I would also like to welcome Mr Alvin Tay, Independent Non-Executive Director of MPACT Management Ltd, and Ms Ooi Chee Kar, Independent Member of the Investor Committee of Mapletree US Logistics Private Trust, to the CSR Board Committee and look forward to working together to grow Mapletree's CSR programme.

## STAYING THE COURSE

As we navigate this period of uncertainty, Mapletree is cautiously optimistic for a gradual global recovery. On this note, I would like to express my sincere gratitude to the Board of the Mapletree Group of companies for their guidance this past financial year. I am also grateful to Group Chief Executive Officer, Mr Hiew Yoon Khong, the Management and all employees for their dedication and contributions in seeing Mapletree through this challenging year.

Mapletree will continue to remain adaptable and resilient as we leverage our robust business model, capitalise on opportunities to stay the course and emerge stronger.



**Edmund Cheng**  
Chairman

1 PATMI denotes net profit after tax and non-controlling interests attributable to Perpetual Securities Holders and Equity Holder of the Company.  
2 Revenue is adjusted to exclude incentive fee income and residential revenue. They are not deemed to be the core business activities for the Group.