MAPLETREE LOGISTICS TRUST

(Constituted in the Republic of Singapore
pursuant to a trust deed dated 5 July 2004 (as amended))

CIRCULAR DATED 2 NOVEMBER 2020

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

Singapore Exchange Securities Trading Limited (the "**SGX-ST**") takes no responsibility for the accuracy or correctness of any statements or opinions made, or reports contained, in this Circular. If you are in any doubt as to the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.

If you have sold or transferred all your units in Mapletree Logistics Trust ("**MLT**", and the units in MLT, the "**Units**"), you should immediately forward this Circular, together with the Notice of Extraordinary General Meeting and the accompanying Proxy Form in this Circular, to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee.

This Circular does not constitute an offer of securities in the United States or any other jurisdiction. The securities of MLT will not be registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**") or under the securities laws of any state or other jurisdiction of the United States, and any such securities may not be offered or sold within the United States except pursuant to an exemption from, or transactions not subject to, the registration requirements of the Securities Act and in compliance with any applicable state securities laws. The Manager does not intend to conduct a public offering of any securities of MLT in the United States.

CIRCULAR TO UNITHOLDERS IN RELATION TO:

(1) THE PROPOSED ACQUISITIONS OF (A) THE REMAINING 50.0% INTEREST IN 15 PROPERTIES AND A 100.0% INTEREST IN SEVEN PROPERTIES IN PRC THROUGH THE ACQUISITION OF PROPERTY HOLDING COMPANIES, (B) THE MALAYSIA PROPERTY AND (C) A 100.0% INTEREST IN ONE PROPERTY IN VIETNAM THROUGH THE ACQUISITION OF A PROPERTY HOLDING COMPANY, AS INTERESTED PERSON TRANSACTIONS;

(2) THE PROPOSED ISSUE OF NEW UNITS IN MLT AS PARTIAL CONSIDERATION FOR THE PRC ACQUISITIONS; AND

(3) THE PROPOSED WHITEWASH RESOLUTION.

IMPORTANT DATES AND TIMES FOR UNITHOLDERS	
Last date and time for pre-registration of Extraordinary General Meeting ("**EGM**")	20 November 2020 at 2.30 p.m.
Last date and time for lodgement of Proxy Forms	20 November 2020 at 2.30 p.m.
Date and time of EGM held at the physical location below and by way of electronic means	23 November 2020 at 2.30 p.m.
Physical location of EGM	20 Pasir Panjang Road Mapletree Business City Town Hall – Auditorium Singapore 117439

Managed by

MAPLETREE LOGISTICS TRUST MANAGEMENT LTD.

Joint Global Co-ordinators and Bookrunners in relation to the Equity Fund Raising
(as defined herein)

citi DBS HSBC OCBC Bank

Independent Financial Adviser to the Independent Directors, Audit and Risk Committee and the Trustee
(each as defined herein)

EY

Overview of the Properties(1)

Aggregate Agreed Property Value	Implied Net Property Income (“**NPI**”) Yield	Net Lettable Area (“**NLA**”)	Committed Occupancy	Weighted Average Lease Expiry (“**WALE**”)
S$1,046.7 million(2)	**~5.2%(3)**	**1,223,660 sq m(4)**	**94.7%(5)**	**2.3 years(6)**

China

Acquiring remaining 50.0% stake	
1	Mapletree Wuxi
2	Mapletree Hangzhou
3	Mapletree Nantong
4	Mapletree Changshu
5	Mapletree Changsha
6	Mapletree Wuhan
7	Mapletree Xi’an
8	Mapletree Tianjin
9	Mapletree Jiaxing
10	Mapletree Nanchang
11	Mapletree Zhenjiang
12	Mapletree Chengdu
13	Mapletree Shenyang
14	Mapletree Jinan
15	Mapletree Changsha 2

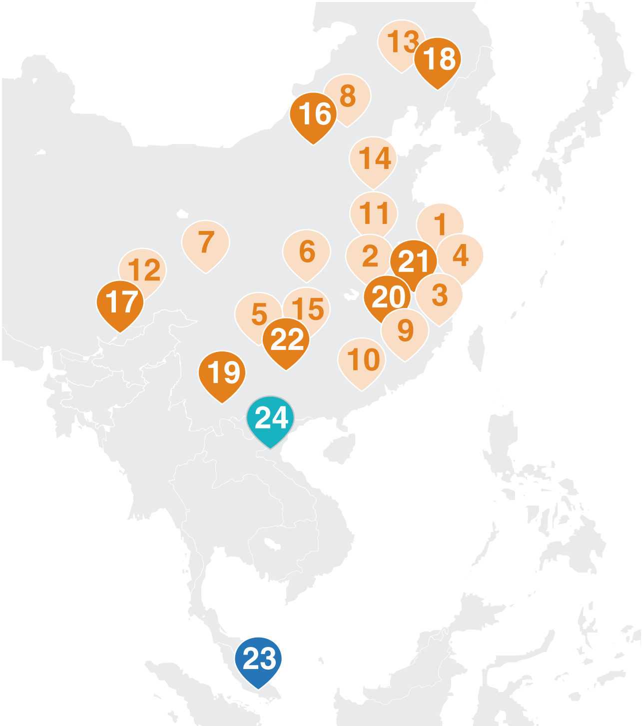
Acquiring 100.0% stake	
16	Mapletree Tianjin 2
17	Mapletree Chengdu 2
18	Mapletree Qingdao
19	Mapletree Guiyang
20	Mapletree Nantong 2
21	Mapletree Ningbo
22	Mapletree Changsha 3

Malaysia

23	Mapletree PTP

Vietnam

24	Mapletree Bac Ninh 3



MLT After the Proposed Acquisitions

Enlarged Assets Under Management of c.S$10.01 billion from c.S$8.96 billion

	Before the Acquisitions(7)	Properties(8)	After the Acquisitions	Change
NLA	5,053,139 sqm	1,223,660 sqm	6,276,799 sqm	▲ 24.2%
Assets Under Management	S$8,956 million	S$1,058 million(9)	S$10,014 million	▲ 11.8%
WALE	4.2 years	2.3 years(6)	3.8 years	▼ 8.2%
Number of Tenants	696	37	733	▲ 5.3%
Occupancy Rate	97.5%	94.7%	97.0%	▼ 50bps
Aggregate Leverage (*Pro forma* as at 30 September 2020)	39.5%(10)	–	36.8%(11)	▼ 270bps
Net Asset Value per Unit (S$) (*Pro forma* as at 31 March 2020)	1.21	–	1.29(12)	▲ 7.2%

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(1) *“**Properties**” refers to the Partially Owned PRC Properties, the New PRC Properties, the Malaysia Property and the Vietnam Property (each as defined herein).*

(2) *Reflects the 50.0% interest in the Partially Owned PRC Properties, and 100.0% interest in the New PRC Properties, Malaysia Property and Vietnam Property. Had it been 100.0% interest for all Properties, the aggregate Agreed Property Value will be S$1,509.2 million.*

(3) *Based on the aggregate Agreed Property Value of S$1,046.7 million.*

(4) *Reflects the proportionate NLA of 50.0% interest in the Partially Owned PRC Properties, and 100.0% interest in the New PRC Properties, Malaysia Property and Vietnam Property.*

(5) *As at Latest Practicable Date (22 October 2020).*

(6) *Weighted average by proportionate leased NLA as at Latest Practicable Date.*

(7) *As at 30 September 2020 and taking into account MLT’s 50.0% existing interest in the Partially Owned PRC Properties.*

(8) *As at the Latest Practicable Date and taking into account MLT’s acquisition of the remaining 50.0% interest in the Partially Owned PRC Properties.*

(9) *Based on the aggregate Agreed Property Value of the Properties, which includes the acquisition of the remaining 50.0% interest in the Partially Owned PRC Properties and any capitalised costs.*

(10) *Includes the proportionate share of borrowings and deposited property values of the joint ventures with the Sponsor.*

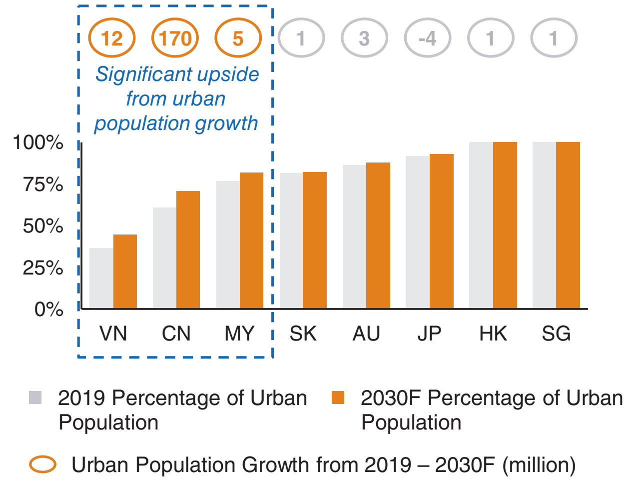
(11) *Includes the Loan Facilities and Subsisting PRC Bank Loans.*

(12) *Includes (a) approximately 246.7 million New Units issued in connection with the Private Placement at an issue price of S$2.027 per New Unit, and 72.4 million New Units issued in connection with the Preferential Offering at an issue price of S$1.990 (b) approximately 2,650,115 Acquisition Fee Units issued as payment of the Acquisition Fee payable to the Manager at an issue price of S$2.027 per Acquisition Fee Unit, and (c) approximately 148,001,973 of Consideration Units issued at an issue price of S$2.027 per Consideration Unit.*

① Exploit the Positive Demand-Supply Dynamics in China, Malaysia and Vietnam

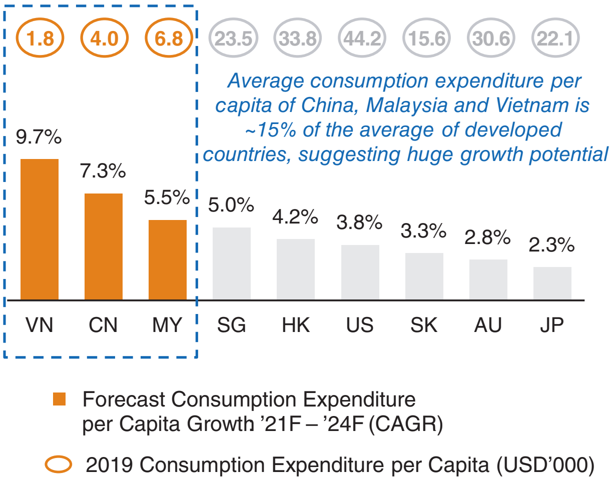
Fast Growing Domestic Markets Supported by Resilient Economic Fundamentals

Increasing Urbanisation with Significant Growth Potential
Urban Population Growth and Percentage of Urban Population (million, %)



Source: Independent Market Research Consultants.

Robust Consumption Growth
Consumption Expenditure per Capita and Growth Rate (USD'000, %)

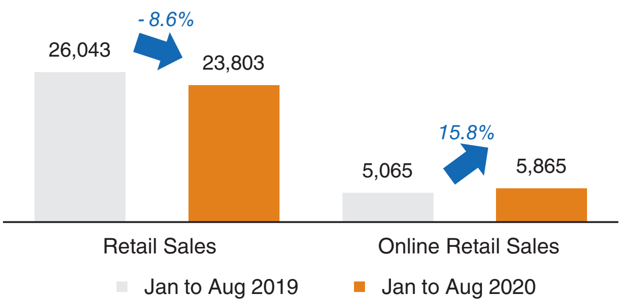


Source: Independent Market Research Consultants.

- Despite the COVID-19 pandemic, China, Malaysia and Vietnam remain resilient with real GDP per capita projected to grow at 5.1%, 3.1% and 6.2% respectively, from 2021 to 2024 → up to 3.4x that of the average growth rates of developed markets
- Urban populations in China, Malaysia and Vietnam are projected to exhibit strong growth of 20%, 21% and 32% respectively, between 2019 and 2030
- Increasing urbanisation and a growing middle class support rising consumption levels → higher demand for modern logistics space

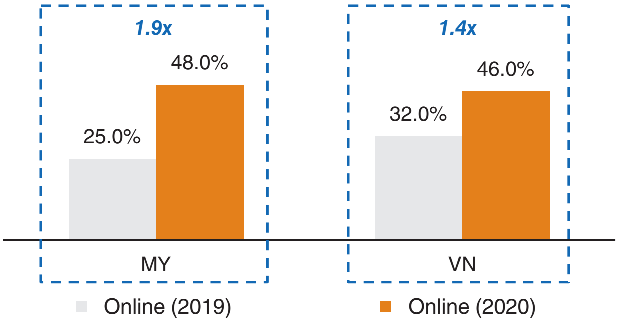
Accelerated E-commerce Adoption

China Online Retail Sales Up 15.8% Y-o-Y for Jan to Aug 2020
Retail Sales and Online Retail Sales in China (RMB billion)



Source: Independent Market Research Consultants.

Higher Online Shopping Adoption in Malaysia and Vietnam
Adoption of Online Shopping Channel (% of Survey Responses)



Source: Independent Market Research Consultants.

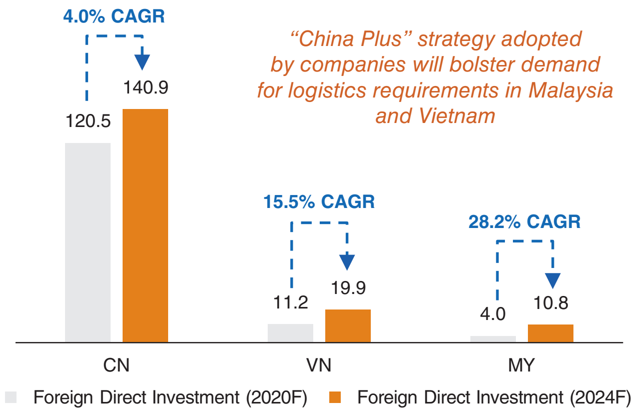
- COVID-19 pandemic has materially accelerated a shift to online consumption
- China online retail sales grew 15.8% during Jan to Aug 2020, outperforming the 8.6% decline in overall retail sales, to account for a higher 24.6% share of overall retail sales
- Malaysia and Vietnam adoption of online as a shopping channel is 1.9x and 1.4x that of 2019 respectively
- E-commerce logistics market size of China, Malaysia and Vietnam are expected to grow ~1.6x – 2.4x that of average of developed countries
- E-commerce tenants favour modern Grade A logistics facilities

1 Exploit the Positive Demand-Supply Dynamics in China, Malaysia and Vietnam

Emphasis on Supply Chain Resiliency Translates to Growing Demand for Logistics Facilities

"China Plus" Strategy to benefit Malaysia and Vietnam

Foreign Direct Investment ("FDI") and Growth (USD billion, %)



Source: Independent Market Research Consultants.

- Companies are adopting "in China for China" strategy to serve the local market while adding incremental capacity elsewhere
- Malaysia and Vietnam projected to benefit from strong FDI growth, with positive knock-on effects on consumption and demand for logistics space

Moving from "Just-in-Time" to "Just-in-Case"

Inventory of retailers is expected to **increase by 10% to 15%** to serve as safety stock in the event of supply chain disruptions

Businesses and governments are now increasingly aware of the importance to **balance supply chain efficiency and costs**

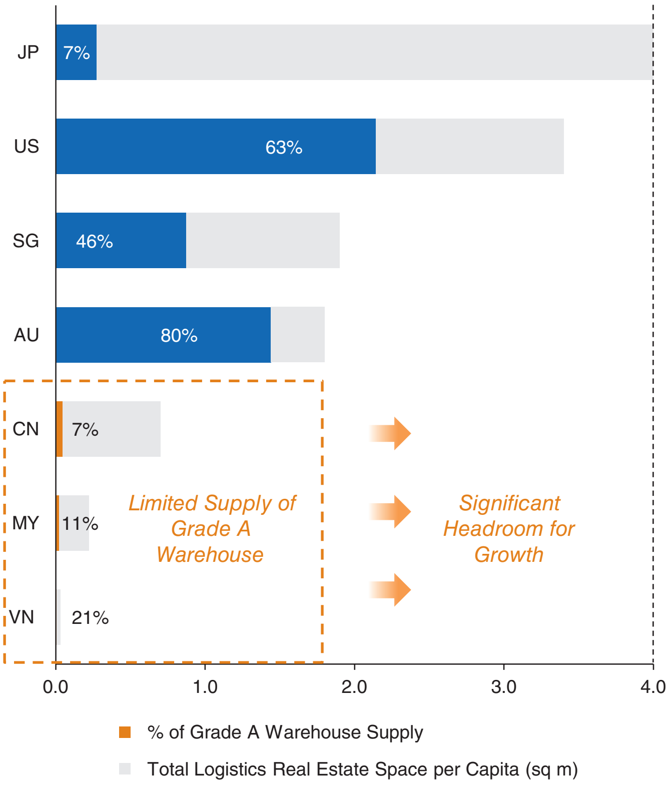
Supply chain resilience will be **prioritised over efficiency** especially for businesses operating in critical sectors

Businesses are softening their lean-inventory strategies and carrying more inventory as safety stock → **more logistics space**

Limited Supply of Grade A Warehouse Space Presents Opportunity for MLT to Fill the Market Gap

Logistics Real Estate Space per Capita and Grade A Warehouse Supply as % of Total Stock

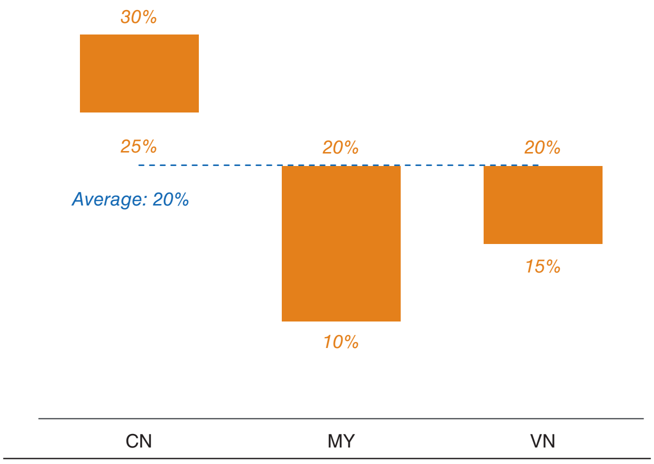
(sq m, %)



Source: Independent Market Research Consultants.

Average Rent Premium for Grade A Warehouses vs. Traditional Warehouses

(%)

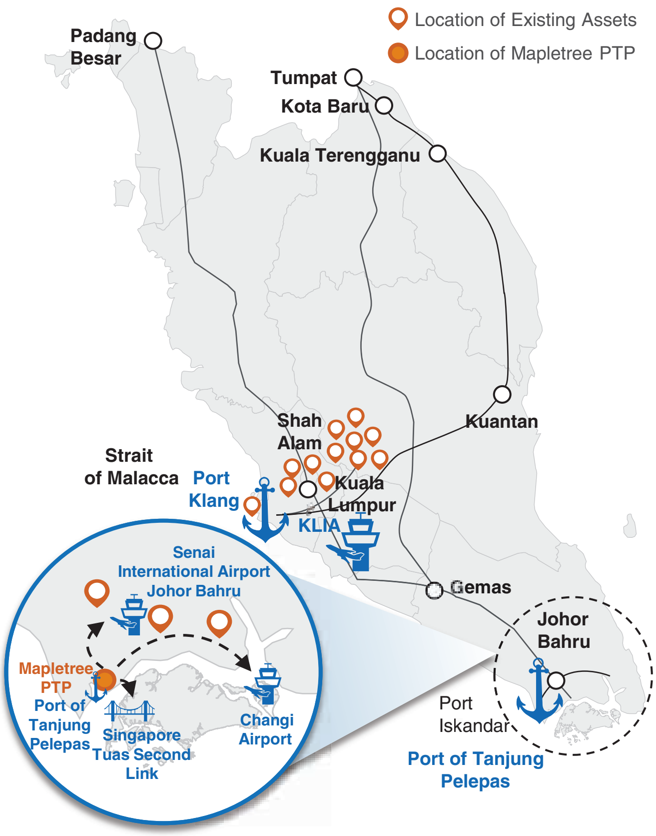


Source: Independent Market Research Consultants.

- Limited supply of Grade A warehouse space across China, Malaysia and Vietnam
- Low logistics space per capita vs countries like Japan and the US suggests significant headroom for growth
- Grade A warehouse space commands sizeable rent premium over traditional warehouses

2 Strengthen MLT's Network Connectivity across Key Logistics Nodes

Establish Presence in Malaysia's Port of Tanjung Pelepas (PTP), a Regional Distribution Hub



Source: Company information.

PTP is the third largest container port in Southeast Asia

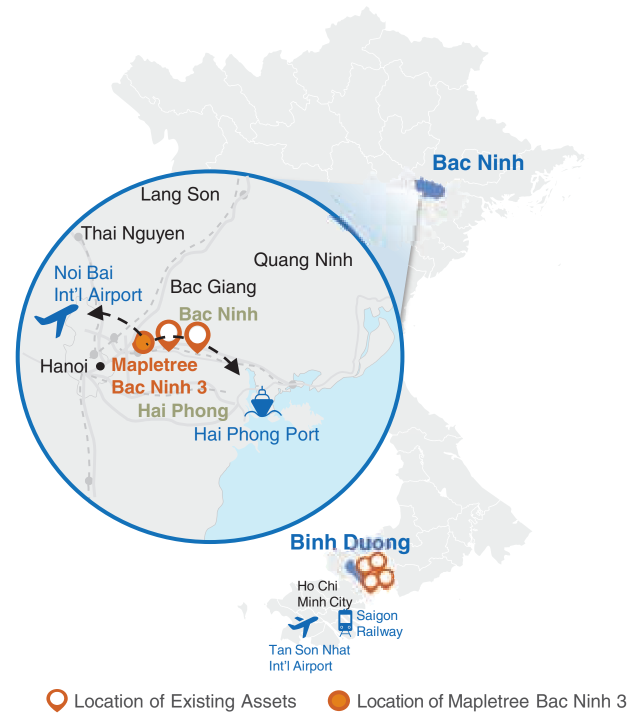
Rank	Port	2019 Volume (TEUs)
1	Singapore	37.2 million
2	Port Klang	13.6 million
3	**Port of Tanjung Pelepas**	**9.1 million**
4	Laem Chabang, Thailand	8.1 million
5	Tanjung Priok	7.6 million

Source: Independent Market Research Consultants.

Key Attractiveness of PTP

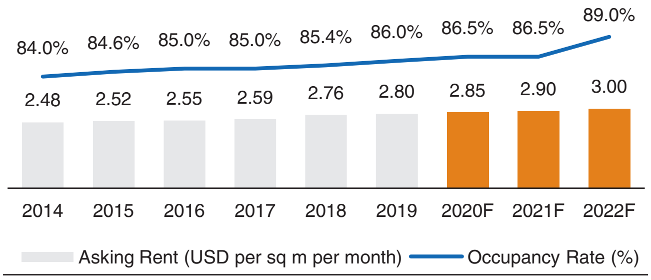
- Located in the free trade zone of PTP, Southern Johor, and at the confluence of the main east-west shipping lines
- Strategic positioning as a regional distribution and transhipment hub as well as an alternative hub to support Malaysia and Singapore
- Proximity to Singapore with cost competitive advantage
- Excellent multi-modal linkages facilitate that provide air, sea and road connectivity for shippers, importers and exporters

Deepen Presence in Bac Ninh, a Thriving Logistics Hub of Vietnam



Source: Company information.

Bac Ninh Warehouse Average Rent and Occupancy Rate
(USD per sqm per month, %)



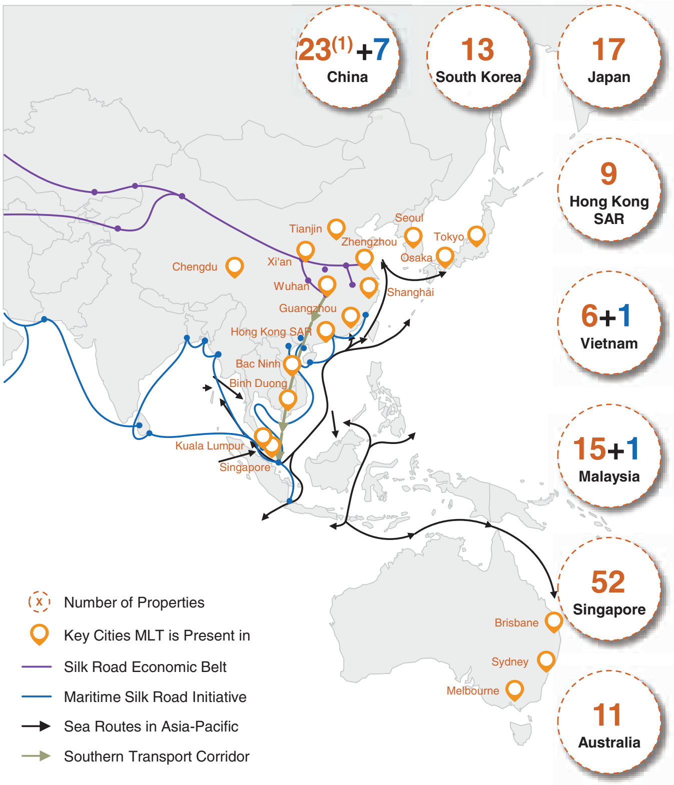
Source: Independent Market Research Consultants.

Key Attractiveness of Bac Ninh

- Bac Ninh is ranked the highest recipient of FDI in Northern Vietnam after Hanoi in 2019
- Established industrial hub with a prominent electronics cluster
- Located in close proximity to Hanoi, the largest consumption market in the North, and is well-connected to key transportation infrastructure
- Demand for warehouse space underpinned by strong growth in industrial activities, domestic consumption and e-commerce, coupled with an increasing lack of land supply → resilient occupancy rates and rents despite the COVID-19 pandemic

2 Strengthen MLT's Network Connectivity across Key Logistics Nodes

Enlarged Network Strengthens MLT's Competitive Positioning in Asia-Pacific



Source: Company information.

Key Highlights

Extensive network covering **51** cities in **8** geographic markets

Access to an aggregate population base of **>150** million people

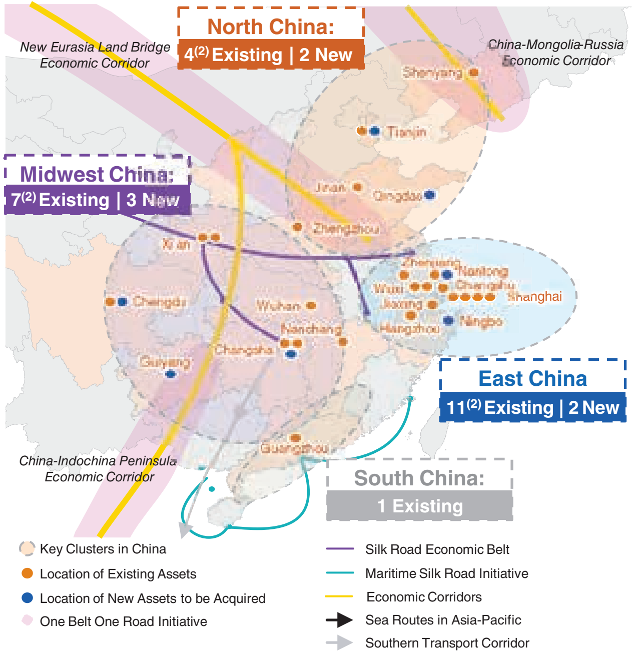
42% of gross revenue accounted for by multi-location tenants

- MLT's properties are located predominantly in key gateway cities or logistics hubs with direct access to large catchments of growing consumption markets
- Extensive network of logistics facilities offers customers a variety of leasing options → enhances MLT's competitive advantage
- Growing network effect: multi-location tenants account for 42% of gross revenue, up from 25% in 2015

Deepen and Expand Coverage across Key Cities of China with Strong Consumer Markets

Growing Network Effect

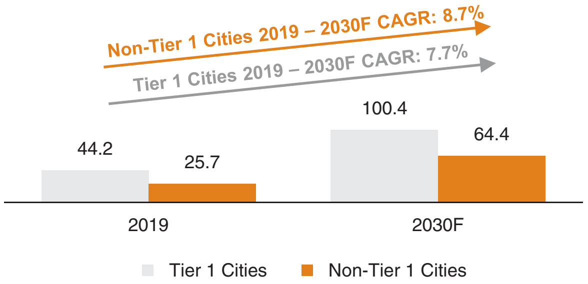
Extensive network of 30 assets covering 20 cities in China



Source: Company information.

Narrowing Gap in Urban Consumption Expenditure per Capita Between Tier 1 and Non-Tier 1 Cities

Urban Consumption Expenditure per Capita in China (RMB'000)



Source: Independent Market Research Consultants.

- Add 3 new cities – Qingdao, Ningbo and Guiyang – to MLT's existing network in China
- Strengthen MLT's ability to offer customers warehouse space in multiple cities to cater to their expansion plans
- 58% of tenants in the PRC Properties are involved in e-commerce/e-fulfilment
- Capitalise on the growing demand for logistics space, underpinned by rising urban consumption expenditure and large consumer markets

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(1) *Including the Partially Owned PRC Properties which are currently held under a joint venture with MIPL, where the remaining 50.0% stake in these properties will be acquired as part of the Acquisitions.*

(2) *Includes Partially Owned PRC Properties, of which six PRC Properties in Midwest China, four PRC Properties in North China and five PRC Properties in East China are currently held under a joint venture with MIPL, where the remaining 50.0% stake in these Partially Owned PRC Properties will be acquired as part of the Acquisitions.*

3 Modern Grade A Logistics Facilities with a Strong and Diversified Tenant Base

Modern Grade A Logistics Facilities

Newly Built

Weighted Average Age[1]:
2.8 years

Strong Floor Loading

2.0 – 3.0 t / sq m

Clear Height

9.0 – 10.0 m

Direct Access

Wide ramp for
multi-storey warehouse
to provide convenient
access to every floor

Cross Dock

Facilitates Faster
Throughput

Land Tenure

Weighted Average
Land Tenure[1]:
~43 years

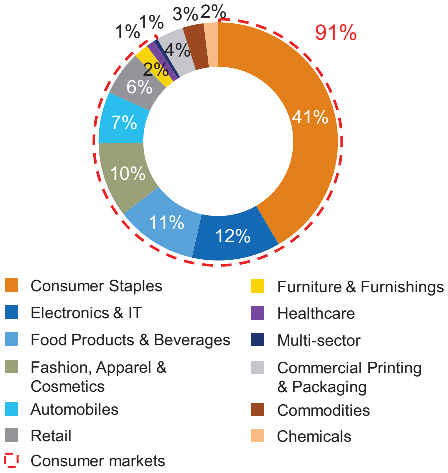
Large Floor Plate

Average:
c.18,000 sq m

Source: Company information.

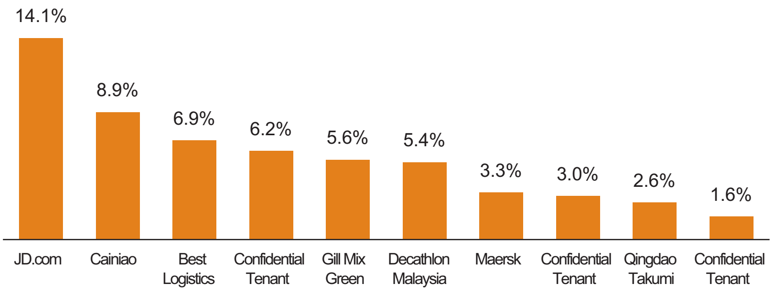
Strong and Diversified Tenant Base

Tenant Base by Sector[2]
(By % of Gross Revenue[3])

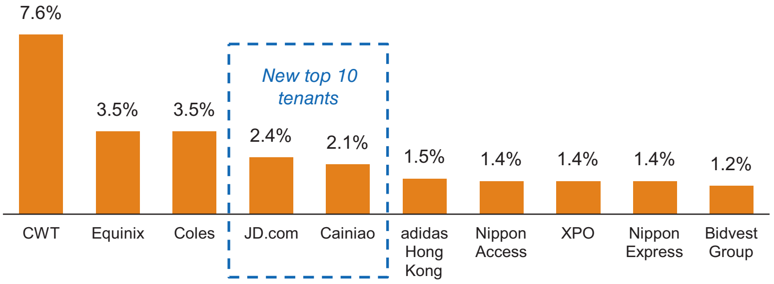


- 91% of tenant base caters to the consumer markets
- 58% are tenants involved in e-commerce/ e-fulfilment
- 33% are new tenants (by gross revenue[3]) → diversify tenant base and reduce concentration risks

Top 10 Tenants for the Properties[4]
(By % of Gross Revenue[3])



Top 10 Tenants of MLT's Enlarged Portfolio[4]
(By % of Gross Revenue[3])



Source: Company information.

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(1) *Weighted by proportionate NLA of individual Properties as at 30 September 2020.*
(2) *The trade sector breakdown reflects the nature of the underlying goods that are stored and handled by the respective tenants at the Properties.*
(3) *Gross revenue for the month ending 30 September 2020.*
(4) *Comprises all subsidiaries of companies who are tenants of MLT.*

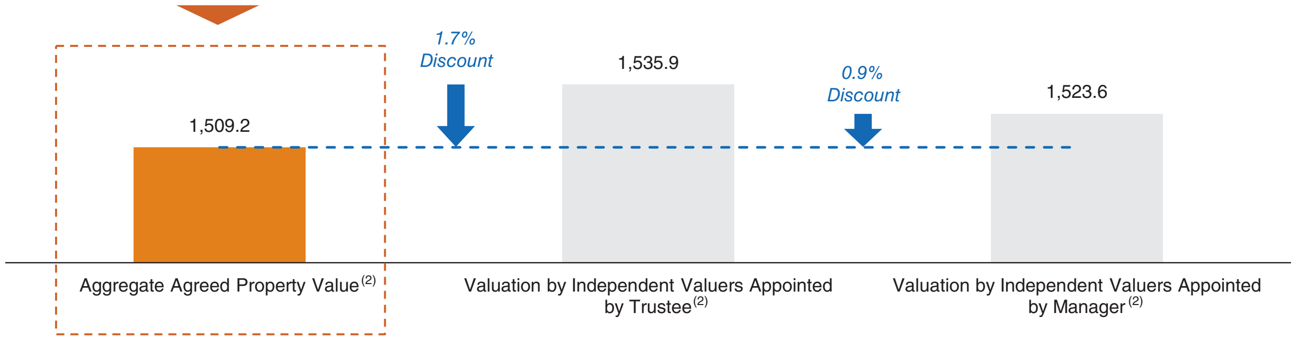
4 Attractive Value Proposition

Discount to Independent Valuations

Aggregate Agreed Property Value Relative to Independent Valuations(1)

(SGD million)

- *Based on 50.0% interest in the Partially Owned PRC Properties, the aggregate Agreed Property Value is S$1,046.7 million*

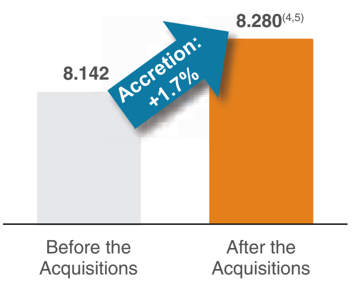


Source: Independent Valuers.

DPU, NAV per Unit Accretive Acquisitions with Reduced Leverage

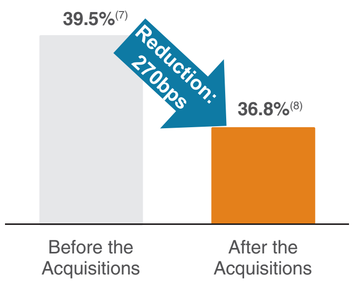
Pro Forma DPU (FY19/20)(3)

(Singapore cents)



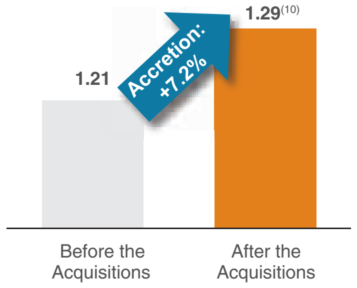
Pro Forma Aggregate Leverage(6)

(%)



Pro Forma NAV per Unit (FY19/20)(9)

(S$)



Source: Company information.

Method of Financing

The Manager intends to finance the Total Acquisition Outlay with part of the gross proceeds of approximately (i) S$500.0 million from the Private Placement of 246,670,000 New Units at an issue price of S$2.027 per New Unit (the "**Private Placement**"); (ii) S$144.1 million from the Preferential Offering of 72,408,675 New Units at an issue price of S$1.990 per New Unit (the "**Preferential Offering**", and together with the Private Placement, the "**Equity Fund Raising**"); (iii) S$5.4 million of the Manager's Acquisition Fee paid in the form of approximately 2,650,115 Acquisition Fee Units at an issue price of S$2.027 per Acquisition Fee Unit; (iv) S$300.0 million worth of Consideration Units to Mulberry Pte. Ltd. (being a wholly-owned subsidiary of Mapletree Investments Pte. Ltd); and (v) drawdown of S$147.7 from the Loan Facilities and Subsisting PRC Bank Loans.

The Equity Fund Raising has been undertaken through an issuance of New Units relying on the general mandate of MLT obtained at the annual general meeting of MLT held on 14 July 2020.

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(1) As at 30 September 2020.

(2) Reflects the 100.0% interest in the Partially Owned PRC Properties, the New PRC Properties, the Malaysia Property and the Vietnam Property.

(3) For the financial year ended 31 March 2020.

(4) Assuming that the Properties had a portfolio occupancy rate of 94.7% for the entire financial year ended 31 March 2020 and all leases, whether existing or committed as at the Latest Practicable Date, were in place since 1 April 2019. All tenants were paying their rents in full. In relation to the PRC Acquisitions, it includes the contribution to total profit before tax arising from MLT's 100.0% indirect interest in the PRC Properties. MLT's expenses comprising borrowing costs associated with the drawdown of S$147.7 million from the Loan Facilities and Subsisting PRC Bank Loans, the Manager's management fees, Trustee's fees and other trust expenses incurred in connection with the operation of the Properties have been deducted.

(5) Includes (a) approximately 246.7 million New Units issued in connection with the Private Placement at an issue price of S$2.027 per New Unit, and 72.4 million New Units issued in connection with the Preferential Offering at an issue price of S$1.990 (b) approximately 2,650,115 Acquisition Fee Units issued as payment of the Acquisition Fee payable to the Manager at an issue price of S$2.027 per Acquisition Fee Unit, (c) approximately 148,001,973 of Consideration Units issued at an issue price of S$2.027 per Consideration Unit and (d) approximately 3.1 million new Units issued in aggregate as payment to (i) the Manager for the base management fee and (ii) the Property Manager as payment for the property management and lease management fees for such services rendered to the Properties for the financial quarters ended 30 June 2019, 30 September 2019 and 31 December 2019, based on the volume weighted average price for all trades on the SGX-ST in the last 10 business days of each respective financial quarter.

(6) As at 30 September 2020.

(7) Includes the proportionate share of borrowings and deposited property values of the joint ventures with the Sponsor.

(8) Includes the Loan Facilities and Subsisting PRC Bank Loans.

(9) As at 31 March 2020.

(10) Includes (a) approximately 246.7 million New Units issued in connection with the Private Placement at an issue price of S$2.027 per New Unit, and 72.4 million New Units issued in connection with the Preferential Offering at an issue price of S$1.990 (b) approximately 2,650,115 Acquisition Fee Units issued as payment of the Acquisition Fee payable to the Manager at an issue price of S$2.027 per Acquisition Fee Unit, and (c) approximately 148,001,973 of Consideration Units issued at an issue price of S$2.027 per Consideration Unit.

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CORPORATE INFORMATION

Directors of Mapletree Logistics Trust Management Ltd. (the manager of MLT) (the “Manager”) :

Mr Lee Chong Kwee (Non-Executive Chairman and Director)
Mr Tarun Kataria (Lead Independent Non-Executive Director)
Mr Lim Joo Boon (Independent Non-Executive Director)
Ms Lim Mei (Independent Non-Executive Director)
Mr Loh Shai Weng (Independent Non-Executive Director)
Mr Tan Wah Yeow (Independent Non-Executive Director)
Mr Wee Siew Kim (Independent Non-Executive Director)
Mr Goh Chye Boon (Non-Executive Director)
Ms Wendy Koh Mui Ai (Non-Executive Director)
Mr Wong Mun Hoong (Non-Executive Director)
Ms Ng Kiat (Executive Director and Chief Executive Officer)

Joint Company Secretaries :

Mr Wan Kwong Weng
Ms See Hui Hui

Registered Office of the Manager :

10 Pasir Panjang Road
#13-01 Mapletree Business City
Singapore 117438

Trustee of MLT (the “Trustee”) :

HSBC Institutional Trust Services (Singapore) Limited
10 Marina Boulevard
Marina Bay Financial Centre
Tower 2 #48-01
Singapore 018983

Joint Global Co-ordinators and Bookrunners in relation to the Equity Fund Raising (as defined herein) (the “Joint Global Co-ordinators and Bookrunners”) :

Citigroup Global Markets Singapore Pte. Ltd.
8 Marina View
#21-00 Asia Square Tower 1
Singapore 018960

DBS Bank Ltd.
12 Marina Boulevard Level 46
Marina Bay Financial Centre Tower 3
Singapore 018982

The Hongkong and Shanghai Banking Corporation Limited
Singapore Branch
10 Marina Boulevard
Marina Bay Financial Centre
Tower 2 #45-01
Singapore 018983

Oversea-Chinese Banking Corporation Limited
63 Chulia Street
#10-00 OCBC Centre East
Singapore 049514

Legal Adviser for the Acquisitions and the Equity Fund Raising and to the Manager as to Singapore Law :
Allen & Gledhill LLP
One Marina Boulevard #28-00
Singapore 018989

Legal Adviser for the Acquisitions as to Cayman Islands Law :
Conyers Dill & Pearman Pte. Ltd.
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SUMMARY

The following summary is qualified in its entirety by, and should be read in conjunction with, the full text of this Circular. Meanings of defined terms may be found in the Glossary on pages 84 to 95 of this Circular.

Any discrepancies in the tables, graphs and charts included herein between the listed amounts and totals thereof are due to rounding.

*For illustrative purposes, certain RMB/MYR/USD amounts have been translated into Singapore dollars. Unless otherwise indicated, such translations in relation to the Existing Portfolio (as defined herein) are as at 30 September 2020 and have been made based on the illustrative exchange rate of S$1.00 = RMB5.00/MYR3.04/USD0.73 while such translations in relation to the Properties (as defined herein) are as at 22 October 2020, being the latest practicable date (the "**Latest Practicable Date**") prior to the printing of this Circular, and have been made based on the illustrative exchange rate of S$1.00 = RMB4.91/MYR3.06/USD0.74. Such translations should not be construed as representations that RMB/MYR/USD amounts referred to could have been, or could be, converted into Singapore dollars, as the case may be, at that or any other rate or at all.*

1. OVERVIEW

Mapletree Logistics Trust ("**MLT**") is the first Asia-focused logistics real estate investment trust ("**REIT**") established in Singapore. Listed on the SGX-ST in 2005, MLT's principal investment strategy is to invest in a diversified portfolio of quality, well-located, income-producing logistics real estate in Asia-Pacific.

As at 30 September 2020, MLT had a market capitalisation of approximately S$7,774.4 million and its portfolio comprised 146 properties located in Singapore, Hong Kong SAR, Japan, Australia, South Korea, the People's Republic of China ("**PRC**"), Malaysia and Vietnam and its assets under management was approximately S$8,956.1 million.

2. SUMMARY OF APPROVAL REQUIRED

The Manager is convening an EGM of MLT to seek the approval of its unitholders ("**Unitholders**") for the resolutions (the "**Resolutions**" and each, a "**Resolution**") stated below:

(i) **Resolution 1:** The proposed acquisitions of (a) the remaining 50.0% interest in 15 properties and a 100.0% interest in seven properties in PRC through the acquisition of property holding companies, (b) the Malaysia Property (as defined herein) and (c) a 100.0% interest in one property in Vietnam through the acquisition of a property holding company, as interested person transactions (the "**Acquisitions**") (Ordinary Resolution);

(ii) **Resolution 2:** The proposed issue of new units in MLT as partial consideration for the PRC Acquisitions (as defined herein) ("**Consideration Units**") (Ordinary Resolution); and

(iii) **Resolution 3:** The proposed Whitewash Resolution (Ordinary Resolution).

RESOLUTION 1: THE PROPOSED ACQUISITIONS AS INTERESTED PERSON TRANSACTIONS

(i) Description of the Properties

The Manager has identified the following Properties as being suitable for acquisition by MLT, namely:

PRC

(i) Mapletree Wuxi New District Logistics Park (“**Mapletree Wuxi**”);

(ii) Mapletree Hangzhou Logistics Park (“**Mapletree Hangzhou**”);

(iii) Mapletree Nantong Chongchuan Logistics Park (“**Mapletree Nantong**”);

(iv) Mapletree Changshu Logistics Park (“**Mapletree Changshu**”);

(v) Mapletree Changsha Logistics Park Phase 1 (“**Mapletree Changsha**”);

(vi) Mapletree Wuhan Yangluo Logistics Park (“**Mapletree Wuhan**”);

(vii) Mapletree Fengdong (Xi’an) Industrial Park (“**Mapletree Xi’an**”);

(viii) Mapletree Tianjin Wuqing Logistics Park (“**Mapletree Tianjin**”);

(ix) Mapletree Jiaxing Logistics Park (“**Mapletree Jiaxing**”);

(x) Mapletree Nanchang Logistics Park (“**Mapletree Nanchang**”);

(xi) Mapletree Zhenjiang Logistics Park (“**Mapletree Zhenjiang**”);

(xii) Chengdu DC Logistics Park (“**Mapletree Chengdu**”);

(xiii) Mapletree Shenyang Logistics Park (“**Mapletree Shenyang**”);

(xiv) Mapletree Jinan International Logistics Park (“**Mapletree Jinan**”);

(xv) Mapletree Changsha Industrial Park (Phase 2) (“**Mapletree Changsha 2**”);

(xvi) Mapletree Tianjin Xiqing Logistics Park *(“***Mapletree Tianjin 2**”);

(xvii) Mapletree Chengdu Qingbaijiang Logistics Park *(“***Mapletree Chengdu 2**”);

(xviii) Mapletree Huangdao Logistics Park (“**Mapletree Qingdao**”);

(xix) Mapletree Guizhou Longli Logistics Park (“**Mapletree Guiyang**”);

(xx) Mapletree Nantong (EDZ) Logistics Park (“**Mapletree Nantong 2**”);

(xxi) Mapletree (Cixi) Logistics Park (“**Mapletree Ningbo**”)*;* and

(xxii) Mapletree Changsha Airport Logistics Park (“**Mapletree Changsha 3**”);

(out of which the properties listed at (i) – (xv) are currently, prior to the present proposed acquisition by MLT, 50.0% held by MLT (the "**Partially Owned PRC Properties**"), with the proposed acquisition of the remaining 50.0% stake in them, resulting in MLT holding an eventual 100.0% interest in the Partially Owned PRC Properties. For the avoidance of doubt, MLT does not currently hold any stake in the properties listed at (xvi) to (xxii) prior to the present proposed acquisition (the "**New PRC Properties**"));

Malaysia

(xxiii) Mapletree Logistics Hub – Tanjong Pelepas[1] ("**Mapletree PTP**"); and

Vietnam

(xxiv) Mapletree Logistics Park Bac Ninh Phase 3 ("**Mapletree Bac Ninh 3**").

(ii) The Acquisitions

a. PRC Acquisitions

On 19 October 2020, the Trustee entered into a total of 22 conditional share purchase agreements (the "**PRC Share Purchase Agreements**"), comprising 20 PRC Share Purchase Agreements with the subsidiaries of Mapletree Investments Pte. Ltd. ("**MIPL**", and its subsidiaries, "**MIPL Subsidiaries**", each a "**MIPL Subsidiary**") and two PRC Share Purchase Agreements with both MIPL Subsidiaries and subsidiaries of Itochu Corporation ("**Itochu**", and its subsidiaries, "**Itochu Subsidiaries**") in the percentage shareholding of 80.0% and 20.0% respectively, as set out in **Appendix A** of this Circular (collectively, the "**PRC Vendors**").

Out of the 22 PRC Share Purchase Agreements, the Trustee has entered into:

(i) 15 PRC Share Purchase Agreements with certain MIPL Subsidiaries to acquire the remaining 50.0% interest not held by MLT in each of the 15 Hong Kong SAR special purpose vehicles ("**HK (A) SPVs**") that hold the Partially Owned PRC Properties (the "**PRC Acquisition Part A**"); and

(ii) seven PRC Share Purchase Agreements with certain MIPL Subsidiaries and certain Itochu Subsidiaries to acquire a 100.0% interest in each of the six Hong Kong SAR special purpose vehicles (the "**HK (B) SPVs**", and together with the HK (A) SPVs, the "**HK SPVs**") and a Singapore special purpose vehicle (the "**SG SPV**") that hold the New PRC Properties (the "**PRC Acquisition Part B**"),

wherein each of the HK SPVs and SG SPV holds a 100.0% interest in a PRC wholly foreign-owned enterprise ("**PRC WFOE**"). In turn, each PRC WFOE holds a property located in the PRC (collectively, the "**PRC Properties**").

The HK SPVs and SG SPV are hereinafter collectively referred to as the "**PRC Property SPVs**", and the acquisitions of the PRC Property SPVs, the "**PRC Acquisitions**".

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[1] The proposed acquisition is in respect of the entire sub-lease over Mapletree PTP.

The HK (A) SPVs are owned by MLT and certain MIPL Subsidiaries in the proportion of 50.0% each. Four of the HK (B) SPVs are wholly-owned by one of the MIPL Subsidiaries (being Mapletree Overseas Holdings Ltd. ("**MOHL**")) (the "**Sponsor-owned HK SPVs**") while two of the HK (B) SPVs (which hold Mapletree Nantong 2 and Mapletree Ningbo) are owned by certain MIPL Subsidiaries and certain Itochu Subsidiaries in the proportion of 80.0% and 20.0% respectively (the "**Co-owned HK SPVs**"). The SG SPV is wholly-owned by an MIPL Subsidiary.

PRC Acquisition Part A involves an acquisition of the remaining 50.0% of the entire ordinary issued share capital in the HK (A) SPVs not held by MLT from the respective MIPL Subsidiaries. PRC Acquisition Part B involves an acquisition of 100.0% of the entire ordinary issued share capital in the HK (B) SPVs that is wholly-owned by MOHL and in the SG SPV from the relevant MIPL Subsidiary, and in the case of the Co-owned HK SPVs, an acquisition of 80.0% and 20.0% of the entire ordinary issued share capital from the respective MIPL Subsidiaries and Itochu Subsidiaries. For the avoidance of doubt, PRC Acquisition Part A and PRC Acquisition Part B are entered into by the Trustee concurrently, and are delineated for the purpose of clarifying the respective interests to be acquired in relation to the Partially Owned PRC Properties and the New PRC Properties.

Following the PRC Acquisitions, MLT will hold a 100.0% interest in each of the PRC Property SPVs. (See **Paragraph 2.2.1** and **Appendix A** of this Circular for further details.)

b. Malaysia Acquisition

The Malaysia Acquisition will be made via an asset-backed securitisation structure (the "**Malaysia ABS Structure**"). Under the Malaysia ABS Structure, a bankruptcy-remote special purpose vehicle, Semangkuk 2 Berhad (the "**Malaysia SPV**"), incorporated in Malaysia, will acquire the Malaysia Property[1], bearing the address Mapletree Logistics Hub, Tanjung Pelepas, Plot D40 & 44, Jalan DBP/8, Zone B, Port Tanjung Pelepas, 81560 Gelang Patah, Johor Darul Takzim, Malaysia. The Malaysia Property includes a single-storey warehouse with mezzanine floor offices, two blocks of double-storey ramp-up warehouse with mezzanine floor offices and other ancillary buildings erected thereon and all equipment, fixtures and fittings within the same. (See **Paragraph 2** of this Circular for further details.)

The Malaysia SPV has entered into a conditional sale and purchase agreement (the "**Malaysia Asset Purchase Agreement**") with Trinity Bliss Sdn. Bhd., a company indirectly owned by MIPL and Itochu in the proportion of 80.0% and 20.0% respectively (the "**Malaysia Vendor**"), on 19 October 2020 to acquire the Malaysia Property (the "**Malaysia Acquisition**"). For the avoidance of doubt, the Malaysia SPV intends to acquire the Malaysia Property from the Malaysia Vendor as an asset acquisition.

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[1] "**Malaysia Property**" means a sub-lease over all that area particularly described as Plot D40 & D44, Jalan DBP/8, Zone B, Pelabuhan Tanjung Pelepas 81560, Gelang Patah, Johor being part of the leasehold land of ninety-nine (99) years expiring on 22 May 2099 held under H.S.(D) 303949, Lot PTD 2426, Mukim Tajung Kupang, Daerah Johor Bahru, Negeri Johor ("**Malaysia Parent Land**"), measuring approximately 27.92 acres in area of the Malaysia Parent Land for a term of 40 years commencing on 7 April 2015 and expiring on 23 March 2055 which is broken down into two (2) lease periods, the first of which commenced on 7 April 2015 and will expire on 23 March 2045 ("**First Term**") which is registered on the title to the Malaysia Parent Land on 20 June 2017 vide presentation number 41326/2017, for a term of 29 years and 351 days commencing from 7 April 2015 to 23 March 2045, and the second of which shall, subject to an option to extend the First Term being exercised by the Malaysia SPV, continue from 24 March 2045 until 23 March 2055 ("**Second Term**").

Following the Malaysia Acquisition, the Malaysia Property will be held by the Malaysia SPV. MLT (and/or its subsidiaries) (the "**MLT Group Entities**") will subscribe for either (a) bridge medium term notes to be issued by the Malaysia SPV with an early redemption option (the "**Bridge MTN**"), which are intended to be refinanced by the issue of medium term notes comprising multiple tranches of variously-ranked notes (the "**ABS MTN**") to sophisticated investors, by the Malaysia SPV, or (b) junior ranking ABS MTN (the "**Junior ABS MTN**") which will be issued to MLT (and/or its subsidiaries), together with senior ranking ABS MTN (the "**Senior ABS MTN**") to be issued to sophisticated investors by the Malaysia SPV. (See **Paragraph 2.2.2** for further details.)

c. Vietnam Acquisition

MapletreeLog VSIP 1 Warehouse Pte. Ltd., a wholly-owned subsidiary of MLT (the "**Vietnam Purchaser**"), has entered into a conditional share purchase agreement (the "**Vietnam Share Purchase Agreement**") with Mapletree Citrine Ltd., a wholly-owned indirect subsidiary of MIPL (the "**Vietnam Vendor**"), on 19 October 2020 to acquire a 100.0% interest in a Cayman Islands special purpose vehicle (the "**Cayman SPV**", and the acquisition of the Cayman SPV, the "**Vietnam Acquisition**") which holds a 100.0% interest in a Vietnam special purpose vehicle (the "**Vietnam SPV**"). In turn, the Vietnam SPV holds the property known as Mapletree Bac Ninh 3 located at No. 3, Street 6, VSIP Bac Ninh, Phu Chan Commune, Tu Son Town, Bac Ninh Province, Vietnam (the "**Vietnam Property**"). Following the Vietnam Acquisition, MLT will hold a 100.0% interest in the Cayman SPV. (See **Paragraph 2.2.3** for further details.)

For the purposes of this Circular, and unless otherwise stated, the "**Properties**" refer to the PRC Properties, the Malaysia Property and the Vietnam Property. The "**Purchase Agreements**" refer to the PRC Share Purchase Agreements, the Malaysia Asset Purchase Agreement and the Vietnam Share Purchase Agreement. The "**Vendors**" refer to the PRC Vendors, the Malaysia Vendor and the Vietnam Vendor. The "**Acquisitions**" refers to the PRC Acquisitions, the Malaysia Acquisition and the Vietnam Acquisition. The "**Existing Portfolio**" refers to the 146 properties held by MLT as at the Latest Practicable Date. The "**Enlarged Portfolio**" refers to the Existing Portfolio and the Properties.

Unless otherwise stated, the information contained in this Circular on the Existing Portfolio is as at 30 September 2020 and the information on the Properties is as at the Latest Practicable Date.

(See **Paragraph 2.1** and **Appendix A** of this Circular for further details.)

(iii) **Purchase Agreements**

a. PRC Properties

Pursuant to the PRC Share Purchase Agreements each dated 19 October 2020, the Trustee, on behalf of MLT, will acquire the remaining 50.0% interest in each of the 15 HK (A) SPVs that hold the Partially Owned PRC Properties, and a 100.0% interest in each of the six HK (B) SPVs and the SG SPV that hold the New PRC Properties from the PRC Vendors.

Pursuant to the terms of the PRC Share Purchase Agreements, the aggregate purchase consideration payable by the Trustee in connection with the PRC Acquisitions (the "**PRC Aggregate Share Consideration**") is the aggregate of (i) 50.0% of the adjusted consolidated net asset value (the "**PRC Adjusted Net Asset Value**") of the 15 HK (A) SPVs and (ii) 100.0% of the PRC Adjusted Net Asset Value of the six HK (B) SPVs and the SG SPV (together, the "**PRC Total Adjusted Net Asset Values**") as at the date of completion of the Acquisition ("**PRC Completion**"). The PRC Aggregate Share Consideration, to be satisfied in cash, is estimated to be RMB744.4 million (S$151.7 million)[1], subject to post-PRC Completion adjustments to the PRC Total Adjusted Net Asset Values (including taking into account the actual income and expenses relating to the PRC Properties as at the date of the PRC Completion). The PRC Adjusted Net Asset Value of each PRC Property SPV shall take into account the agreed value of the PRC Property indirectly owned by each PRC Property SPV (the "**Agreed PRC Property Value**"). For the avoidance of doubt, the PRC Aggregate Share Consideration shall take into account the existing PRC Property SPVs' shareholders' loans of RMB2,381.0 million (S$485.4 million) owed to the PRC Vendors (the "**PRC Shareholders' Loans**") and the existing external bank loans owed by the PRC Property SPVs to certain financial institutions (as further described below) (comprising the balance 50.0% *pro rata* stake in the existing external bank loans owed by the HK (A) SPVs[2] and the full 100.0% stake in the existing external bank loans owed by HK (B) SPVs and SG SPV respectively) (the "**PRC Bank Loans**"). Following the PRC Completion, the PRC Shareholders' Loans shall be owed by the PRC Property SPVs to the Trustee. The value of each of the PRC Shareholders' Loans is subject to adjustments based on the actual date of the PRC Completion to take into account interest accruing up to such date. Given that the Trustee currently owns 50.0% interest in each of the 15 HK (A) SPVs, there are existing shareholders' loans owing by the 15 HK (A) SPVs to the Trustee which will remain.

In addition to the payment of the PRC Aggregate Share Consideration to the PRC Vendors, the Trustee will at the PRC Completion extend approximately RMB1,023.5 million (S$208.6 million) to directly repay and discharge some of the PRC Bank Loans (the "**Repaid PRC Bank Loans**"), and take over the remaining PRC Bank Loans that are not repaid by the Trustee at PRC Completion (the "**Subsisting PRC Bank Loans**"), to the amount of RMB328.2 million (S$66.9 million). The values of each of the PRC Bank Loans is subject to adjustments based on the actual date of the PRC Completion to take into account interest accruing up to such date.

The acquisition price payable by the Trustee in respect of the PRC Acquisitions (the "**PRC Acquisition Price**") would therefore be the aggregate of the PRC Aggregate Share Consideration, the value of the PRC Shareholders' Loans, and the value of the PRC Bank Loans, being approximately RMB4,477.1 million (S$912.7 million). Out of the PRC Acquisition Price, the PRC Aggregate Share Consideration will be paid in cash to the PRC Vendors while the PRC Shareholders' Loans will be satisfied partly in cash and partly via the issue of Consideration Units to the Relevant PRC Vendors (as defined herein) on the terms set out in the respective PRC Share Purchase Agreements.

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[1] This amount comprises the purchase consideration of RMB730.4 million (S$148.9 million) payable to the MIPL Subsidiaries and the purchase consideration of RMB14.0 million (S$2.9 million) payable to the Itochu Subsidiaries.

[2] This has been stated on a 50.0% basis to reflect MLT's acquisition of the remaining 50.0% in each of the HK (A) SPVs. For avoidance of doubt, the Trustee will be discharging 100.0% of the existing external bank loans owed by the HK (A) SPVs at Completion, which includes approximately RMB621.6 million (S$126.7 million) to discharge MLT's own 50.0% *pro rata* stake in the existing external bank loans owed by the HK (A) SPVs. For further avoidance of doubt, the amount of approximately RMB621.6 million (S$126.7 million) does not constitute part of the acquisition price of the PRC Properties.

To demonstrate its continued commitment to MLT, MIPL, which holds certain of the PRC Vendors which are MIPL Subsidiaries (the "**Relevant PRC Vendors**"), has agreed to receive the Consideration Units in satisfaction of part of the PRC Acquisition Price, with Mulberry Pte. Ltd. ("**Mulberry**"), which is an MIPL Subsidiary, being nominated by the Relevant PRC Vendors to receive the Consideration Units.

Following the PRC Completion, MLT will own 100.0% of the ordinary shares in the issued share capital of each of the 22 PRC Property SPVs.

b. Malaysia Property

Pursuant to the Malaysia Asset Purchase Agreement dated 19 October 2020, the Malaysia SPV will acquire the Malaysia Property from the Malaysia Vendor.

Pursuant to the terms of the Malaysia Asset Purchase Agreement, the aggregate purchase consideration payable by the Malaysia SPV in connection with the Malaysia Acquisition (the "**Malaysia Acquisition Price**") is MYR402.5 million (S$131.6 million) (being also the "**Agreed Malaysia Property Value**"). The Malaysia Acquisition Price will be paid in cash to the Malaysia Vendor on the terms set out in the Malaysia Asset Purchase Agreement.

c. Vietnam Property

Pursuant to the Vietnam Share Purchase Agreement dated 19 October 2020, the Vietnam Purchaser will acquire a 100.0% interest in the Cayman SPV from the Vietnam Vendor.

Pursuant to the terms of the Vietnam Share Purchase Agreement, the aggregate purchase consideration payable by the Vietnam Purchaser in connection with the Vietnam Acquisition (the "**Vietnam Aggregate Share Consideration**") is the adjusted net asset value of the Cayman SPV (the "**Vietnam Adjusted Net Asset Value**") as at the date of completion of the Vietnam Acquisition ("**Vietnam Completion**"). The Vietnam Aggregate Share Consideration is estimated to be USD5.1 million (S$6.9 million), subject to post-Vietnam Completion adjustments to the Vietnam Adjusted Net Asset Value (including taking into account the actual income and expenses relating to the Vietnam Property as at the date of the Vietnam Completion). The Vietnam Adjusted Net Asset Value shall take into account the agreed value of the Vietnam Property indirectly owned by the Cayman SPV (the "**Agreed Vietnam Property Value**") and shall be subject to post completion adjustments. For the avoidance of doubt, the Vietnam Aggregate Share Consideration shall take into account the existing Cayman SPV's shareholder's loan of USD17.1 million (S$23.1 million) owed to the Vietnam Vendor (the "**Vietnam Shareholder's Loan**"). Following the Vietnam Completion, the Vietnam Shareholder's Loan shall be owed by the Cayman SPV to the Trustee. The value of the Vietnam Shareholder's Loan is subject to adjustments based on the actual date of Vietnam Completion to take into account interest accruing up to such date.

The acquisition price payable by the Trustee in respect of the Vietnam Acquisition (the "**Vietnam Acquisition Price**") would therefore be the Vietnam Aggregate Share Consideration and the value of the Vietnam Shareholder's Loan being USD22.2 million (S$30.1 million). The Vietnam Acquisition Price will be paid in cash to the Vietnam Vendor on the terms set out in the Vietnam Share Purchase Agreement.

Following Vietnam Completion, MLT will own 100.0% of the ordinary shares in the issued share capital of the Cayman SPV.

(iv) Total Acquisition Price

The total acquisition price in respect of the Acquisitions would therefore be the sum of the PRC Acquisition Price, the Malaysia Acquisition Price and the Vietnam Acquisition Price, being S$1,074.4 million (the "**Total Acquisition Price**").

(v) Valuation

The agreed property value of each Property (the "**Agreed Property Value**") was arrived at on a willing-buyer and willing-seller basis after taking into account the two independent valuations of each Property as at 30 September 2020 (the "**Valuation Date**").

In this respect, the Trustee and the Manager have each commissioned independent property valuers to value the Properties. In arriving at the open market value of each Property, the Independent Valuers relied on the following valuation methods:

	Independent Valuer appointed by the Trustee	**Valuation Methods of Independent Valuer appointed by the Trustee**	**Independent Valuer appointed by the Manager**	**Valuation Methods of Independent Valuer appointed by the Manager**
PRC Properties	Cushman & Wakefield International Property Advisers (Shanghai) Co., Ltd	Income Capitalization Approach and Discounted Cash Flow Approach	Knight Frank Petty Limited	Discounted Cash Flow Approach and Sales Comparison Approach
Malaysia Property	Knight Frank Malaysia Sdn Bhd	Discounted Cash Flow Method and Comparison Method	First Pacific Valuers Property Consultants Sdn Bhd	Direct Capitalization Method and Cost Method
Vietnam Property	CBRE (Vietnam) Co., Ltd	Capitalization Approach, Discounted Cash Flow Analysis and Depreciated Replacement Cost Approach	Colliers International Vietnam	Discounted Cash Flow Analysis and Market Approach

The Agreed Property Values of the Properties are:

(i) in relation to the Agreed PRC Property Value, RMB6,612.2 million (S$1,347.9 million), representing a discount of approximately 1.9% to Cushman & Wakefield International Property Advisers (Shanghai) Co., Ltd's aggregate valuation of RMB6,738.1 million (S$1,373.6 million) and a discount of approximately 0.9% to Knight Frank Petty Limited's aggregate valuation of RMB6,671.0 million (S$1,359.9 million);

(ii) in relation to the Agreed Malaysia Property Value, MYR402.5 million (S$131.6 million), representing a discount of approximately 0.6% to Knight Frank Malaysia Sdn Bhd's aggregate valuation of MYR405.0 million (S$132.5 million) and a discount of approximately 1.6% to First Pacific Valuers Property Consultants Sdn Bhd's aggregate valuation of MYR409.0 million (S$133.8 million); and

(iii) in relation to the Agreed Vietnam Property Value, USD21.9 million (S$29.6 million), representing a discount of approximately 0.8% to CBRE (Vietnam) Co., Ltd's aggregate valuation of USD22.0 million (S$29.9 million) and a discount of approximately 1.0% to Colliers International Vietnam's aggregate valuation of USD22.1 million (S$29.9 million).

(See **Paragraph 2.3** of this Circular for further details.)

(vi) Corporate Guarantees in relation to the PRC Acquisitions

The three HK SPVs which hold Mapletree Chengdu 2, Mapletree Qingdao, and Mapletree Guiyang have entered into bank facilities, pursuant to which MIPL has provided corporate guarantees to a certain bank. Pursuant to the terms of the PRC Share Purchase Agreements, the Trustee is required to provide, or procure the provision of, corporate guarantees as guarantor for the Subsisting PRC Bank Loans (the "**Corporate Guarantees**") at the PRC Completion, in place of the existing corporate guarantees provided by MIPL. The aggregate value of the Corporate Guarantees at any point in time will depend on the amounts drawn down under the bank facilities (including accrued interest).

By approving the Acquisitions, Unitholders will be deemed to have also approved the Corporate Guarantees.

(See **Paragraph 2.5.1(a)** of this Circular for further details.)

(vii) Total Acquisition Cost and Total Acquisition Outlay

The total acquisition cost is estimated to be approximately S$1,097.2 million, comprising:

(i) the PRC Acquisition Price of approximately RMB4,477.1 million (S$912.7 million), which comprises (a) the PRC Aggregate Share Consideration which will be paid in cash; (b) the PRC Shareholders' Loans, which will be satisfied partly in cash and partly via the issue of Consideration Units; and (c) the PRC Bank Loans;

(ii) the Malaysia Acquisition Price of approximately MYR402.5 million (S$131.6 million) which will be paid in cash;

(iii) the Vietnam Acquisition Price of approximately USD22.2 million (S$30.1 million) which will be paid in cash;

(iv) the acquisition fee payable in Units to the Manager for the Acquisitions (the "**Acquisition Fee**") which is estimated to be approximately S$5.4 million (representing 0.5% of the Total Acquisition Price); and

(v) the estimated professional and other fees and expenses of approximately S$17.4 million incurred or to be incurred by MLT in connection with the Acquisitions and the Equity Fund Raising (as defined herein),

(collectively, the "**Total Acquisition Cost**").

The total acquisition outlay is estimated to be approximately S$1,030.2 million, comprising the Total Acquisition Cost less the Subsisting PRC Bank Loans which will not be discharged by the PRC Property SPVs and will remain after the PRC Completion (the "**Total Acquisition Outlay**").

(viii) Payment of Acquisition Fee in Units

Pursuant to the trust deed dated 5 July 2004 constituting MLT, as supplemented, amended and restated from time to time (the "**Trust Deed**"), the Manager is entitled to receive an acquisition fee at the rate of 1.0% of the Total Acquisition Price (or such lower percentage as may be determined by the Manager in its absolute discretion). The Manager has, at its discretion, elected to receive an acquisition fee of 0.5% of the Total Acquisition Price.

As the Acquisitions will constitute "interested party transactions" under Appendix 6 of the Code on Collective Investment Schemes issued by the Monetary Authority of Singapore (the "**Property Funds Appendix**"), the Acquisition Fee payable in respect of the Acquisitions will be in the form of Units (the "**Acquisition Fee Units**"), which shall not be sold within one year from the date of issuance in accordance with Paragraph 5.7 of the Property Funds Appendix.

In relation to the PRC Acquisitions, while the acquisition of the interests of the Itochu Subsidiaries in the Co-owned HK SPVs will not constitute an "interested party transaction" under the Property Funds Appendix, the Manager has nevertheless elected to receive the Acquisition Fee payable in respect of the acquisition of interests from the Itochu Subsidiaries in the form of Acquisition Fee Units and not to dispose of such Units within one year from the date of issuance.

Based on the Trust Deed, the Manager shall be entitled to receive such number of Units as may be purchased for the relevant amount of the Acquisition Fee at the issue price of Units issued to finance or part finance the Acquisitions in respect of which the Acquisition Fee is payable or, where Units are not issued to finance or part finance the Acquisitions, the prevailing market price (as defined in the Trust Deed) (the "**Market Price**") of such Units on the date of completion of the Acquisitions.

Based on an issue price of S$2.027 per Acquisition Fee Unit (being the issue price per new Unit issued under the Private Placement (as defined below) (the "**New Units**")), the number of Acquisition Fee Units issued shall be approximately 2,650,115 Units.

(ix) Method of Financing for the Acquisitions

The Manager intends to finance the Total Acquisition Outlay through a combination of (i) the proceeds from the Equity Fund Raising (as defined below); (ii) the issue of Consideration Units for the part of the PRC Acquisitions in relation to the PRC Properties held by the Relevant PRC Vendors; and/or (iii) a drawdown of debt facilities (the "**Loan Facilities**").

The Manager has, on 20 October 2020 and 21 October 2020, announced the issue of 246,670,000 New Units representing approximately 6.5% of the existing number of issued Units as at the Latest Practicable Date under a private placement to institutional and other investors at an issue price of S$2.027 per New Unit to raise gross proceeds of approximately S$500.0 million (the "**Private Placement**"); and a non-renounceable preferential offering of 72,408,675 New Units to existing Unitholders at a preferential offering ratio of 19 Preferential Offering Units for every 1,000 existing Units to raise gross proceeds of approximately S$144.1 million (the "**Preferential Offering**", and together with the Private Placement, the "**Equity Fund Raising**").

To demonstrate its continued commitment to MLT, MIPL has provided an irrevocable undertaking to the Manager to accept, subscribe and pay in full for, and procure that its subsidiaries accept, subscribe and pay in full for, its and its subsidiaries' total provisional allotment of units pursuant to the Preferential Offering (the "**Sponsor Irrevocable Undertaking**").

The Equity Fund Raising raised gross proceeds of approximately S$644.1 million.

The Manager intends to utilise approximately S$626.7 million from the gross proceeds of the Equity Fund Raising to partially finance the Total Acquisition Outlay.

In the event that MLT does not proceed with the proposed Acquisitions, the Manager may, subject to relevant laws and regulations, utilise the net proceeds from the Equity Fund Raising at its absolute discretion for other purposes including the funding of future investments and/or to repay existing indebtedness.

The Equity Fund Raising has been undertaken through an issuance of New Units relying on the general mandate of MLT obtained at the annual general meeting of MLT held on 14 July 2020.

The table below sets out the changes to the Aggregate Leverage (as defined herein) of MLT based on the above method of financing:

	Before the Acquisitions	**After the Acquisitions**
Aggregate Leverage (*Pro forma* as at 30 September 2020)	39.5%(1)	36.8%(2)

Notes:

(1) Includes the proportionate share of borrowings and deposited property values of the joint ventures with the Sponsor.

(2) Includes the Loan Facilities and Subsisting PRC Bank Loans.

(See **Paragraph 2.10** of this Circular for further details.)

(x) Interested Person Transactions and Interested Party Transactions

As at the Latest Practicable Date, MIPL holds, through its wholly-owned subsidiaries, an aggregate interest in 1,166,144,518 Units, which is equivalent to approximately 30.59% of the total number of Units in issue. MIPL is therefore regarded as a "controlling unitholder" of MLT under both the listing manual of the SGX-ST (the "**Listing Manual**") and the Property Funds Appendix. In addition, as the Manager is a wholly-owned subsidiary of MIPL, MIPL is therefore regarded as a "controlling shareholder" of the Manager under both the Listing Manual and the Property Funds Appendix.

As each of the PRC Vendors (other than the Itochu Subsidiaries), the Malaysia Vendor and the Vietnam Vendor are MIPL Subsidiaries, for the purposes of Chapter 9 of the Listing Manual and Paragraph 5 of the Property Funds Appendix, each of them (being a subsidiary of a "controlling unitholder" and a "controlling shareholder" of the Manager) is (for the purposes of the Listing Manual) an “interested person” and (for the purposes of the Property Funds Appendix) an “interested party” of MLT.

Therefore, the Acquisitions will constitute “interested person transactions” under Chapter 9 of the Listing Manual as well as “interested party transactions” under the Property Funds Appendix, in respect of which the approval of Unitholders is required.

(See **Paragraph 5** of this Circular for further details.)

In approving the Acquisitions, Unitholders are deemed to have approved all such acts and things and documents which are required to be executed by the parties in order to give effect to the Acquisitions.

(xi) **Rationale for and Key Benefits of the Acquisitions**

The Manager believes that the Acquisitions will bring the following key benefits to Unitholders:

(a) Exploit the Positive Demand-Supply Dynamics in China, Malaysia and Vietnam;

(b) Strengthen MLT’s Network Connectivity across Key Logistics Nodes;

(c) Modern Grade A Portfolio with a Strong and Diversified Tenant Base; and

(d) Attractive Value Proposition.

(See **Paragraph 4** of this Circular for further details.)

RESOLUTION 2: THE PROPOSED ISSUE OF CONSIDERATION UNITS AS PARTIAL CONSIDERATION FOR THE PRC ACQUISITIONS

The Manager proposes to issue up to approximately S$300.0 million worth of Consideration Units to Mulberry (being an MIPL Subsidiary), which has been nominated by the Relevant PRC Vendors to receive the Consideration Units, as partial consideration for the PRC Acquisitions.

To demonstrate its continued commitment to MLT, MIPL, which holds the Relevant PRC Vendors, has agreed to receive the Consideration Units in satisfaction of part of the PRC Acquisition Price, with Mulberry, which is an MIPL Subsidiary, being nominated by the Relevant PRC Vendors to receive the Consideration Units.

The aggregate number of Consideration Units to be issued will be derived in the following manner, applied on a property by property basis:

No. of Consideration Units = Y ÷ Consideration Unit Issue Price

Where:

“**Y**” means approximately S$300.0 million, being a portion of the PRC Shareholders’ Loans due to the Relevant PRC Vendors in Units after applying the Closing Exchange Rate (as defined herein).

“**Consideration Unit Issue Price**” means (i) (in the event the Private Placement has been undertaken by MLT to fund the proposed Acquisitions) the issue price of the Units under the Private Placement; or (ii) (in the event that no Private Placement has been undertaken by MLT) the volume weighted average price for a Unit for all trades on the SGX-ST for the period of 10 Business Days immediately preceding the date of the PRC Completion, in accordance with the provisions of the Trust Deed.

Given that the Private Placement has been undertaken by MLT to fund the Acquisitions, the Consideration Unit Issue Price shall be the issue price of the Units under the Private Placement, being S$2.027.

As Mulberry is an MIPL Subsidiary, and MIPL is a controlling shareholder of the Manager, the proposed issue of Consideration Units to Mulberry (which has been nominated by the Relevant PRC Vendors to receive the Consideration Units) will constitute an "interested person transaction" under Chapter 9 of the Listing Manual, in respect of which the approval of Unitholders is required.

Accordingly, the Manager is seeking the approval of Unitholders by way of an Ordinary Resolution for the proposed issue of the Consideration Units to Mulberry (which has been nominated by the Relevant PRC Vendors to receive the Consideration Units).

(See **Paragraph 3** of this Circular for further details.)

RESOLUTION 3: THE PROPOSED WHITEWASH RESOLUTION

(i) Waiver of the Singapore Code of Take-overs and Mergers

The Securities Industry Council ("**SIC**") has granted a waiver (the "**SIC Waiver**") of the requirement by Mulberry, being an MIPL Subsidiary which has been nominated by the Relevant PRC Vendors to receive the Consideration Units, to make a mandatory general offer under Rule 14 of the Code for Units not already owned or controlled by Mulberry and parties acting in concert with Mulberry (the "**Concert Parties**" and the mandatory general offer, the "**Mandatory Offer**"), in the event that they incur an obligation to make a Mandatory Offer pursuant to Rule 14 of the Singapore Code of Take-overs and Mergers (the "**Code**") as a result of the receipt by Mulberry (which has been nominated by the Relevant PRC Vendors to receive the Consideration Units) of the Consideration Units as partial consideration for the PRC Acquisitions subject to the satisfaction of the conditions specified in the SIC Waiver (as set out in **Paragraph 7.4** of this Circular) including the approval of the Whitewash Resolution by Independent Unitholders (as defined herein) at a general meeting of Unitholders.

The Manager is seeking approval from Unitholders other than Mulberry and its Concert Parties and parties which are not independent of Mulberry (the "**Independent Unitholders**") for a waiver of their right to receive a Mandatory Offer from Mulberry and its Concert Parties, in the event that they incur an obligation to make a Mandatory Offer as a result of the receipt by Mulberry (which has been nominated by the Relevant PRC Vendors to receive the Consideration Units) of the Consideration Units as partial consideration for the PRC Acquisitions.

Rule 14.1(a) of the Code states that Mulberry and its Concert Parties would be required to make a Mandatory Offer, if Mulberry and its Concert Parties, acquires, whether by a series of transactions over a period of time or not, Units which (taken together with the Units held or acquired by persons acting in concert with him) carry 30.0% or more of the voting rights of MLT.

As at the Latest Practicable Date and prior to (a) the issue of New Units under the Equity Fund Raising, (b) the issue of new Units to Mulberry (which has been nominated by the Manager to receive the new Units), as payment for the management fees

(“**2Q Management Fee Units**”) that the Manager is entitled to for the period from 1 July 2020 to 30 September 2020 (“**2Q FY20/21**”) pursuant to the Trust Deed, and (c) the issue of new Units to Mulberry (which has been nominated by the Property Manager (as defined herein) to receive the new Units) as payment of the property management fees and the lease management fees (“**2Q Property Management Fee Units**”) in respect of certain properties within the MLT portfolio for 2Q FY20/21, MIPL holds an aggregate indirect interest in 1,166,144,518 Units, representing approximately 30.59% of the total number of Units in issue (being 3,810,982,930 Units). As a result of the issue of (a) 319,078,675 New Units pursuant to the Equity Fund Raising, (b) approximately 2,228,416 2Q Management Fee Units and (c) approximately 180,562 2Q Property Management Fee Units, MIPL would hold an aggregate indirect interest in 1,190,710,242 Units, representing approximately 28.81% of the total number of Units in issue immediately following the issue of New Units pursuant to the Equity Fund Raising and prior to the issue of Consideration Units (being 4,132,470,583 Units).

As a further result of the receipt of the Consideration Units by Mulberry (which has been nominated by the Relevant PRC Vendors to receive the Consideration Units), Mulberry and its Concert Parties would hold an aggregate indirect interest in 1,338,712,215 Units, representing approximately 31.27% of the total number of Units in issue immediately following the issue of Consideration Units, which will result in Mulberry and its Concert Parties holding more than 30% of the voting rights of MLT and thereby trigger the requirement for Mulberry to make a Mandatory Offer.

Unless waived by the SIC, pursuant to Rule 14.1(a) of the Code, Mulberry and its Concert Parties would then be required to make a Mandatory Offer. The SIC has granted this waiver subject to the satisfaction of the conditions specified in the SIC Waiver (as set out in **Paragraph 7.4** of this Circular) including the Whitewash Resolution being approved by Independent Unitholders at the EGM.

Based on an issue price of S$2.027 per Consideration Unit and assuming that approximately S$300.0 million out of the PRC Acquisition Price in relation to the Relevant PRC Properties to be paid to the Relevant PRC Vendors (the “**Relevant Vendors Consideration**”) is satisfied with the issue of Consideration Units to Mulberry, the aggregate unitholding of Mulberry and its Concert Parties will increase from approximately 29.16% to approximately 31.61% immediately following the issue of the Consideration Units.

(See **Paragraph 7.4** of this Circular for further details.)

(ii) Rationale for the Whitewash Resolution

The Whitewash Resolution is to enable Mulberry to receive the Consideration Units (as the nominee of the Relevant PRC Vendors) as partial consideration for the PRC Acquisitions. The rationale for enabling Mulberry, a subsidiary of MIPL, to receive the Consideration Units as the nominee of the Relevant PRC Vendors is set out as follows.

The Manager is of the view that allowing Mulberry (being an MIPL Subsidiary which has been nominated by the Relevant PRC Vendors to receive the Consideration Units) to be issued the Consideration Units will demonstrate the long-term commitment of the Manager and the Sponsor to MLT. It will also further align the interests of the Manager and the Sponsor with Unitholders, incentivising the Manager to raise the performance of MLT to the benefit of Unitholders.

Unitholders should note that Resolution 1 (the Acquisitions) and Resolution 2 (the Consideration Units) are conditional upon each other and upon Resolution 3 (the Whitewash Resolution). In the event that any of Resolution 1, Resolution 2 or Resolution 3 is not approved, none of Resolution 1 or Resolution 2 will be carried.

INDICATIVE TIMETABLE

Event		**Date and Time**
Last date and time for pre-registration of EGM	:	20 November 2020 at 2.30 p.m.
Last date and time for lodgement of Proxy Forms	:	20 November 2020 at 2.30 p.m.
Date and time of EGM held at the physical location below and by way of electronic means	:	23 November 2020 at 2.30 p.m.
Physical location of EGM	:	20 Pasir Panjang Road, Mapletree Business City, Town Hall – Auditorium, Singapore 117439

Any changes to the timetable above will be announced.

MAPLETREE LOGISTICS TRUST

(Constituted in the Republic of Singapore
pursuant to a Trust Deed dated 5 July 2004 (as amended))

Directors of the Manager
Mr Lee Chong Kwee (Non-Executive Chairman and Director)
Mr Tarun Kataria (Lead Independent Non-Executive Director)
Mr Lim Joo Boon (Independent Non-Executive Director)
Ms Lim Mei (Independent Non-Executive Director)
Mr Loh Shai Weng (Independent Non-Executive Director)
Mr Tan Wah Yeow (Independent Non-Executive Director)
Mr Wee Siew Kim (Independent Non-Executive Director)
Mr Goh Chye Boon (Non-Executive Director)
Ms Wendy Koh Mui Ai (Non-Executive Director)
Mr Wong Mun Hoong (Non-Executive Director)
Ms Ng Kiat (Executive Director and Chief Executive Officer)

Registered Office
10 Pasir Panjang Road
#13-01 Mapletree Business City
Singapore 117438

2 November 2020

To: Unitholders of Mapletree Logistics Trust

Dear Sir/Madam

1. SUMMARY OF APPROVAL REQUIRED

The Manager is convening an EGM of MLT to seek the approval of Unitholders by way of an Ordinary Resolution for the following resolutions:

(i) **Resolution 1:** The proposed Acquisitions as interested person transactions;

(ii) **Resolution 2:** The proposed issue of Consideration Units as partial consideration for the PRC Acquisitions; and

(iii) **Resolution 3:** The proposed Whitewash Resolution.

Unitholders should note that Resolution 1 (the Acquisitions) and Resolution 2 (the Consideration Units) are conditional upon each other and upon Resolution 3 (the Whitewash Resolution). In the event that any of Resolution 1, Resolution 2 or Resolution 3 is not approved, none of Resolution 1 or Resolution 2 will be carried.

The following paragraphs set forth key information relating to the abovementioned Resolutions.

2. THE PROPOSED ACQUISITIONS AS INTERESTED PERSON TRANSACTIONS

2.1 Description of the Properties

The Manager has identified the following Properties as being suitable for acquisition by MLT, namely:

PRC

(i) Mapletree Wuxi;

(ii) Mapletree Hangzhou;

(iii) Mapletree Nantong;

(iv) Mapletree Changshu;

(v) Mapletree Changsha;

(vi) Mapletree Wuhan;

(vii) Mapletree Xi'an;

(viii) Mapletree Tianjin;

(ix) Mapletree Jiaxing;

(x) Mapletree Nanchang;

(xi) Mapletree Zhenjiang;

(xii) Mapletree Chengdu;

(xiii) Mapletree Shenyang;

(xiv) Mapletree Jinan;

(xv) Mapletree Changsha 2;

(xvi) Mapletree Tianjin 2;

(xvii) Mapletree Chengdu 2;

(xviii) Mapletree Qingdao;

(xix) Mapletree Guiyang;

(xx) Mapletree Nantong 2;

(xxi) Mapletree Ningbo;

(xxii) Mapletree Changsha 3;

(out of which the properties listed at (i) – (xv) are Partially Owned PRC Properties, with the proposed acquisition of the remaining 50.0% stake in them, resulting in MLT holding 100.0% interest in the Partially Owned PRC Properties. For the avoidance of doubt, MLT does not currently hold any stake in the New PRC Properties listed at (xvi) to (xxii) prior to the present proposed acquisition);

Malaysia

(xxiii) Mapletree PTP[1]; and

Vietnam

(xxiv) Mapletree Bac Ninh 3.

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[1] The proposed acquisition is in respect of the entire sub-lease over Mapletree PTP.

The 15 Partially Owned PRC Properties listed in (i) to (xv) above are held by 15 PRC WFOEs, which are in turn wholly-owned by the HK (A) SPVs in which the respective MIPL Subsidiaries and MLT each hold 50.0% of the entire ordinary issued share capital. MLT intends to acquire the remaining 50.0% interest in each of the 15 HK (A) SPVs from the respective MIPL Subsidiaries.

The four PRC Properties listed in (xvi) to (xix) above are held by four PRC WFOEs, which are in turn wholly-owned by the Sponsor-owned HK SPVs. The Sponsor-owned HK SPVs are in turn 100.0% owned by MOHL. MLT intends to acquire a 100.0% interest in each of the Sponsor-owned HK SPVs from MOHL.

The two PRC Properties listed in (xx) to (xxi) above are held by two PRC WFOEs, which are in turn wholly-owned by two Co-owned HK SPVs in which the relevant MIPL Subsidiaries and Itochu Subsidiaries hold 80.0% and 20.0% of the entire ordinary issued share capital respectively. The MIPL Subsidiaries hold 80.0% and the Itochu Subsidiaries hold 20.0% of the entire ordinary issued share capital of the Co-owned HK SPVs. MLT intends to acquire a 100.0% interest in each of the Co-owned HK SPVs through the acquisition of an 80.0% interest from the respective MIPL Subsidiaries and the remaining 20.0% interest from the respective Itochu Subsidiaries.

The PRC Property listed in (xxii) above is held by a PRC WFOE, which is in turn wholly-owned by the SG SPV. The SG SPV is in turn 100.0% owned by an MIPL Subsidiary. MLT intends to acquire a 100.0% interest in the SG SPV from the relevant MIPL Subsidiary.

Following the PRC Acquisitions, MLT will hold a 100.0% interest in each of the 21 HK SPVs and the SG SPV.

The Malaysia Property listed in (xxiii) above is held by the Malaysia Vendor. The Malaysia SPV intends to acquire the Malaysia Property from the Malaysia Vendor as an asset acquisition. Following the Malaysia Acquisition, the Malaysia Property will be held by the Malaysia SPV. MLT (and/or its subsidiaries) will subscribe for either (a) the Bridge MTN, which are intended to be refinanced by the issue of the ABS MTN to sophisticated investors (upon securing such investors) by the Malaysia SPV, or (b) the Junior ABS MTN which will be issued to MLT (and/or its subsidiaries), together with the Senior ABS MTN to be issued to sophisticated investors, by the Malaysia SPV.

The Vietnam Property listed in (xxiv) above is held by a Vietnam SPV, which is in turn wholly-owned by the Cayman SPV. The Cayman SPV is in turn 100.0% owned by the Vietnam Vendor. MLT intends to acquire all of the shares in the Cayman SPV from the Vietnam Vendor. Following the Vietnam Acquisition, MLT will hold a 100.0% interest in the Cayman SPV.

(See **Appendix A** of this Circular for further details.)

2.2 Structure of the Acquisitions

2.2.1 PRC Properties

Pursuant to the PRC Share Purchase Agreements dated 19 October 2020, the Trustee, on behalf of MLT, will acquire the remaining 50.0% interest in each of the 15 HK (A) SPVs that hold the Partially Owned PRC Properties, and a 100.0% interest in each of the six HK (B) SPVs and the SG SPV that hold the New PRC Properties through the PRC Acquisitions.

Pursuant to the terms of the PRC Share Purchase Agreements, the PRC Aggregate Share Consideration payable by the Trustee in connection with the PRC Acquisitions is the PRC Total Adjusted Net Asset Values as at the PRC Completion. The PRC Aggregate Share Consideration, to be satisfied in cash, is estimated to be RMB744.4 million (S$151.7 million)[1], subject to post-PRC Completion adjustments to the PRC Total Adjusted Net Asset Values (including taking into account the actual income and expenses relating to the PRC Properties as at the date of the PRC Completion). The PRC Adjusted Net Asset Value of each PRC Property SPV shall take into account the Agreed PRC Property Value and shall be subject to post completion adjustments. For the avoidance of doubt, the PRC Aggregate Share Consideration take into account the PRC Shareholders' Loans of RMB2,381.0 million (S$485.4 million) and the PRC Bank Loans[2]. Following the PRC Completion, the PRC Shareholders' Loan shall be owed by the PRC Property SPVs to the Trustee. The values of the PRC Shareholders' Loans are subject to adjustments based on the actual date of the PRC Completion to take into account interest accruing up to such date. Given that the Trustee currently owns 50.0% interest in each of the 15 HK (A) SPVs, there are existing shareholders' loans owing by the 15 HK (A) SPVs to the Trustee which will remain.

In addition to the payment of the PRC Aggregate Share Consideration to the PRC Vendors, the Trustee will at the PRC Completion extend approximately RMB1,023.5 million (S$208.6 million) to directly repay and discharge the Repaid PRC Bank Loans, and take over the Subsisting PRC Bank Loans, to the amount of RMB328.2 million (S$66.9 million). The values of the PRC Bank Loans are subject to adjustments based on the actual date of the PRC Completion to take into account interest accruing up to such date.

The PRC Acquisition Price payable by the Trustee in respect of the PRC Acquisitions would therefore be the sum of the PRC Aggregate Share Consideration, the value of the PRC Shareholders' Loans, and the value of the PRC Bank Loans, being approximately RMB4,477.1 million (S$912.7 million). Out of the PRC Acquisition Price, the PRC Aggregate Share Consideration will be paid in cash to the PRC Vendors while the PRC Shareholders' Loans will be satisfied partly in cash and partly via the issue of Consideration Units to the PRC Vendors on the terms set out in the respective PRC Share Purchase Agreements.

To demonstrate its continued commitment to MLT, MIPL, which holds the Relevant PRC Vendors, has agreed to receive the Consideration Units in satisfaction of part of the PRC Acquisition Price, with Mulberry, which is an MIPL Subsidiary, being nominated by the Relevant PRC Vendors to receive the Consideration Units.

Following the PRC Completion, MLT will own 100.0% of the ordinary shares in the issued share capital of each of the 22 PRC Property SPVs via its 100.0% interest in the HK SPVs and SG SPV.

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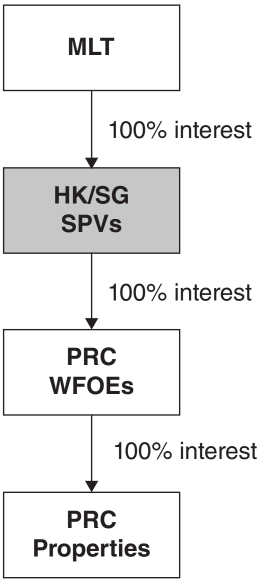
[1] This amount comprises the purchase consideration of RMB730.4 million (S$148.9 million) payable to the MIPL Subsidiaries and the purchase consideration of RMB14.0 million (S$2.9 million) payable to the Itochu Subsidiaries.

[2] The PRC Bank Loans in relation to the existing external bank loans owed by the HK (A) SPVs have been calculated on a 50.0% basis to reflect MLT's acquisition of the remaining 50.0% in each of the HK (A) SPVs. For avoidance of doubt, the Trustee will be discharging 100.0% of the existing external bank loans owed by the HK (A) SPVs at Completion, which includes approximately RMB621.6 million (S$126.7 million) to discharge MLT's own 50.0% *pro rata* stake in the existing external bank loans owed by the HK (A) SPVs. For further avoidance of doubt, the amount of approximately RMB621.6 million (S$126.7 million) does not constitute part of the acquisition price of the PRC Properties.

The diagram below sets out the relationship between the various parties following the PRC Completion:



2.2.2 Malaysia Property

The Malaysia SPV has entered into the Malaysia Asset Purchase Agreement dated 19 October 2020 to acquire the Malaysia Property from the Malaysia Vendor via the Malaysia ABS Structure.

Pursuant to the terms of the Malaysia Asset Purchase Agreement, the Malaysia Acquisition Price payable by the Malaysia SPV in connection with the Malaysia Acquisition is MYR402.5 million (S$131.6 million), being the Agreed Malaysia Property Value. The Malaysia Acquisition Price will be paid in cash to the Malaysia Vendor on the terms set out in the Malaysia Asset Purchase Agreement.

Pursuant to the Malaysia ABS Structure, the Malaysia SPV currently holding the Existing Malaysia Property was established to purchase various commercial/ industrial warehouses and logistics properties or, as the case may be, the rights, title and interest as a contractual lessee, sub-lessee or tenant under an existing lease, sub-lease or tenancy in relation to such properties, such as the Malaysia Property. The ordinary shares of the Malaysia SPV are held by a professional trustee on a discretionary trust for the benefit of charitable organisations. Pursuant to a 60-year, asset-backed medium-term note programme of up to MYR5.0 billion (or approximately S$1.6 billion) (the "**MTN Programme**"), the Malaysia SPV will issue, on a "limited recourse" basis[1], either (a) the Bridge MTN to, *inter alia*, bridge finance the purchase of the Malaysia Property which are intended to be refinanced by the issuance of the ABS MTN or (b) the Junior ABS MTN together with the Senior ABS MTN to*, inter alia*, finance the purchase of the Malaysia Property.

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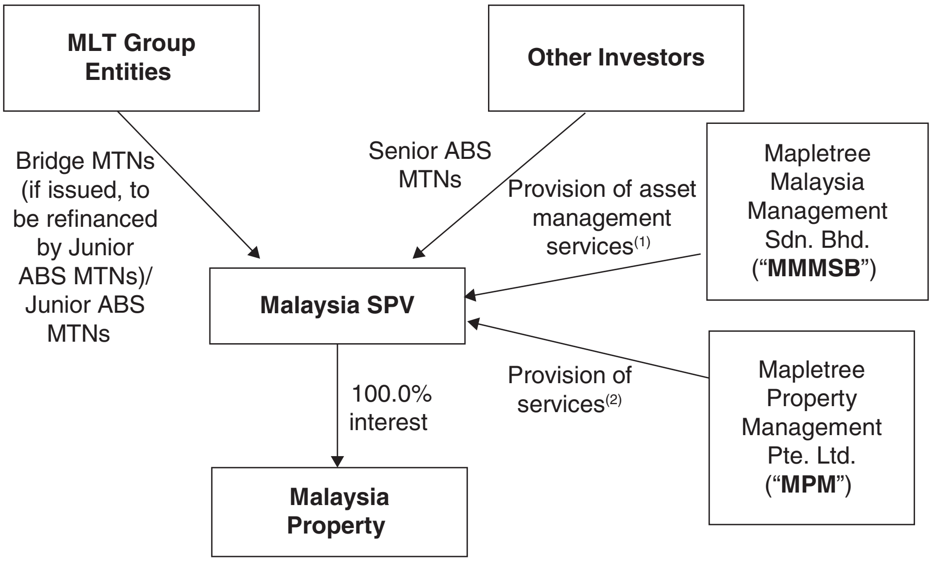
[1] The recourse of the holders of the MTN to the Malaysia SPV is limited to the assets of the Malaysia SPV and no petition for the winding-up or dissolution of the Malaysia SPV may be made by the MTN holders under the terms of the MTN Programme.

The Bridge MTN, if issued, shall be subscribed in full by the MLT Group Entities and shall be freely tradable and transferable, subject to such restrictions on transfer as may be applicable. The Bridge MTN will be a form of bridging debt financing pending the finalisation and issuance of the Junior ABS MTN and the Senior ABS MTN. The quantum of the Bridge MTN will essentially be the Malaysia Acquisition Price until the Senior ABS MTN and Junior ABS MTN are issued to refinance the Bridge MTN.

The Senior ABS MTN, when issued, will be issued to sophisticated investors[1] and the Junior ABS MTN, when issued, will be subscribed in full by the MLT Group Entities. The Manager will determine the split between the Senior ABS MTN and the Junior ABS MTN depending on market conditions and demand from sophisticated investors in Malaysia for the Senior ABS MTN. The Senior ABS MTN is a form of onshore debt financing and will provide natural capital hedge given that it will be denominated in Malaysian Ringgit.

By subscribing for the Bridge MTN or the Junior ABS MTN, MLT is investing indirectly in the underlying real estate held by the Malaysia SPV (including the Malaysia Property as at the date of completion of the Malaysia Acquisition) and will be receiving cash flow from such real estate, in the form of interest income from the Bridge MTN or the Junior ABS MTN. The Bridge MTN or the Junior ABS MTN provide MLT with the same economic interest as if it had acquired the Malaysia Property directly as it allows MLT (through the Malaysia SPV) to receive the performance coupon, after netting off payments to the Senior ABS MTN holders (applicable only if issued together with Junior ABS MTN), fees and expenses in relation to the Malaysia Acquisition.

The diagram below sets out the relationship between the various parties following completion of the Malaysia Acquisition:



Notes:

(1) The provision of asset management services by MMMSB to the Malaysia SPV in relation to the Malaysia Property under the Malaysia Asset Management Agreement (as defined herein).

(2) The provision of services by MPM to the Malaysia SPV in relation to the Malaysia Property under the Malaysia Servicer Agreement (as defined herein).

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[1] As permitted under the Capital Markets and Services Act, 2007 of Malaysia.

The Malaysia ABS Structure is essentially a financing structure in the form of an asset-backed securitisation arrangement. Through the Malaysia ABS Structure with MMMSB providing asset management services and MPM providing services similar to a property manager, MLT will have sufficient protection and safeguards in respect of MLT's interest in the Malaysia Property.

In terms of accounting treatment in the financial statements of MLT, the Malaysia Property will be treated like any other property in the portfolio of MLT.

2.2.3 Vietnam Property

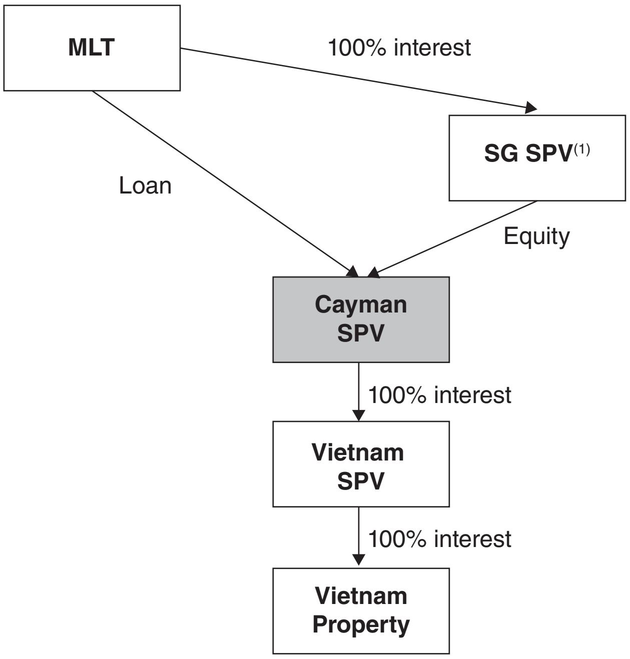
Pursuant to the Vietnam Share Purchase Agreement dated 19 October 2020, the Vietnam Purchaser will acquire a 100.0% interest in the Cayman SPV through the Vietnam Acquisition.

Pursuant to the terms of the Vietnam Share Purchase Agreement, the Vietnam Aggregate Share Consideration payable by the Vietnam Purchaser in connection with the Vietnam Acquisition is the Vietnam Adjusted Net Asset Value as at the date of Vietnam Completion. The Vietnam Aggregate Share Consideration is estimated to be USD5.1 million (S$6.9 million), subject to post-Vietnam Completion adjustments to the Vietnam Adjusted Net Asset Value (including taking into account the actual income and expenses relating to the Vietnam Property as at the date of the Vietnam Completion). The Vietnam Adjusted Net Asset Value of the Cayman SPV shall take into account the Agreed Vietnam Property Value and shall be subject to post completion adjustments. For the avoidance of doubt, the Vietnam Aggregate Share Consideration shall take into account the existing Vietnam Shareholder's Loan of USD17.1 million (S$23.1 million). Following the Vietnam Completion, the Vietnam Shareholder's Loan shall be owed by the Cayman SPV to the Trustee. The value of the Vietnam Shareholder's Loan is subject to adjustments based on the actual date of Vietnam Completion to take into account interest accruing up to such date.

The Vietnam Acquisition Price would therefore be the Vietnam Aggregate Share Consideration which shall take into account the value of the Vietnam Shareholder's Loan being USD22.2 million (S$30.1 million). The Vietnam Acquisition Price will be paid in cash to the Vietnam Vendor on the terms set out in the Vietnam Share Purchase Agreement.

Following Vietnam Completion, MLT will own 100.0% of the ordinary shares in the issued share capital of the Cayman SPV.

The diagram below sets out the relationship between the various parties following Vietnam Completion:



Note:

(1) MLT will hold the Cayman SPV indirectly through a Singapore special purpose vehicle.

2.2.4 Total Acquisition Price

The Total Acquisition Price in respect of the Acquisitions would therefore be the sum of the PRC Acquisition Price, the Malaysia Acquisition Price and the Vietnam Acquisition Price, being S$1,074.4 million.

2.3 Valuation

The Agreed Property Value of each Property was arrived at on a willing-buyer and willing-seller basis after taking into account the two independent valuations of each Property as at the Valuation Date.

In this respect, the Trustee and the Manager have each commissioned independent property valuers to value the Properties. In arriving at the open market value of each Property, the Independent Valuers relied on the following valuation methods:

	Independent Valuer appointed by the Trustee	Valuation Methods of Independent Valuer appointed by the Trustee	Independent Valuer appointed by the Manager	Valuation Methods of Independent Valuer appointed by the Manager
PRC Properties	Cushman & Wakefield International Property Advisers (Shanghai) Co., Ltd	Income Capitalization Approach and Discounted Cash Flow Approach	Knight Frank Petty Limited	Discounted Cash Flow Approach and Sales Comparison Approach

	Independent Valuer appointed by the Trustee	Valuation Methods of Independent Valuer appointed by the Trustee	Independent Valuer appointed by the Manager	Valuation Methods of Independent Valuer appointed by the Manager
Malaysia Property	Knight Frank Malaysia Sdn Bhd	Discounted Cash Flow Method and Comparison Method	First Pacific Valuers Property Consultants Sdn Bhd	Direct Capitalization Method and Cost Method
Vietnam Property	CBRE (Vietnam) Co., Ltd	Capitalization Approach, Discounted Cash Flow Analysis and Depreciated Replacement Cost Approach	Colliers International Vietnam	Discounted Cash Flow Analysis and Market Approach

The Agreed Property Value of the Properties are:

(i) in relation to the Agreed PRC Property Value, RMB6,612.2 million (S$1,347.9 million), representing a discount of approximately 1.9% to Cushman & Wakefield International Property Advisers (Shanghai) Co., Ltd's aggregate valuation of RMB6,738.1 million (S$1,373.6 million) and a discount of approximately 0.9% to Knight Frank Petty Limited's aggregate valuation of RMB6,671.0 million (S$1,359.9 million);

(ii) in relation to the Agreed Malaysia Property Value, MYR402.5 million (S$131.6 million), representing a discount of approximately 0.6% to Knight Frank Malaysia Sdn Bhd's aggregate valuation of MYR405.0 million (S$132.5 million) and a discount of approximately 1.6% to First Pacific Valuers Property Consultants Sdn Bhd's aggregate valuation of MYR409.0 million (S$133.8 million);

(iii) in relation to the Agreed Vietnam Property Value, USD21.9 million (S$29.6 million), representing a discount of approximately 0.8% to CBRE (Vietnam) Co., Ltd's aggregate valuation of USD22.0 million (S$29.9 million) and a discount of approximately 1.0% to Colliers International Vietnam's aggregate valuation of USD22.1 million (S$29.9 million).

(See **Appendix B** of this Circular for the Summary Valuation Certificates issued by each of the Independent Valuers.)

2.4 Certain Key Information on the Properties

The following table shows certain key information relating to the Properties, with independent valuations by the Independent Valuers being as at the Valuation Date:

Property Name		Location	Net Lettable Area (“NLA”) (sq m)	Independent Valuation by the relevant Independent Valuer appointed by:		Agreed Property Value (million)	Discount of the Agreed Property Value to the Independent Valuation by the relevant Independent Valuer appointed by:		Land Lease Expiry Date	Approximate Remaining Land Tenure (years)
				the Trustee (million)	the Manager (million)		the Trustee	the Manager		
PRC Properties										
1.	Mapletree Wuxi	No.1 Qiangzhai Road, Wuxi, Jiangsu Province, PRC	122,403[(1)]	RMB529.1 (S$107.9)	RMB528.0 (S$107.6)	RMB521.8 (S$106.4)	1.4%	1.2%	16 March 2064	43
2.	Mapletree Hangzhou	No. 1717 Weiqi Road, Dajiangdong Industrial Cluster Zone, Hangzhou, Zhejiang Province, PRC	106,726[(1)]	RMB465.2 (S$94.8)	RMB459.0 (S$93.6)	RMB453.8 (S$92.5)	2.5%	1.1%	5 September 2064	44
3.	Mapletree Nantong	No. 75-76 East Kuaisu Road, Nantong, Jiangsu Province, PRC	78,624[(1)]	RMB295.6 (S$60.3)	RMB293.0 (S$59.7)	RMB290.3 (S$59.2)	1.8%	0.9%	East: 19 October 2064; West: 29 January 2065	44
4.	Mapletree Changshu	No. 37 Dongnan Avenue, High-Tech Industrial Development Zone, Changshu, Jiangsu Province, PRC	60,967[(1)]	RMB221.1 (S$45.1)	RMB218.0 (S$44.4)	RMB216.8 (S$44.2)	2.0%	0.6%	14 February 2065	44

Property Name		Location	Net Lettable Area ("NLA") (sq m)	Independent Valuation by the relevant Independent Valuer appointed by:		Agreed Property Value (million)	Discount of the Agreed Property Value to the Independent Valuation by the relevant Independent Valuer appointed by:		Land Lease Expiry Date	Approximate Remaining Land Tenure (years)
				the Trustee (million)	the Manager (million)		the Trustee	the Manager		
5.	Mapletree Changsha	101, No. 1-4 Buildings and No. 1-2 Gatehouses, No. 77 Jinqiao Road, Yuelu District, Changsha, Hunan Province, PRC	79,253(1)	RMB356.3 (S$72.6)	RMB352.0 (S$71.8)	RMB350.0 (S$71.4)	1.8%	0.6%	20 June 2064	44
6.	Mapletree Wuhan	Dongyue Village, Cangbu Street and Qiuli Village, Yangluo Street, Yangluo Economic and Development Zone, Xinzhou District, Wuhan, Hubei Province, PRC	69,984(1)	RMB282.0 (S$57.5)	RMB279.0 (S$56.9)	RMB277.1 (S$56.5)	1.8%	0.7%	10 June 2065	45
7.	Mapletree Xi'an(2)	North of No. 2 Fengchan Road, East of No.3 Jianzhang Road, Xi'an, Shaanxi Province, PRC	63,558(1)	RMB381.0 (S$77.7)	RMB376.0 (S$76.6)	RMB373.8 (S$76.2)	1.9%	0.6%	9 December 2063	43
8.	Mapletree Tianjin	No.20 Quanxiu Road, Wuqing Development District, Tianjin New-Tech Industrial Park, Wuqing District, Tianjin, PRC	29,148(1)	RMB126.7 (S$25.8)	RMB124.0 (S$25.3)	RMB123.6 (S$25.2)	2.5%	0.4%	12 February 2065	44

Property Name		Location	Net Lettable Area ("NLA") (sq m)	Independent Valuation by the relevant Independent Valuer appointed by:		Agreed Property Value (million)	Discount of the Agreed Property Value to the Independent Valuation by the relevant Independent Valuer appointed by:		Land Lease Expiry Date	Approximate Remaining Land Tenure (years)
				the Trustee (million)	the Manager (million)		the Trustee	the Manager		
9.	Mapletree Jiaxing	No. 406 Yantang Road, Wangdian Town, Xiuzhou District, Jiaxing, Zhejiang Province, PRC	35,683(1)	RMB183.1 (S$37.3)	RMB182.0 (S$37.1)	RMB180.1 (S$36.7)	1.6%	1.0%	26 January 2066	45
10.	Mapletree Nanchang	No. 3688 Jingkai Avenue, Economic and Technological Development Zone, Qingshanhu District, Nanchang, Jiangxi Province, PRC	73,950(1)	RMB249.1 (S$50.8)	RMB245.0 (S$49.9)	RMB241.8 (S$49.3)	2.9%	1.3%	14 January 2066	45
11.	Mapletree Zhenjiang	East of Huamao Road, West of Hengda Road, Guozhuang Town, Jurong, Jiangsu Province, PRC	101,616(1)	RMB472.1 (S$96.2)	RMB468.0 (S$95.4)	RMB464.1 (S$94.6)	1.7%	0.8%	1 October 2066	46
12.	Mapletree Chengdu(2)	South of No. 2 Hangshu Road, Shuangliu District, Chengdu, Sichuan Province	20,138(1)	RMB114.1 (S$23.3)	RMB113.0 (S$23.0)	RMB112.2 (S$22.9)	1.6%	0.7%	27 October 2065	45
13.	Mapletree Shenyang	4A, 4A1, 4A2, 4A3, Hunhe Shiba Street, Economic Technology Development Zone, Shenyang, Liaoning Province, PRC	42,881(1)	RMB149.3 (S$30.4)	RMB148.0 (S$30.2)	RMB147.0 (S$30.0)	1.6%	0.7%	28 September 2066	46

Property Name		**Location**	**Net Lettable Area (“NLA”) (sq m)**	**Independent Valuation by the relevant Independent Valuer appointed by:**		**Agreed Property Value (million)**	**Discount of the Agreed Property Value to the Independent Valuation by the relevant Independent Valuer appointed by:**		**Land Lease Expiry Date**	**Approximate Remaining Land Tenure (years)**
				the Trustee (million)	**the Manager (million)**		**the Trustee**	**the Manager**		
14.	Mapletree Jinan	Unit 3153, Lingang Road, Gaoxin District, Jinan, Shandong Province, PRC	80,931**(1)**	RMB377.9 (S$77.0)	RMB373.0 (S$76.0)	RMB371.9 (S$75.8)	1.6%	0.3%	15 March 2065	44
15.	Mapletree Changsha 2	No. 20 Jinqiao Road, Yuelu District, Fengyi Changsha Logistics Park, Changsha, Hunan Province, PRC	97,888**(1)**	RMB419.7 (S$85.6)	RMB415.0 (S$84.6)	RMB413.1 (S$84.2)	1.6%	0.5%	26 December 2064	44
16.	Mapletree Tianjin 2	No.10, Chuying Road, Dasi Town, Xiqing District, Tianjin	37,689	RMB229.5 (S$46.8)	RMB227.0 (S$46.3)	RMB226.0 (S$46.1)	1.5%	0.5%	7 October 2066	46
17.	Mapletree Chengdu 2(2)	West of Dongfeng Road and North of Guoguang Road, Mimou Town, Qingbaijiang District, Chengdu, Sichuan Province, PRC	107,379	RMB440.4 (S$89.8)	RMB436.0 (S$88.9)	RMB432.6 (S$88.2)	1.8%	0.8%	11 December 2066	46
18.	Mapletree Qingdao	North of Shugang Expressway, west of Dazhushan North Road, Huangdao District, Qingdao, Shandong Province, PRC	74,192	RMB270.8 (S$55.2)	RMB267.0 (S$54.4)	RMB265.3 (S$54.1)	2.0%	0.6%	17 May 2067	47

Property Name		Location	Net Lettable Area ("NLA") (sq m)	Independent Valuation by the relevant Independent Valuer appointed by:		Agreed Property Value (million)	Discount of the Agreed Property Value to the Independent Valuation by the relevant Independent Valuer appointed by:		Land Lease Expiry Date	Approximate Remaining Land Tenure (years)
				the Trustee (million)	the Manager (million)		the Trustee	the Manager		
19.	Mapletree Guiyang	Gujiao Town, Longli County, Guiyang, Guizhou	51,656	RMB216.9 (S$44.2)	RMB214.0 (S$43.6)	RMB212.0 (S$43.2)	2.3%	0.9%	4 July 2068	48
20.	Mapletree Nantong 2	No. 20 Jiqing Rd, Nantong Economic and Technological Development Area, Nantong, Jiangsu	67,504	RMB246.3 (S$50.2)	RMB243.0 (S$49.5)	RMB242.6 (S$49.5)	1.5%	0.2%	9 June 2065	45
21.	Mapletree Ningbo(2)	Ningbo Cidong Binhai District, Ningbo, Zhejiang	138,588	RMB504.1 (S$102.8)	RMB506.0 (S$103.1)	RMB492.4 (S$100.4)	2.3%	2.7%	30 December 2064	44
22.	Mapletree Changsha 3(2)	South of Tianxiang Road and West of Shengxiang Road, Changsha County, Changsha, Hunan Province, PRC	35,108	RMB207.8 (S$42.4)	RMB205.0 (S$41.8)	RMB204.2 (S$41.6)	1.7%	0.4%	30 September 2067	47
	Sub-total for PRC Properties		1,575,867	RMB6,738.1 (S$1,373.6)	RMB6,671.0 (S$1,359.9)	RMB6,612.2 (S$1,347.9)	1.9%	0.9%	–	–
Malaysia Property										
23.	Mapletree PTP	Mapletree Logistics Hub – Tanjung Pelepas, Plot D40 & D44, Jalan DBP/8, Zone B, Pelabuhan Tanjung Pelepas 81560, Gelang Patah, Johor	131,986	MYR405.0 (S$132.5)	MYR409.0 (S$133.8)	MYR402.5 (S$131.6)	0.6%	1.6%	23 March 2055(3)	34(4)

Property Name		Location	Net Lettable Area (“NLA”) (sq m)	Independent Valuation by the relevant Independent Valuer appointed by:		Agreed Property Value (million)	Discount of the Agreed Property Value to the Independent Valuation by the relevant Independent Valuer appointed by:		Land Lease Expiry Date	Approximate Remaining Land Tenure (years)
				the Trustee (million)	the Manager (million)		the Trustee	the Manager		
Vietnam Property										
24.	Mapletree Bac Ninh 3	No. 3, Street 6, VSIP Bac Ninh, Phu Chan Commune, Tu Son Town, Bac Ninh Province, Vietnam	47,682	USD22.0 (S$29.9)	USD22.1 (S$29.9)	USD21.9 (S$29.6)	0.8%	1.0%	30 November 2057	37
Total			**1,755,535**	**S$1,535.9**	**S$1,523.6**	**S$1,509.2**	**1.7%**	**0.9%**		

Notes:

(1) NLA is reflected on a 100.0% basis.

(2) The Manager expects the property title certificates in respect of Mapletree Xi’an and Mapletree Chengdu to be obtained by the first half of 2021, and in respect of Mapletree Chengdu 2, Mapletree Ningbo and Mapletree Changsha 3, to be obtained by the second half of 2021.

(3) 23 March 2045 is the expiry date of the First Term presently registered on the title to the Malaysia Parent Land. Pursuant to an agreement to sub-lease and a supplemental agreement entered into pursuant thereto with Pelabuhan Tanjung Pelepas Sdn Bhd (“**Sub-Lessor**”) and the Malaysia Vendor, the Malaysia Vendor has been granted the entire sub-lease in respect of the Malaysia Property for a term of 40 years commencing on 7 April 2015 and expiring on 23 March 2055, which is broken down into two (2) lease periods, i.e. the First Term and the Second Term (“**Agreement to Sub-Lease**”). Pursuant to the Agreement to Sub-Lease, the First Term granted by the Sub-Lessor in favour of the Malaysia Vendor was registered on 20 June 2017 vide presentation number 41326/2017, for a term of 29 years and 351 days commencing from 7 April 2015 to 23 March 2045 and the total rent for the First Term and the Second Term has been fully paid by the Malaysia Vendor to the Sub-Lessor as at the date of the Malaysia Asset Purchase Agreement. Pursuant to Section 222(3) of the National Land Code (Revised – 2020), where any sub-lease so granted relates to a part only of an alienated land, as it is in respect of the Malaysia Property, the term thereof shall not exceed 30 years. Therefore, while the lease expiry date is 23 March 2045, the Malaysia SPV will have an option to extend the term of the sub-lease and register the same on the title to the Malaysia Parent Land subject to the payment of RM1.00 before the expiration of the First Term in order to secure its registered interest for the Second Term. No regulatory approval is required to extend the term of the sub-lease and register the same on the title to the Malaysia Parent Land, except that the written consent of the Johor Port Authority is required to register the extension of the lease expiry date to 23 March 2055. The Johor Port Authority has consented to the Agreement to Sub-Lease which applies for the period up till 23 March 2055. Therefore, the Manager does not expect any difficulty in obtaining the written consent of the Johor Port Authority to register the extension of the sub-lease to 23 March 2055.

(4) Includes the extension of the term of the sub-lease into the Second Term.

2.5 Certain Terms and Conditions of the Purchase Agreements

2.5.1 PRC Acquisitions

The Trustee has entered into the PRC Share Purchase Agreements with the PRC Vendors each dated 19 October 2020.

The principal terms of the PRC Share Purchase Agreements include, among others, the following conditions precedent:

(i) the passing at an EGM of Unitholders of a resolution to approve the Acquisitions;

(ii) the passing at an EGM of Unitholders of a resolution to approve the issue of Consideration Units;

(iii) the passing at an EGM of Unitholders of a resolution to approve the Whitewash Resolution;

(iv) the receipt of approval in-principle of the SGX-ST for the listing of and quotation for the New Units pursuant to the Equity Fund Raising and Consideration Units, and there not having occurred any revocation or withdrawal of such approval;

(v) the listing and commencement of trading of the New Units issued pursuant to the Equity Fund Raising;

(vi) the receipt by the Trustee of the proceeds of the Equity Fund Raising and/or external borrowings to fully fund the Acquisitions;

(vii) entry into the Malaysia Asset Purchase Agreement and the Vietnam Share Purchase Agreement;

(viii) there being no compulsory acquisition of the PRC Properties or any part of it, and no notice, demand, direction or order of such intended compulsory acquisition or resumption affecting the PRC Properties or other notice, demand, direction or order materially and adversely affecting the PRC Properties has been given by the government or other competent authority;

(ix) no statute, regulation or decision which would prohibit, restrict or have a material adverse effect on the PRC Acquisitions or the operation of any of the PRC Property SPVs or PRC WFOEs or the operation of the PRC Properties having been proposed, enacted or taken by any governmental or official authority;

(x) (in relation to the PRC Share Purchase Agreements for Mapletree Chengdu 2, Mapletree Qingdao, and Mapletree Guiyang only) the Subsisting PRC Bank Loan remaining in full force and effect, and not being discharged as a result of the completion of the sale and purchase of the shares in the PRC Property SPV; and

(xi) (in relation to the PRC Share Purchase Agreements other than those for Mapletree Chengdu 2, Mapletree Qingdao, and Mapletree Guiyang) written confirmations in a form and on terms (if any) satisfactory to the Purchaser by the counterparties to the Repaid PRC Bank Loans and the existing guarantee given by MIPL and/or Itochu to the external lenders in respect of the facility agreements entered into by the PRC Property SPVs (the "**Existing Guarantees**"), that the Repaid PRC Bank Loans may be fully prepaid, discharged and that the Existing Guarantees be released on the date of the PRC Completion.

As at the date of this Circular, conditions 2.5.1(iv) and (vii) have been satisfied. In relation to condition 2.5.1(iv), the SGX-ST's approval in-principle is not an indication of the merits of the Private Placement and Preferential Offering, the Consideration Units, the New Units, MLT and/or its subsidiaries.

In addition, the PRC Share Purchase Agreements set out the following principal terms:

(a) (in relation to the PRC Share Purchase Agreements for Mapletree Chengdu 2, Mapletree Qingdao, and Mapletree Guiyang only) the Trustee is required to provide, or procure the provision of, the Corporate Guarantee as guarantor at the PRC Completion in respect of the Subsisting PRC Bank Loan in the PRC Property SPV; and

(b) the PRC Vendors shall procure that applications be made for issuance of the completion certificate and the property title certificate for the relevant PRC Property. The PRC Vendors have undertaken to obtain such certificate(s) within six months (in respect of Mapletree Xi'an and Mapletree Chengdu) and 12 months (in respect of Mapletree Chengdu 2, Mapletree Ningbo and Mapletree Changsha 3) (or such period agreed between the parties) after the PRC Completion[1] and have also provided an indemnity to the Trustee from all losses sustained from time to time by reason of any penalties imposed due to such certificate(s) not being obtained.

2.5.2 Malaysia Acquisition

The Malaysia SPV has entered into the Malaysia Asset Purchase Agreement with the Malaysia Vendor dated 19 October 2020.

The principal terms of the Malaysia Asset Purchase Agreement include, among others, the following conditions precedent:

(i) if required, the Malaysia SPV obtaining the written confirmation of the Economic Planning Unit ("**EPU**") that EPU's approval is not required for the Malaysia SPV's acquisition of the Malaysia Property from the Malaysia Vendor;

(ii) if required, the Malaysia Vendor obtaining the written approval of the State Authority in respect of the transfer of the Malaysia Property by the Malaysia Vendor in favour of the Malaysia SPV;

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[1] As at the Latest Practicable Date, all land title certificates for the PRC Properties have been obtained. The property title certificates for all the PRC Properties have been obtained save for Mapletree Xi'an, Mapletree Chengdu, Mapletree Chengdu 2, Mapletree Ningbo and Mapletree Changsha 3 (the "**Relevant Assets**"). The PRC WFOEs holding the Relevant Assets are in the process of applying for the property title certificates in respect of these Relevant Assets. The Manager expects the property title certificates in respect of Mapletree Xi'an and Mapletree Chengdu to be obtained by the first half of 2021, and in respect of Mapletree Chengdu 2, Mapletree Ningbo and Mapletree Changsha 3, to be obtained by the second half of 2021.

(iii) the Malaysia Vendor obtaining the written approval of the registered proprietor of the Malaysia Parent Land (being the Johor Port Authority) in respect of the transfer of the Malaysia Property by the Malaysia Vendor in favour of the Malaysia SPV and in respect of the charge over the Malaysia Property by the Malaysia SPV in favour of the trustee of the MTN Programme;

(iv) the Malaysia Vendor obtaining the written approval of the Sub-Lessor in respect of the transfer of the Malaysia Property by the Malaysia Vendor in favour of the Malaysia SPV and in respect of the charge over the Malaysia Property by the Malaysia SPV in favour of the trustee of the MTN Programme;

(v) if required, the Malaysia SPV obtaining the written approval of the State Authority in respect of the charging of the Malaysia Property by the Malaysia SPV in favour of the trustee of the MTN Programme;

(vi) the Malaysia SPV's solicitors having received a redemption statement and letter of undertaking from the Malaysia Vendor's financier and addressed to the trustee of the MTN Programme ("**Redemption Statement Cum Undertaking**"), in such format as agreed upon among the Malaysia SPV, the Malaysia Vendor, and the Malaysia Vendor's financier, containing, *inter alia*:

    (a) the Malaysia Vendor's financier's statement as to the amount of the redemption sum payable to the Malaysia Vendor's financier for the discharge of the Malaysia Vendor's financier's charge ("**Redemption Sum**") and pursuant thereto, the Malaysia Vendor undertakes to provide a current and valid Redemption Statement Cum Undertaking prior to the issuance of the Bridge MTN or the ABS MTNs (as the case may be) for the purposes of payment of the Redemption Sum;

    (b) the Malaysia Vendor's financier's undertaking to deliver or cause to be delivered to the trustee of the MTN Programme or its solicitors the original and relevant documents in relation to the sub-lease and the Malaysia Vendor's charge, and the relevant discharge documents upon receipt of the payment of the Redemption Sum in full and the Vendor shall have deposited with the solicitors of the trustee of the MTN Programme the relevant stamp duty and fees for the registration of the discharge documents with the relevant authorities; and

    (c) the Malaysia Vendor's financier's undertaking to refund to the trustee of the MTN Programme or the Malaysia SPV the Redemption Sum in the event the relevant discharge documents cannot be registered for any reason whatsoever;

(vii) the Form 14A of the National Land Code (Revised – 2020), Malaysia duly executed by the Malaysia Vendor and the Malaysia SPV, and endorsed as exempt from stamp duty having been received by the Malaysia SPV's solicitors; and

(viii) the Malaysia SPV having issued the written request to the facility agent of the MTN Programme for the issuance of the Bridge MTN or the ABS MTNs (as the case may be) ("**ABS Notes Issue Request**").

In addition, the Malaysia Asset Purchase Agreement sets out the following principal terms:

(a) the Malaysia Property shall be sold by the Malaysia Vendor free from all encumbrances and subject to (1) the Agreement to Sub-Lease and all conditions of title and all restrictions in interest whether express or implied in the Malaysia Parent Land title; and (2) the tenancy agreements entered into between the Malaysia Vendor and third party tenants in respect of the Malaysia Property;

(b) the Malaysia Acquisition Price shall be paid by the Malaysia SPV in the following manner:

    (1) an amount equivalent to the Redemption Sum shall be paid to the Malaysia Vendor's financier to redeem the Malaysia Property from the Malaysia Vendor's financier; and

    (2) the balance thereof, being the Malaysia Acquisition Price less the Redemption Sum and the deductions being all deposits paid by the third party tenants and/or any party to the Malaysia Vendor in respect of the Malaysia Property, and all income paid to the Malaysia Vendor in respect of any period from the completion date, shall be paid to the Malaysia Vendor on the completion date. In the event that the Malaysia SPV shall require an extension of time to pay the Malaysia Acquisition Price, an extension of one (1) month from the completion period ("**Extended Completion Period**") will automatically be granted by the Malaysia Vendor to the Malaysia SPV to pay the outstanding Malaysia Acquisition Price;

(c) completion will take place on the date falling within 2 months from the date the Malaysia Asset Purchase Agreement ceases to be conditional or the Extended Completion Period, as the case may be; and

(d) the Malaysia SPV shall enter into and execute on the completion date of the Malaysia Asset Purchase Agreement, a novation agreement with the Sub-Lessor and the Malaysia Vendor to assign all rights and interests and novate all obligations of the Malaysia Vendor under the Agreement to Sub-Lease in favour of the Malaysia SPV in such form as may be agreed upon between the Malaysia SPV, the Malaysia Vendor, and the Sub-Lessor.

For the avoidance of doubt, should any of the Resolutions not be passed, the Malaysia SPV will not issue the ABS Notes Issue Request. Accordingly, the condition precedent in **Paragraph 2.5.2(viii)** above will not be satisfied and neither MLT nor the Malaysia SPV will be obliged to complete the Malaysia Acquisition.

2.5.3 Vietnam Acquisition

The Vietnam Purchaser has entered into the Vietnam Share Purchase Agreement with the Vietnam Vendor dated 19 October 2020.

The principal terms of the Vietnam Share Purchase Agreement include, among others, the following conditions precedent:

(i) the passing at an EGM of Unitholders of a resolution to approve the Acquisitions;

(ii) the passing at an EGM of Unitholders of a resolution to approve the issue of Consideration Units;

(iii) the passing at an EGM of Unitholders of a resolution to approve the Whitewash Resolution;

(iv) the receipt of approval in-principle of the SGX-ST for the listing of and quotation for the New Units pursuant to the Equity Fund Raising and Consideration Units, and there not having occurred any revocation or withdrawal of such approval;

(v) the listing and commencement of trading of the New Units issued pursuant to the Equity Fund Raising;

(vi) the receipt by the Trustee of the proceeds of the Equity Fund Raising and/or external borrowings to fully fund the Acquisitions;

(vii) entry into the PRC Share Purchase Agreements and the Malaysia Asset Purchase Agreement;

(viii) there being no compulsory acquisition of the Vietnam Property or any part of it, and no notice, demand, direction or order of such intended compulsory acquisition or resumption affecting the Vietnam Property or other notice, demand, direction or order materially and adversely affecting the Vietnam Property has been given by the government or other competent authority;

(ix) the obtaining in terms reasonably acceptable to the Vietnam Purchaser, of all consents, approvals, clearances and authorisations of any relevant authorities or other relevant third parties in Singapore, Vietnam or elsewhere as may reasonably be considered necessary by the Vietnam Purchaser for the execution and implementation of the Vietnam Share Purchase Agreement; and

(x) no statute, regulation or decision which would prohibit, restrict or have a material adverse effect on the acquisition of the Vietnam Property or the operation of the Cayman SPV and/or its subsidiary or the operation of the Vietnam Property having been proposed, enacted or taken by any governmental or official authority.

As at the date of this Circular, conditions 2.5.3(iv) and (vii) have been satisfied. In relation to condition 2.5.3(iv), the SGX-ST's approval in-principle is not an indication of the merits of the Private Placement and Preferential Offering, the Consideration Units, the New Units, MLT and/or its subsidiaries.

2.6 Management Agreements in relation to the Acquisitions

2.6.1 Property Management in relation to the PRC Properties

MPM (the "**Property Manager**"), which is the Property Manager of MLT, will be appointing Shanghai Mapletree Management Co., Ltd. (the "**PRC Property Manager**"), to be the local property manager for each PRC Property. The PRC Property Manager is a wholly-owned subsidiary of MIPL. The fees payable to the PRC Property Manager are on the same rates as those payable by MLT to the Property Manager under the Overseas Properties Property Management Agreement (the "**OPMA**"). Under the Trust Deed and OPMA, the Manager and the Property Manager are entitled to appoint any service providers (including any related Mapletree entity) to perform their respective obligations thereunder, provided that, among others, the Manager and Property Manager shall provide overall management and supervision and be liable for all acts and omissions of such persons. In the computation of the Property Manager's fees payable under the OPMA, any property management fees payable to the PRC Property Manager for the PRC Properties will be taken into account and no double payment will be made in respect of property management services provided for the PRC Properties.

2.6.2 Management Agreements in relation to the Malaysia Property

2.6.2.1 Malaysia Servicer Agreement

In relation to the Malaysia Acquisition, the Property Manager had been appointed as the servicer to administer the assets of the Malaysia SPV[1](the "**Servicer**") under the programme terms of the Malaysia ABS Structure. The Servicer will be carrying out functions similar to a property manager.

The Servicer is entitled to receive, among others, a fee of up to 3% of the gross revenue received by the Malaysia SPV in relation to the Malaysia Properties(2) during the relevant period.

The fees payable by the Malaysia SPV to the Servicer are on substantially the same rates as those payable by MLT to the Property Manager under the OPMA. Accordingly, the computation of the Property Manager's fees payable under the OPMA will take into account the fees payable to the Servicer and there will be no double payment for services provided for the Malaysia Properties(2).

2.6.2.2 Malaysia Asset Management Agreement

In addition, MMMSB, a wholly-owned subsidiary of MIPL, had been appointed as the asset manager to the Malaysia SPV under the programme terms of the Malaysia ABS Structure.

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[1] Under the Guidelines on Unlisted Capital Market Products under the Lodge and Launch Framework issued by the Securities Commission of Malaysia, the Malaysia SPV is required to sub-contract to third parties all services that may be required by it in order to maintain the Malaysia SPV and its assets. The Servicer may appoint a licensed property management company to undertake property management services.

[2] "**Malaysia Properties**" means the Malaysia Property, and the various commercial/ industrial warehouses and logistics properties located in Malaysia or, as the case may be, the rights, title and interest as a contractual lessee, sub-lessee or tenant under an existing lease, sub-lease or tenancy in relation to such properties, that may be acquired from time to time, by the Malaysia SPV from vendors to be identified, and funded with the issuance of one or more classes of MTNs pursuant to the MTN Programme.

MMMSB is entitled to receive, among others (i) a base fee of up to 0.5% per annum of all the Malaysia SPV's assets (including the Malaysia Property and all properties which are under management, cash and investments held), and (ii) a performance fee of up to 3.6% per annum of the net property income of the Malaysia SPV.

The fees payable to MMMSB are on substantially the same rates as those payable by MLT to the Manager under the Trust Deed. Accordingly, the computation of the Manager's fees payable under the Trust Deed will take into account any asset management fees payable to MMMSB and there will be no double payment for services provided to the Malaysia SPV.

2.7 Corporate Guarantees in relation to the PRC Acquisitions

The three HK SPVs which hold Mapletree Chengdu 2, Mapletree Qingdao, and Mapletree Guiyang have entered into bank facilities, pursuant to which MIPL has provided corporate guarantees to a certain bank. Pursuant to the terms of the PRC Share Purchase Agreements, the Trustee is required to provide, or procure the provision of, the Corporate Guarantees as guarantor at the PRC Completion, in place of the existing corporate guarantees provided by MIPL. The aggregate value of the Corporate Guarantees at any point in time will depend on the amounts drawn down under the bank facilities (including accrued interest).

By approving the Acquisitions, Unitholders will be deemed to have also approved the Corporate Guarantees.

2.8 Total Acquisition Cost and Total Acquisition Outlay

The Total Acquisition Cost is estimated to be approximately S$1,097.2 million, comprising:

(a) the PRC Acquisition Price of approximately RMB4,477.1 million (S$912.7 million), which comprises (i) the PRC Aggregate Share Consideration which will be paid in cash, (ii) the PRC Shareholders' Loans, which will be satisfied partly in cash and partly via the issue of Consideration Units and (iii) the PRC Bank Loans;

(b) the Malaysia Acquisition Price of approximately MYR402.5 million (S$131.6 million) which will be paid in cash;

(c) the Vietnam Acquisition Price of approximately USD22.2 million (S$30.1 million) which will be paid in cash;

(d) the Acquisition Fee which is estimated to be approximately S$5.4 million (representing 0.5% of the Total Acquisition Price); and

(e) the estimated professional and other fees and expenses of approximately S$17.4 million incurred or to be incurred by MLT in connection with the Acquisitions and the Equity Fund Raising.

The Total Acquisition Outlay is estimated to be approximately S$1,030.2 million, comprising the Total Acquisition Cost less the Subsisting PRC Bank Loans which will not be discharged by the PRC Property SPVs and will remain after the PRC Completion.

2.9 Payment of Acquisition Fee in Units

Pursuant to the Trust Deed, the Manager is entitled to receive an acquisition fee at the rate of 1.0% of the Total Acquisition Price (or such lower percentage as may be determined by the Manager in its absolute discretion). The Manager has, at its discretion, elected to receive an acquisition fee of 0.5% of the Total Acquisition Price.

As the Acquisitions will constitute "interested party transactions" under the Property Funds Appendix, the Acquisition Fee payable in respect of the Acquisitions will be in the form of Acquisition Fee Units, which shall not be sold within one year from the date of issuance in accordance with Paragraph 5.7 of the Property Funds Appendix.

In relation to the PRC Acquisitions, while the acquisition of the interests of the Itochu Subsidiaries in the PRC Property SPVs will not constitute an "interested party transaction" under the Property Funds Appendix, the Manager has nevertheless elected to receive the Acquisition Fee payable in respect of the acquisition of interests from the Itochu Subsidiaries in the form of Acquisition Fee Units and not to dispose of such Units within one year from the date of issuance.

Based on the Trust Deed, the Manager shall be entitled to receive such number of Units as may be purchased for the relevant amount of the Acquisition Fee at the issue price of Units issued to finance or part finance the Acquisitions in respect of which the Acquisition Fee is payable or, where Units are not issued to finance or part finance the Acquisitions, the prevailing market price (as defined in the Trust Deed) (the "**Market Price**") of such Units on the date of completion of the Acquisitions.

Based on the issue price of S$2.027 per Acquisition Fee Unit, the number of Acquisition Fee Units issued shall be approximately 2,650,115 Units.

2.10 Method of Financing for the Acquisitions

The Manager intends to finance the Total Acquisition Outlay through a combination of (i) the proceeds of the Equity Fund Raising; (ii) the issue of Consideration Units for the part of the PRC Acquisitions in relation to the PRC Properties held by the Relevant PRC Vendors; and/or (iii) the Loan Facilities.

The Manager has, on 20 October 2020 and 21 October 2020, announced the Private Placement of 246,670,000 New Units representing approximately 6.5% of the existing number of issued Units as at the Latest Practicable Date at an issue price of S$2.027 per New Unit to raise gross proceeds of approximately S$500.0 million; and a Preferential Offering of 72,408,675 New Units to existing Unitholders at a preferential offering ratio of 19 Preferential Offering Units for every 1,000 existing Units to raise gross proceeds of approximately S$144.1 million.

To demonstrate its continued commitment to MLT, MIPL has provided the Sponsor Irrevocable Undertaking to accept, subscribe and pay in full for, and procure that its subsidiaries accept, subscribe and pay in full for, its and its subsidiaries' total provisional allotment of units pursuant to the Preferential Offering.

The Equity Fund Raising had raised gross proceeds of approximately S$644.1 million.

The Manager intends to utilise approximately $626.7 million from the gross proceeds of the Equity Fund Raising to partially finance the Total Acquisition Outlay.

3. THE PROPOSED ISSUE OF CONSIDERATION UNITS

3.1 Proposed Issue of Consideration Units

The Manager proposes to issue up to approximately S$300.0 million worth of Consideration Units to Mulberry (being an MIPL Subsidiary), which has been nominated by the Relevant PRC Vendors to receive the Consideration Units, as partial consideration for the PRC Acquisitions in relation to the PRC Properties which are held by the Relevant PRC Vendors.

The aggregate number of Consideration Units to be issued will be derived in the following manner, applied on a property by property basis:

No. of Consideration Units = Y ÷ Consideration Unit Issue Price

Where:

"**Y**" means approximately S$300.0 million, being a portion of the PRC Shareholders' Loans due to the Relevant PRC Vendors in Units after applying the Closing Exchange Rate.

"**Consideration Unit Issue Price**" (i) (in the event the Private Placement has been undertaken by MLT to fund the proposed Acquisitions) the issue price of the Units under the Private Placement; or (ii) (in the event that no Private Placement has been undertaken by MLT) the volume weighted average price for a Unit for all trades on the SGX-ST for the period of 10 Business Days immediately preceding the date of the PRC Completion, in accordance with the provisions of the Trust Deed.

Given that the Private Placement has been undertaken by MLT to fund the Acquisitions, the Consideration Unit Issue Price shall be the issue price of the Units under the Private Placement, being S$2.027.

The Consideration Units shall be issued on the date of the PRC Completion and when issued, will be fully paid.

3.2 Distribution Periods

At present, the Manager implements quarterly distributions of MLT's distributable income, with the last quarterly distribution announced for the period of 1 July 2020 to 30 September 2020 (the "**2Q FY20/21 Distribution**") for Units traded under the "M44U" counter.

In connection with the Private Placement, the Manager has implemented an advanced distribution for the period from 1 October 2020 to the date immediately prior to the date on which the New Units are issued pursuant to the Private Placement (the "**Advanced Distribution**", and together with the 2Q FY20/21 Distribution, the "**Cumulative Distribution**"). The Advanced Distribution was intended to ensure fairness to existing Unitholders holding Units on the day immediately prior to the date on which the New Units are issued under the Private Placement.

The next distribution following the Cumulative Distribution will comprise MLT's distributable income for the period from the day the New Units are issued pursuant to the Private Placement to 31 December 2020 (the "**Relevant Period Distribution**"). Quarterly distributions will resume thereafter.

The Consideration Units will only be entitled to participate in the distributable income of MLT for the period from the date of their listing to 31 December 2020 whereas the existing Units are entitled to participate in MLT's distributable income for the entire 2Q FY20/21 Distribution and the Relevant Distribution Period.

As the Consideration Units will not be entitled to participate in MLT's distributable income for the period from the day the New Units are issued pursuant to the Private Placement to the day immediately prior to the date the Consideration Units are issued, it is necessary for the Consideration Units to trade under a separate stock counter for the period commencing from their date of listing to the last day of "cum-distribution" trading for them as well as the existing Units in respect of the Relevant Distribution Period, which is expected to be in January 2021. After the last day of "cum-distribution" trading, the Units trading on the temporary stock counter as well as the existing Units will be aggregated and traded under the same stock counter on the next market day, i.e. the first day of "ex-distribution" trading for both the Consideration Units and the existing Units.

3.3 Status of the Consideration Units

The Consideration Units will not be entitled to distributions by MLT for the period preceding the date of listing of the Consideration Units, and will only be entitled to receive distributions by MLT from the date of their listing to the end of the financial quarter in which the Consideration Units are issued, as well as all distributions thereafter. Other than the aforementioned, the Consideration Units will, upon issue, rank *pari passu* in all respects with the existing Units in issue as at the date of listing of the Consideration Units.

3.4 Requirement of Unitholders' Approval for the Proposed Issue of Consideration Units

The Manager is seeking Unitholders' approval for the proposed issue of Consideration Units pursuant to Rule 805(1) of the Listing Manual. For the avoidance of doubt, the Manager will not be relying on the general mandate that was obtained by the Manager from Unitholders at the annual general meeting of Unitholders held on 14 July 2020 to issue the Consideration Units.

As Mulberry is an MIPL Subsidiary, and MIPL is a controlling shareholder of the Manager, the proposed issue of Consideration Units to Mulberry will constitute an "interested person transaction" under Chapter 9 of the Listing Manual and an "interested party transaction" under the Property Funds Appendix, in respect of which the approval of Unitholders is required.

Accordingly, the Manager is seeking the approval of Unitholders by way of an Ordinary Resolution for the proposed issue of the Consideration Units to Mulberry (which has been nominated by the Relevant PRC Vendors to receive the Consideration Units) pursuant to Chapter 9 of the Listing Manual and the Property Funds Appendix.

4. RATIONALE FOR AND KEY BENEFITS OF THE ACQUISITIONS

The Acquisitions represent a continuation of the Manager's strategy to deepen MLT's network connectivity and competitive positioning through selective acquisitions of quality logistics properties in key logistics hubs.

MLT's network of 146 existing properties spread across eight geographic markets in Asia-Pacific provides a key competitive advantage. It enables MLT to offer a variety of regional leasing solutions to support customers' business and expansion needs in multiple locations. At the same time, a growing network will enable MLT to capture the attractive market opportunities driven by positive demand-supply dynamics in the region, which include increasing urbanisation, consumption growth and a limited supply of Grade A warehouse space. The COVID-19 pandemic has also accelerated several pre-existing structural trends benefitting the logistics market. Notably, higher e-commerce adoption and a greater emphasis on supply chain resiliency have translated to a growing demand for modern logistics facilities in fast-growing domestic consumption markets.

The Acquisitions will enable MLT to capitalise on these growth opportunities and bring the following key benefits to Unitholders:

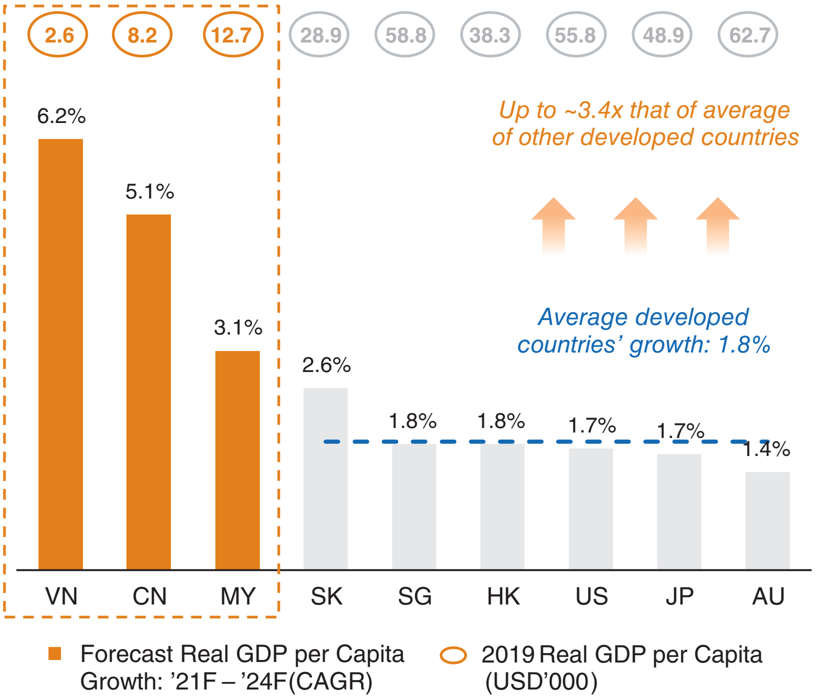
4.1 Exploit the Positive Demand-Supply Dynamics in China, Malaysia and Vietnam

4.1.1 Fast Growing Domestic Markets Supported by Resilient Economic Fundamentals

While the COVID-19 pandemic has dented global economic growth prospects, the economies of China, Malaysia and Vietnam are expected to remain resilient, and well-positioned to ride out the uncertainties to stage a strong recovery moving forward.

With a series of stimulus measures, China is set to lead economic recovery in the region, on the back of an established industrial ecosystem and a robust domestic consumption market. Malaysia's economy, supported by strong fundamentals including a diversified economic structure, sound financial system and proactive macroeconomic policy support, is expected to rebound in 2021. Additionally, Vietnam is poised for a compelling recovery, supported by monetary and fiscal easing, solid macroeconomic fundamentals and a gradual uptake in external demand. According to the Independent Market Research Consultants, the real gross domestic product ("**GDP**") per capita of China, Malaysia and Vietnam is forecasted to grow at a compounded annual growth rate ("**CAGR**") of 5.1%, 3.1% and 6.2% respectively, from 2021 to 2024. The growth rates of China, Malaysia and Vietnam are up to ~3.4 times that of the average growth rates of other developed countries. These projections are premised on the assumption of the pandemic fading in the second half of 2020 to allow for gradual recovery in global economy activity.

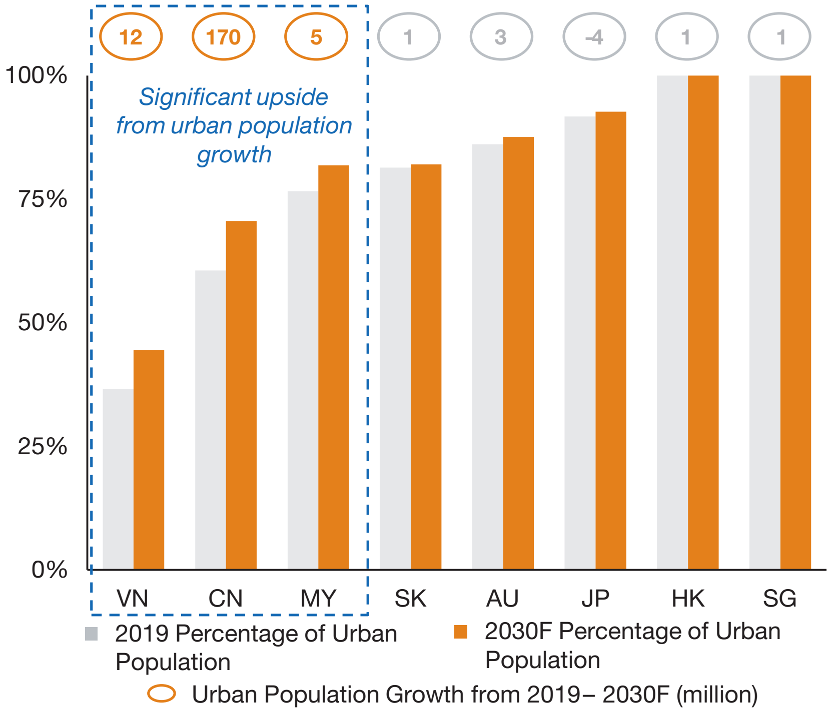
Real GDP per Capita and Growth
(USD'000, %)



Source: Independent Market Research Consultants.

Increasing urbanisation coupled with a growing middle class is expected to support rising consumption levels in these countries, translating to higher demand for modern logistics space. In Asia-Pacific, China, Malaysia and Vietnam are relatively less urbanised than other developed countries with an urban population ratio of 61%, 77% and 37% respectively in 2019, and are projected to exhibit strong urban population growth. From 2019 to 2030, the urban population of China, Malaysia and Vietnam is forecasted to increase by 170 million, 5 million and 12 million respectively, representing urban population growth of 20%, 21% and 32% respectively.

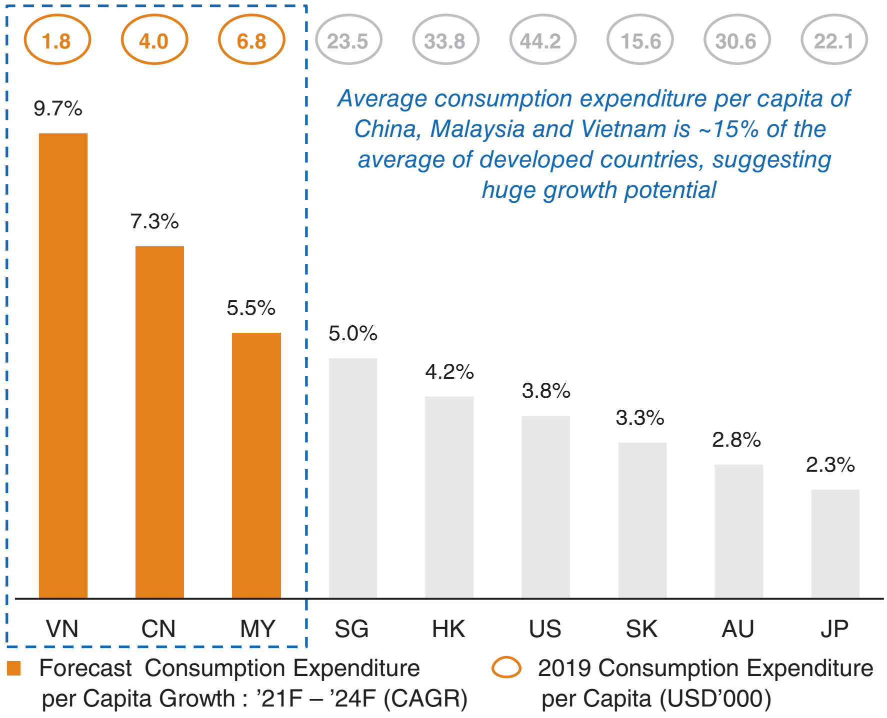
Urban Population Growth and Percentage of Urban Population
(million, %)



Source: Independent Market Research Consultants.

As of 2019, the average consumption expenditure per capita of China, Malaysia and Vietnam is estimated to be just ~15% of the average of select developed countries, suggesting significant growth potential in consumption expenditure. The acquisition of the Properties which are of close proximity to large consumer markets and with most tenants catering to domestic consumption will allow MLT to capitalise on growth opportunities in these markets.

Consumption Expenditure per Capita and Growth
(USD'000, %)



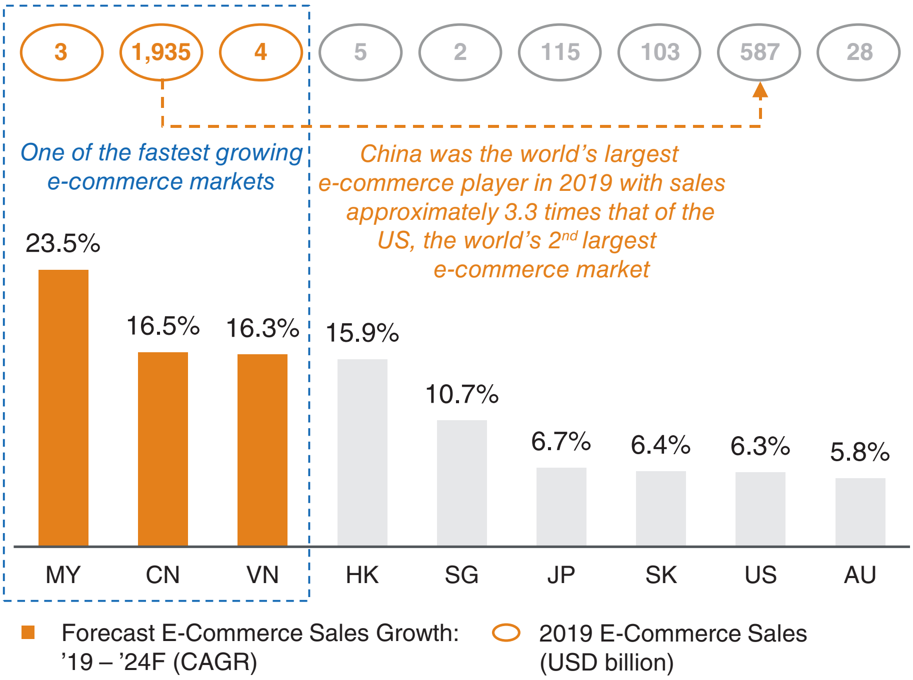
Average consumption expenditure per capita of China, Malaysia and Vietnam is ~15% of the average of developed countries, suggesting huge growth potential

Source: Independent Market Research Consultants.

4.1.2 Accelerated E-commerce Adoption

Prior to the COVID-19 pandemic, e-commerce has already presented significant tailwinds for consumption-driven demand for modern logistics facilities. In this regard, China, Malaysia and Vietnam are amongst the fastest growing e-commerce markets with a forecasted e-commerce sales CAGR of 16.5%, 23.5% and 16.3% respectively from 2019 to 2024, according to the Independent Market Research Consultants. Notably, China is the world's largest e-commerce market as of 2019, with e-commerce sales totalling USD1,935 billion, approximately 3.3 times that of the United States of America ("**US**"), the world's second-largest e-commerce market.

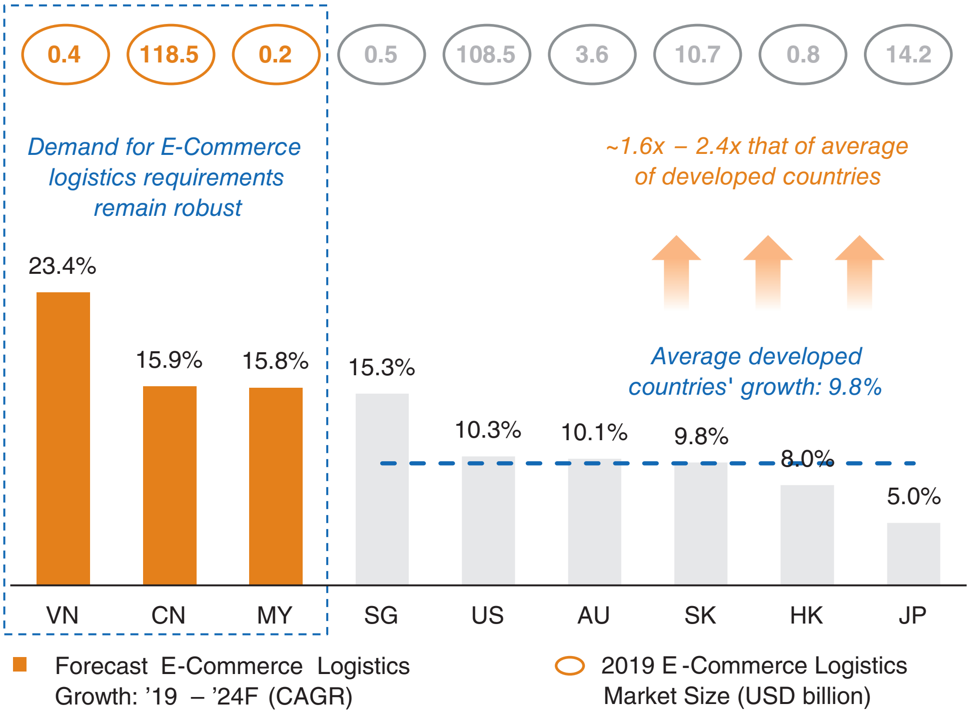
E-Commerce Sales and Growth
(USD billion, %)



Source: Independent Market Research Consultants.

Correspondingly, the size of the e-commerce logistics markets in China, Malaysia and Vietnam is expected to grow at a CAGR of 15.9%, 15.8% and 23.4% respectively from 2019 to 2024, implying growth rates which are ~1.6 to 2.4 times that of the average growth rates of developed countries.

E-Commerce Logistics Market Size and Growth
(USD billion, %)

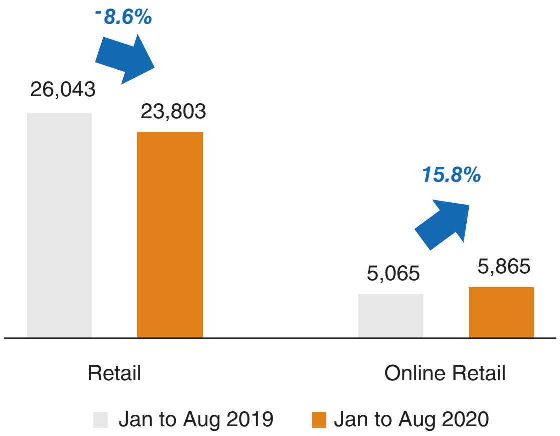


Source: Independent Market Research Consultants.

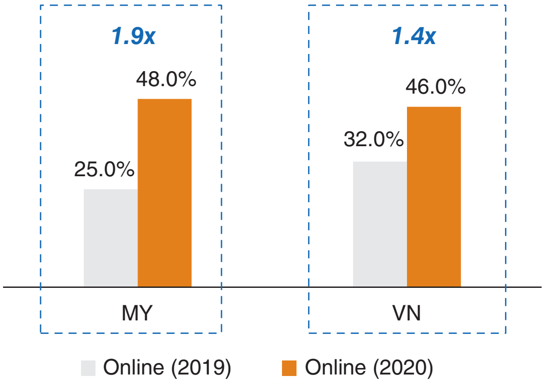
The COVID-19 pandemic has inadvertently accelerated the growth of e-commerce. Amidst lockdowns and social distancing measures, brick-and-mortar stores have pivoted to e-commerce platforms to replace lost sales from store closures. Consumers, many of whom are first-time buyers, have adapted by shopping online, particularly for groceries, health products and other daily necessities. Industry players believe that the COVID-19 pandemic has materially accelerated a shift to online adoption that is broad, deep and irreversible.

In China, online retail sales from January to August 2020 rose 15.8% year-on-year, despite an 8.6% decline in overall retail sales due to the COVID-19 pandemic. In addition, online retail sales as a proportion of total retail sales increased to 24.6% from 19.4% last year. A report from Facebook and Bain & Company also highlighted that following the COVID-19 pandemic, survey respondents citing online as the most adopted channel in 2020 was 1.9 times and 1.4 times that of 2019 figures for Malaysia and Vietnam respectively, which is testament to the growing preference for online shopping.

Retail Sales and
Online Retail Sales in China
(RMB billion)



Adoption of Online Shopping Channel in Malaysia and Vietnam
(% of survey responses)



Source: Independent Market Research Consultants.

The rapid increase in online retailing has bolstered demand for warehouse space in prime locations. The prominent role that delivery services played during the COVID-19 pandemic has highlighted the value of modern logistics facilities located in close proximity of population centres and transportation networks. Online order fulfilment also requires more logistics space, typically two to three times higher than traditional retailers, to allow for greater product variety, higher inventory levels, space-intensive parcel shipping operations, and additional services such as processing returns. As such, e-commerce tenants favour modern Grade A specifications for logistics facilities, which encompass features such as high ceilings, large floor plates, strong floor load and ramps for multi-storey warehouses, to facilitate efficient distribution to end consumers.

E-Commerce Tenants Require Grade A Facilities

Traditional	Grade A
6 – 8m *Clear Height*	**>8m** *Clear Height*
5,000 – 10,000 sq m *Floorplate*	**>10,000 sq m** *Floorplate*
< 2 tonnes per sq m *Floor Load*	**2 – 4 tonnes per sq m** *Floor Load*
Cargo Lift *Upper Floor Access*	**Ramp** *Upper Floor Access*

Source: Independent Market Research Consultants.

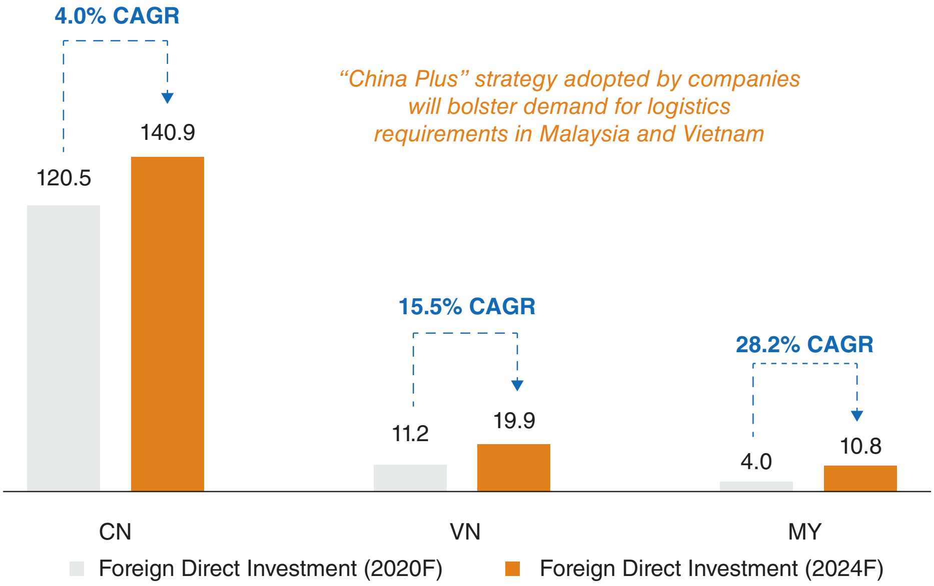
4.1.3 Emphasis on Supply Chain Resiliency

4.1.3.1 "China Plus" Strategy to benefit Malaysia and Vietnam

Supply chain shocks due to ongoing trade tensions have prompted many global manufacturers to diversify their supply chains across Asia in a multi-country strategy. Companies are mostly choosing to adopt a "China Plus" strategy, keeping production bases "in China for China" to serve the local market, while building incremental capacity elsewhere. China, with its fast climb up the value chain combined with a massive domestic consumer market, continues to play a key role in global supply chains. Consequently, in spite of ongoing trade tensions and the COVID-19 pandemic, foreign direct investment ("**FDI**") into China is projected to continue growing at a CAGR of 4.0% from 2020 to 2024.

The diversification of supply chains has benefitted Southeast Asian economies such as Vietnam and Malaysia, which offer sound operating environments, strong manufacturing capability at lower costs and low geopolitical risks. According to the Independent Market Research Consultants, both Malaysia and Vietnam are projected to register strong FDI CAGR growth of 28.2% and 15.5% respectively from 2020 to 2024. The increase in FDIs and manufacturing investments in these countries, together with the positive knock-on effects on consumption and growth, continue to underpin demand for logistics space.

Foreign Direct Investment and Growth
(USD billion, %)



Source: Independent Market Research Consultants.

4.1.3.2 Moving from "Just-in-Time" to "Just-in-Case"

Supply chain disruptions caused by lockdowns related to the COVID-19 pandemic have led to shortages of inventory and exposed the fragility of modern supply chains which have traditionally focused on cost-efficiency. Businesses and governments are now increasingly aware of the importance to balance supply chain efficiency and costs with the need to be nimble and agile in an uncertain market. This has led to a switch from "Just-in-Time" supply chain strategies to a "Just-in-Case" approach with businesses softening their lean-inventory strategies and carrying more inventory as safety stock.

Supply chain resilience is becoming a key priority in addition to supply chain efficiency especially for businesses operating in critical sectors of the economy, such as food, agriculture, pharmaceutical and medical. Furthermore, businesses operating in non-critical sectors also seek to increase the safety stock of materials in their supply chain as they sharpen their focus on business continuity planning. According to the Independent Market Research Consultants, inventory of retailers is expected to increase by 10% to 15% to serve as safety stock in the event of supply chain disruptions. Overall, more logistics space will be required as companies switch their supply chain strategy from "Just-in-Time" to "Just-in-Case".

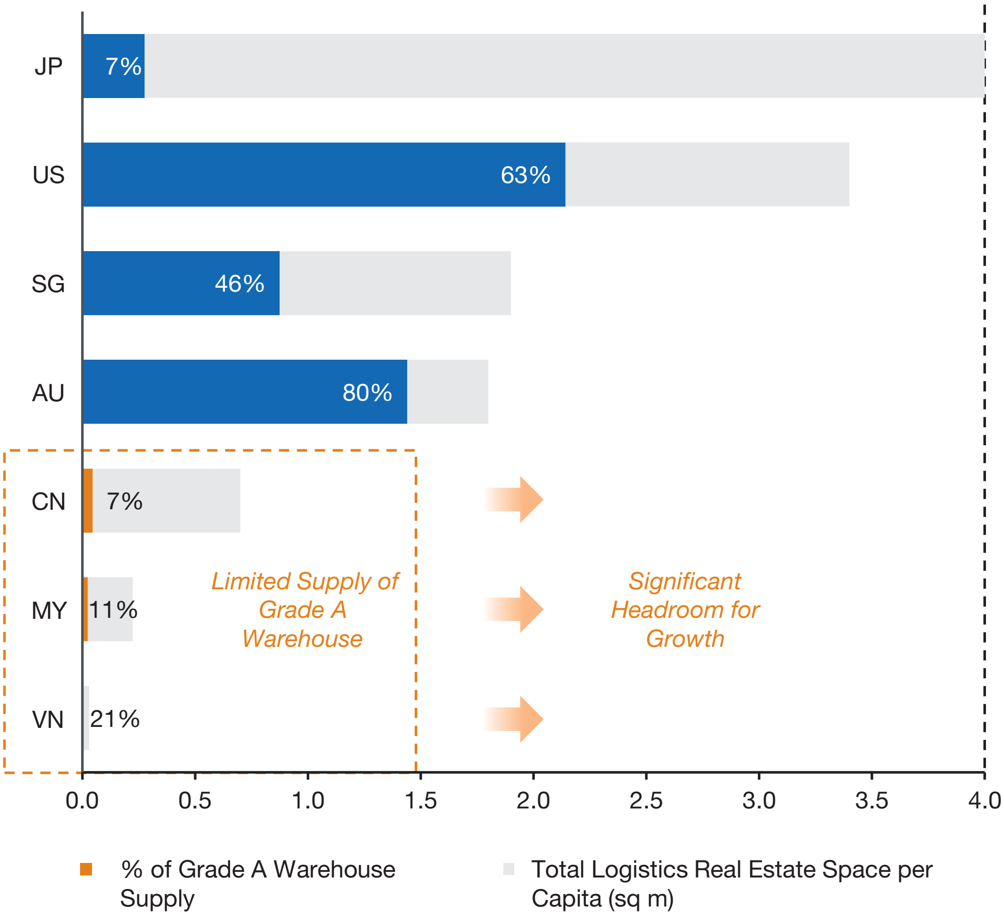
4.1.4 Limited Supply of Grade A Warehouse Space Presents Opportunity for MLT to Fill the Market Gap

Supply chain modernisation and the growing prominence of e-commerce have been key demand drivers for modern logistics space in prime locations. The typical profile of an older warehouse is one with restricted accessibility for vehicles, insufficient ceiling height, narrow column spacing and an absence of loading docks. In contrast, modern Grade A logistics facilities are equipped with features such as high ceilings, strong floor load, wide column space, modern loading docks and ramps (for multi-storey warehouses) which provide greater accessibility and efficiency, providing optimal logistics capabilities that more than meet the logistics requirements of third-party logistics service providers ("**3PLs**") and e-commerce players.

The supply of modern logistics properties in China, Malaysia and Vietnam is still relatively low, compared to other developed markets such as the United States of America. According to the Independent Market Research Consultants, only 7%, 11% and 21% of total stock across China, Malaysia and Vietnam respectively are Grade A specifications. This presents a strategic opportunity for MLT to fill the market gap in these markets.

Logistics Real Estate Space per Capita and Grade A Warehouse Supply as a Proportion of Total Stock

(sq m, %)

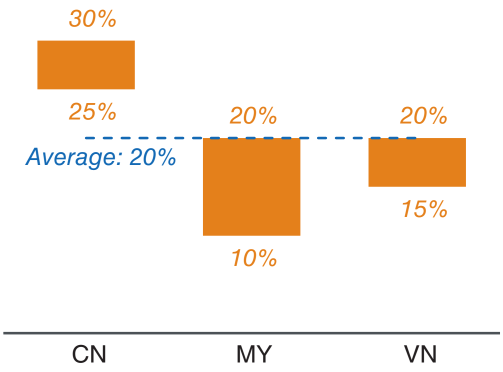


Source: Independent Market Research Consultants.

The scarcity of Grade A warehouses in these countries has allowed them to command a sizeable rent premium which averages 20% over traditional warehouses.

Average Rent Premium for Grade A Warehouses vs. Traditional Warehouses

(%)



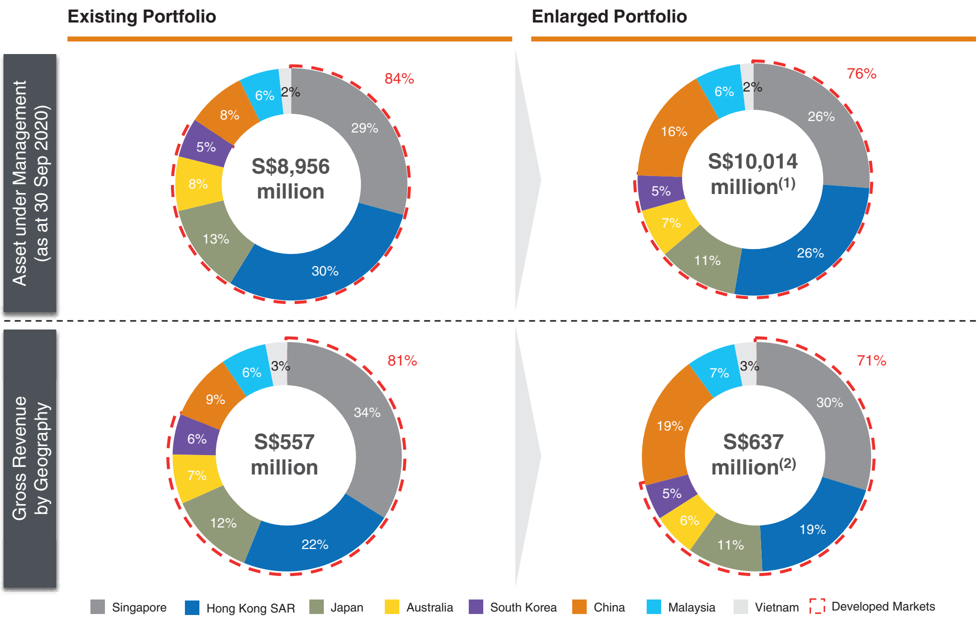
Source: Independent Market Research Consultants.

4.1.5 Augmenting Growth while Maintaining Large Exposure to Developed Markets in Asia-Pacific

The Acquisitions will increase the NLA of MLT's portfolios in China, Malaysia and Vietnam by 108.4%, 25.1% and 14.6% respectively. This is in line with MLT's strategy to scale up presence in higher growth markets, which will complement the stability provided by developed markets in MLT's portfolio.

Post-Acquisitions, developed markets will continue to account for the majority of MLT's assets under management and gross revenue, contributing approximately 76% and 71% to the Enlarged Portfolio's assets under management and gross revenue respectively on a *pro forma* basis.

Assets under Management and Gross Revenue
(SGD million, %)



Source: Company information.

Notes:

(1) Based on the aggregate Agreed Property Value of the Properties, which includes the acquisition of the remaining 50.0% interest in the Partially Owned PRC Properties and any capitalised costs.

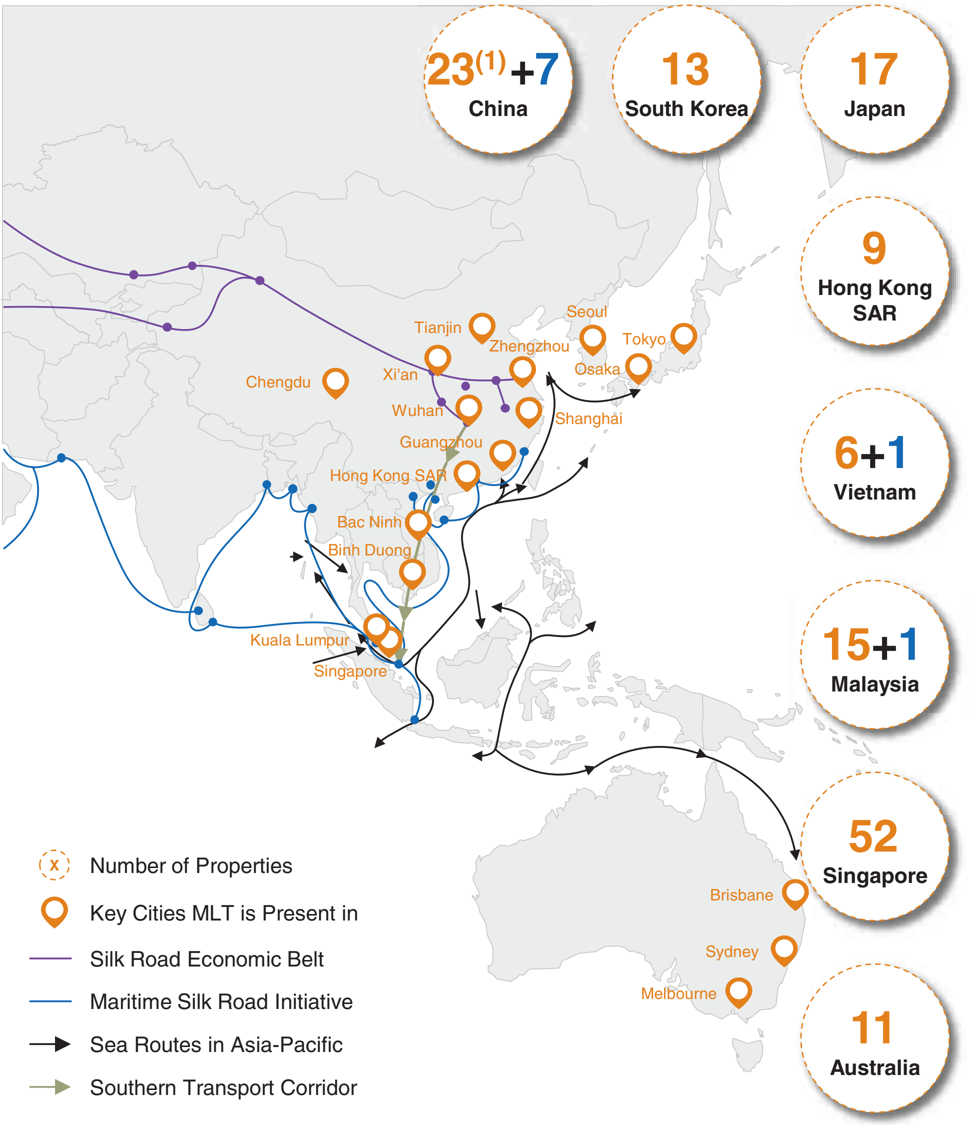
(2) Based on MLT's annualised consolidated accounts for the half year ended 30 September 2020 and the Properties' committed occupancy as at Latest Practicable Date.

4.2 Strengthen MLT's Network Connectivity across Key Logistics Nodes

4.2.1 Enlarged Network Strengthens MLT's Competitive Positioning in Asia-Pacific

The Acquisitions will add three new cities in China, namely, Qingdao, Ningbo, and Guiyang, to MLT's regional network. This brings MLT's regional footprint to a total of 51 cities with access to an aggregate population base of over 150 million people.

MLT's Geographic Footprint



Source: Company information.

Note:

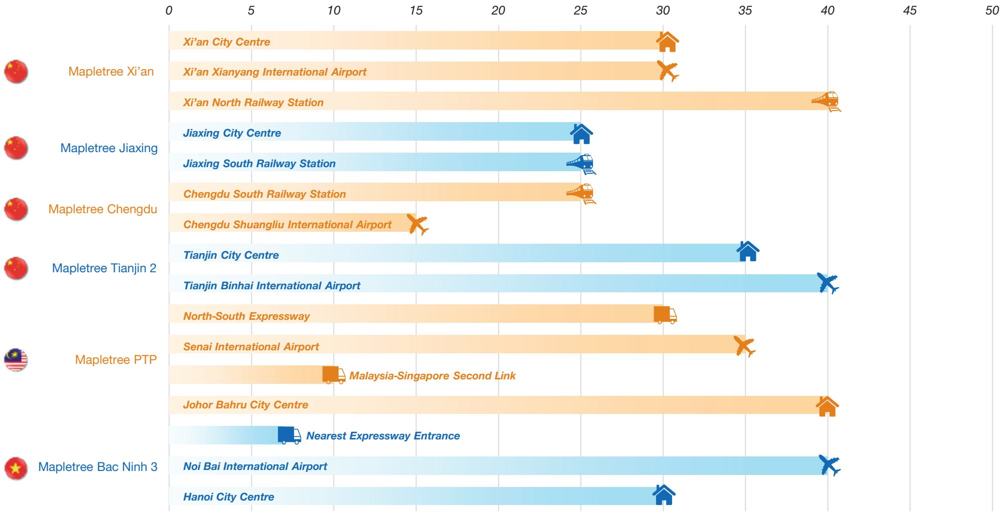
(1) Including the Partially Owned PRC Properties which are currently held under a joint venture with MIPL, where the remaining 50.0% stake in these properties will be acquired as part of the Acquisitions.

MLT's network of modern logistics assets in Asia-Pacific are strategically located across key gateway cities and within close proximity to major seaports, airports, transportation hubs or consumer markets. With a growing presence and network in Asia-Pacific, MLT is able to offer customers a variety of leasing options in multiple cities to meet their expansion plans, which enhances MLT's competitive advantage and strengthens customer relationships. Post-Acquisitions, tenants who are leasing space in more than one location account for approximately 42% of MLT's gross revenue. This represents a significant increase from approximately 25% in 2015, signifying MLT's growing network effect.

4.2.2 Excellent Connectivity to Transport Infrastructure and Key Population Catchments

The Properties are strategically located with excellent connectivity to key transport infrastructure such as highways, railway stations, airports and/or sea or river ports, as well as key population catchments. Proximity to large population catchments is an increasing priority for tenants, especially the e-commerce players, as it brings about operational and cost efficiencies. Warehouse space located near key population catchments would typically enjoy relatively high demand.

Estimated Travel Time of Select Properties by Road
(minutes)

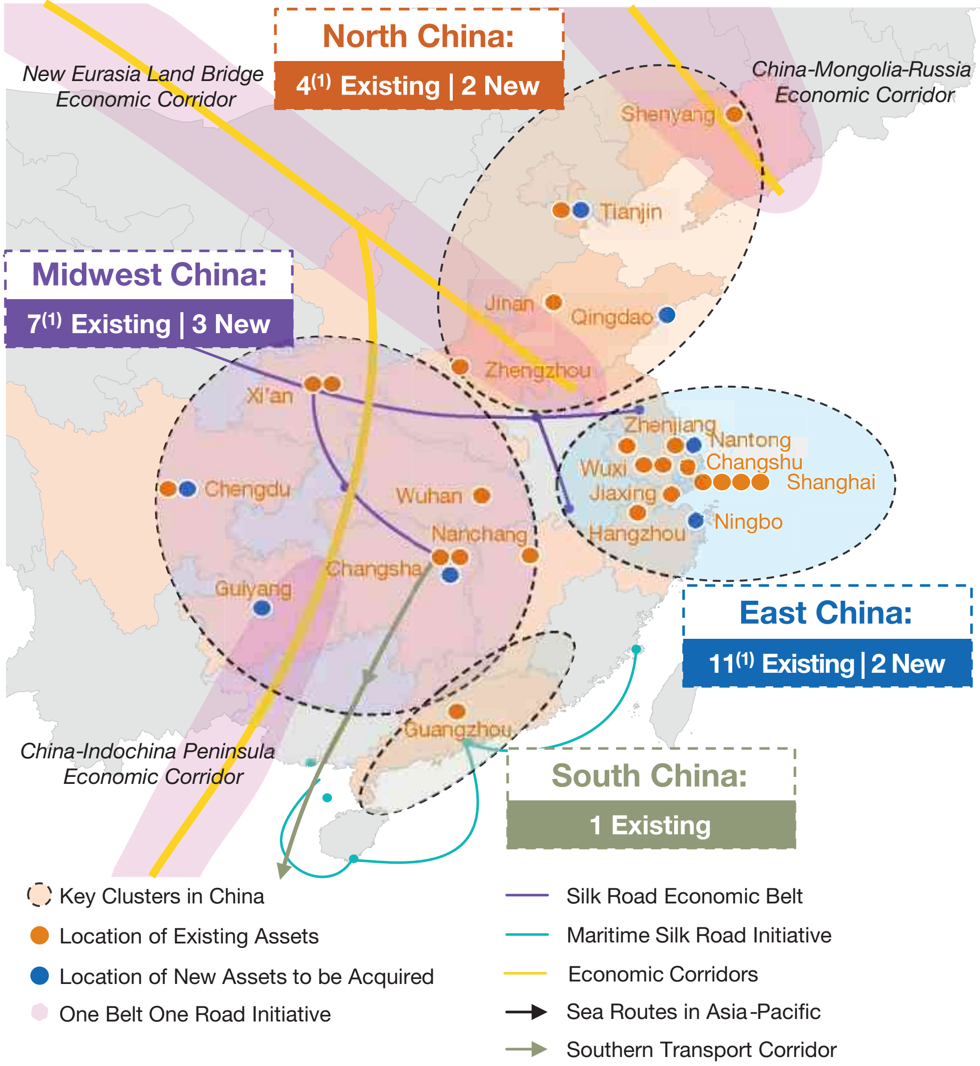


Source: Independent Market Research Consultants.

4.2.3 Deepen and Expand Coverage across Key Cities of China with Strong Consumer Markets

The Acquisitions will expand MLT's footprint in China to a total of 30 assets across 20 cities with access to an aggregate population base of over 110 million people. The seven New PRC Properties are located in Ningbo and Nantong from the eastern economic powerhouse area of the Yangtze Delta Region, the northern urban clusters of Tianjin and Qingdao, and the fast-growing Midwest cities of Changsha, Guiyang and Chengdu.

Overview of MLT's Geographical Presence in China



Source: Company information.

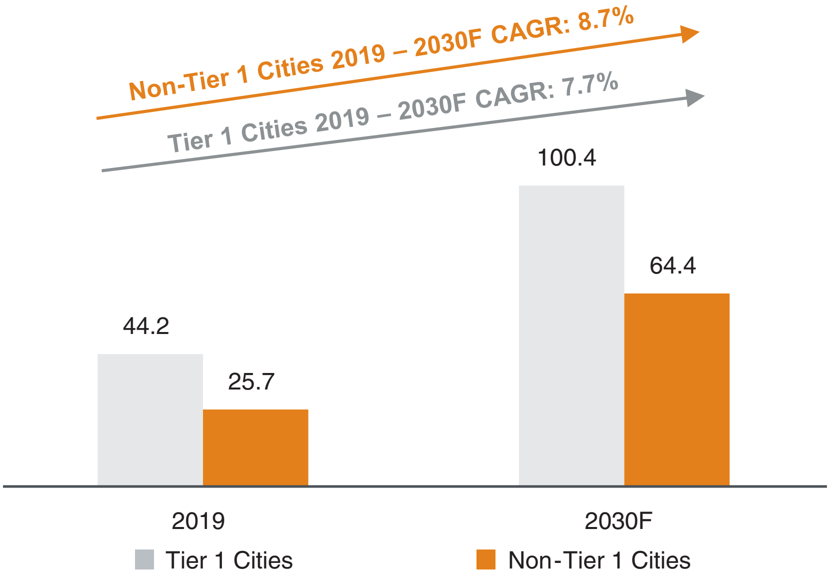
Note:

(1) Includes Partially Owned PRC Properties, of which six PRC Properties in Midwest China, four PRC Properties in North China and five PRC Properties in East China are currently held under a joint venture with MIPL, where the remaining 50.0% stake in these Partially Owned PRC Properties will be acquired as part of the Acquisitions.

The acquisition of the seven New PRC Properties further diversifies MLT's tenant base, with the addition of 30 new tenants and resulting in a total of 190 tenants in China. The tenants' businesses in the PRC Properties are underpinned by rising retail sales alongside an expanding e-commerce sector where 58% of the tenants' businesses is related to e-commerce/e-fulfilment.

According to the Independent Market Research Consultants, the urban consumption expenditure of non-Tier 1 cities is forecasted to grow at a higher CAGR of 8.7% from 2019 to 2030, compared to Tier 1 cities in China which is forecasted to grow at 7.7% CAGR over the same period. Moreover, the gap between urban consumption expenditure per capita of Tier 1 cities and non-Tier 1 cities is projected to narrow from 42% in 2019 to 36% by 2030. Robust retail sales and consumption expenditure especially in non-Tier 1 cities, are expected to drive higher demand for logistics services, and correspondingly lead to increased demand for logistics properties.

Urban Consumption Expenditure per Capita in China
(RMB'000)



Source: Independent Market Research Consultants.

4.2.4 Establish presence in Malaysia's Port of Tanjung Pelepas, a Regional Distribution Hub

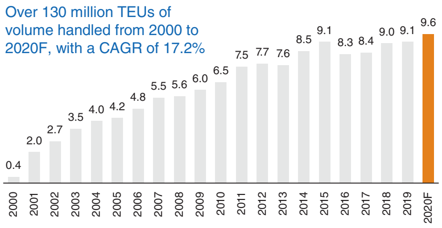
Mapletree PTP is located in the free trade zone of the Port of Tanjung Pelepas ("**PTP**"), Southern Johor. Strategically situated at the confluence of the main east-west shipping lanes, PTP is the third largest container port in Southeast Asia and is well-placed to ride on Southeast Asia's growth.

Since its opening in 2000, PTP has experienced a steady growth in the annual volume of container throughput handled to the current level of approximately 9.1 million twenty-foot equivalent units ("**TEUs**"). PTP anticipates reaching its capacity of 12.5 million TEUs in a few years and has plans to expand its capacity to 30 million TEUs by 2030.

Southeast Asia's Largest Ports in Container Handling (2019)

Rank	Port	2019 Volume (TEUs)
1	Singapore	37.2 million
2	Port Klang	13.6 million
3	**Port of Tanjung Pelepas**	**9.1 million**
4	Laem Chabang, Thailand	8.1 million
5	Tanjung Priok	7.6 million

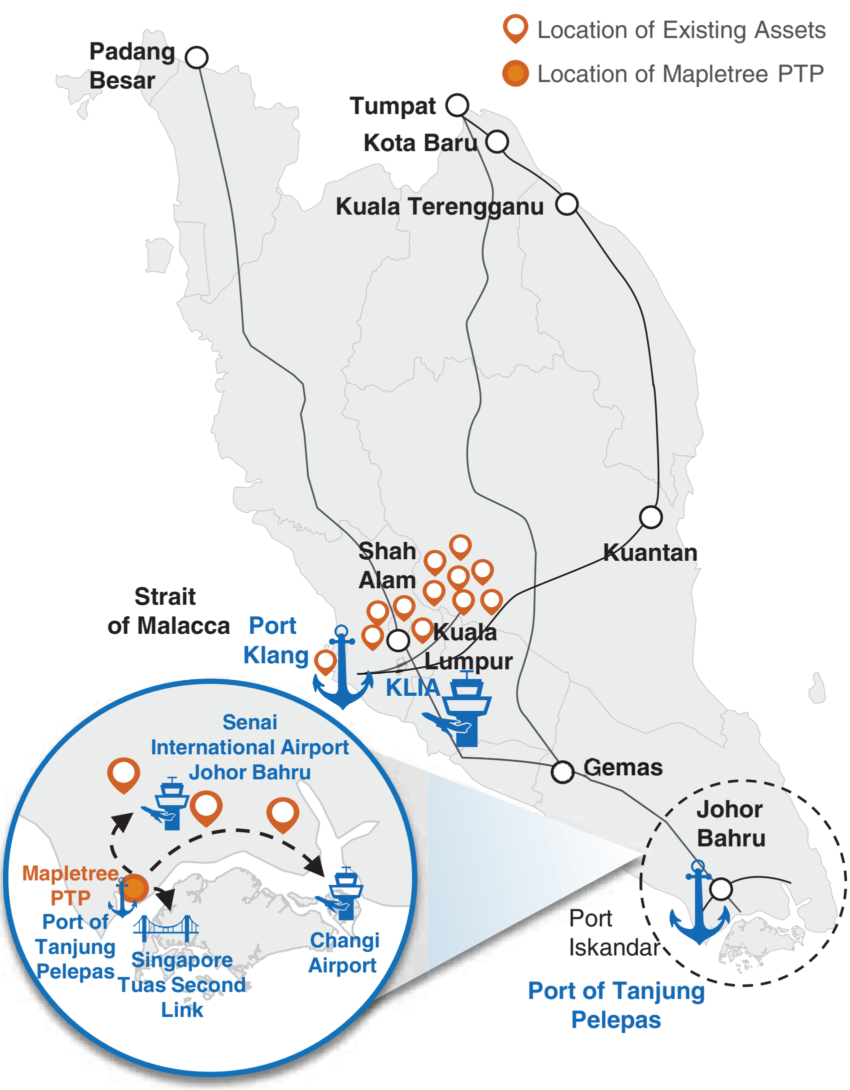
Volume Handled by PTP
(million TEUs)


Over 130 million TEUs of volume handled from 2000 to 2020F, with a CAGR of 17.2%

Source: Independent Market Research Consultants.

Besides its strategic geographic location, PTP also offers excellent multi-modal linkages that provide air, sea and road connectivity for shippers, importers and exporters. PTP is well-connected to the hinterlands via major expressways. From PTP, cargo can be transported to the north of the Malaysia Peninsula and Southern Thailand via the North-South Expressway (35 km), while Singapore is just 10 minutes away via the Malaysia-Singapore Second Link (10 km). PTP's strategic location also enables convenient access to Senai International Airport in Johor (41-48 km) and Changi International Airport in Singapore (63-65 km), as well as other sea ports, such as Tanjung Langsat Port (69-73 km) and Johor Port (57-61 km). These advantages make PTP a location of choice, as a transhipment hub for the region as well as a distribution hub to support Malaysia and Singapore.

Overview of MLT's Geographical Presence in Malaysia



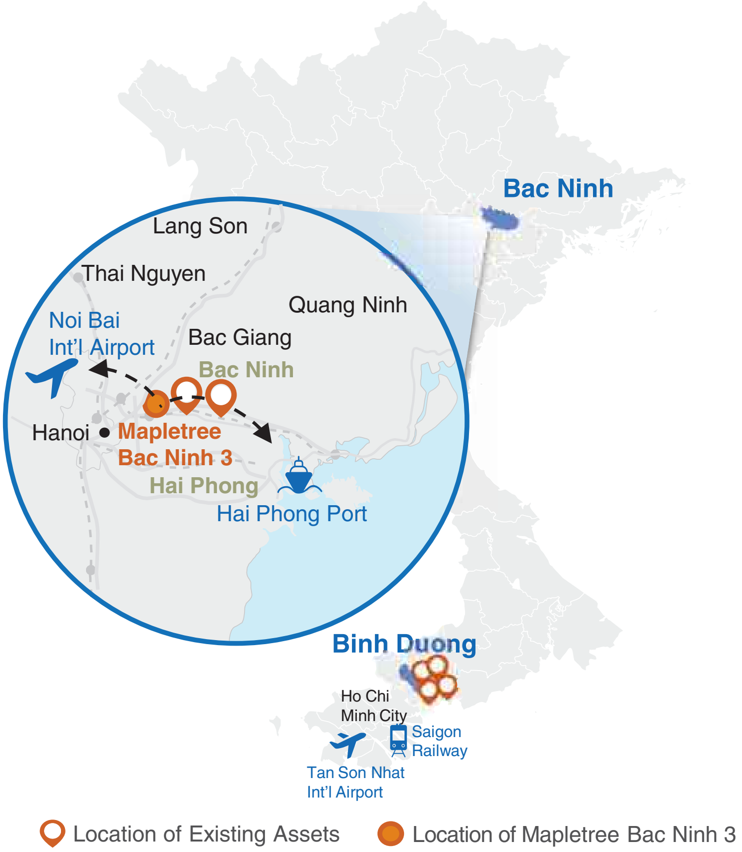
Source: Company information.

Moreover, PTP has a notable cost competitive advantage in comparison to neighbouring Singapore. It is attractive to 3PLs or end-users looking for a more cost-efficient option for goods which are less time sensitive in nature, such as furniture, apparel and toys. The published tariffs for transhipment cargo at PTP are around 40% lower than the Port of Singapore while the rental rates of prime warehouses in PTP are approximately 65% – 69% lower compared to Singapore. Mapletree PTP's location in PTP's free trade zone provides an additional advantage as it enables international or regional 3PLs and freight forwarder to operate their supply chains more efficiently and effectively.

4.2.5 Deepen Presence in Bac Ninh, a Thriving Logistics Hub of Vietnam

Mapletree Bac Ninh 3 is located in the province of Bac Ninh, one of the top industrial hubs in Northern Vietnam. Due to its proximity to China which enables manufacturers to source supplies from South China, abundant labour force and established transport infrastructure, Bac Ninh has been a top destination for foreign investors, with the creation of a thriving electronics manufacturing hub that is home to many multinational corporations such as Samsung, Canon, Foxconn and LG.

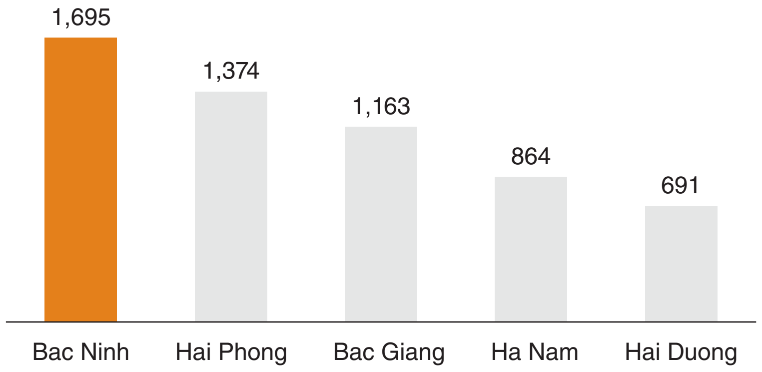
Overview of MLT's Geographical Presence in Vietnam



Source: Company information.

In 2019, Bac Ninh was ranked the highest recipient of FDI in Northern Vietnam after Hanoi. The completion of several major infrastructure projects in the North, such as the deep seaport in Hai Phong and the Hanoi-Hai Phong expressway, is expected to continue to drive the growth of industrial activities and support the demand for modern warehousing facilities.

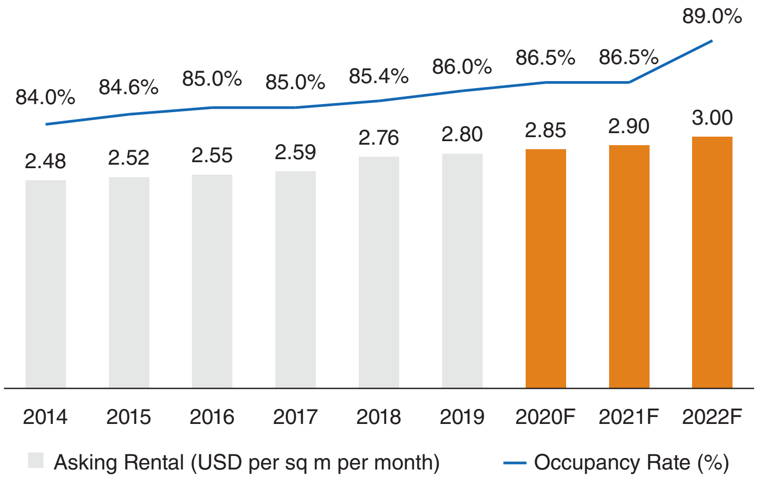
Top 5 FDI Investment Provinces in the North after Hanoi in 2019
(USD million)



Source: Independent Market Research Consultants.

Tu Son District, Bac Ninh, where Mapletree Bac Ninh 3 is located, is one of the most sought-after districts for logistics and distribution. As it is located in close proximity to Hanoi, the largest consumption market in the North, warehouses in this location are sought after by both 3PLs and end-users for last mile delivery. The district has attracted several major 3PLs such as DHL, DB Schenker and Damco. With demand underpinned by domestic consumption and strong growth in e-commerce, coupled with an increasing lack of land supply, occupancy rates and rents for warehouse space in this district are expected to remain resilient despite the COVID-19 pandemic.

Bac Ninh Warehouse Average Rent and Occupancy Rate
(USD per sq m per month, %)



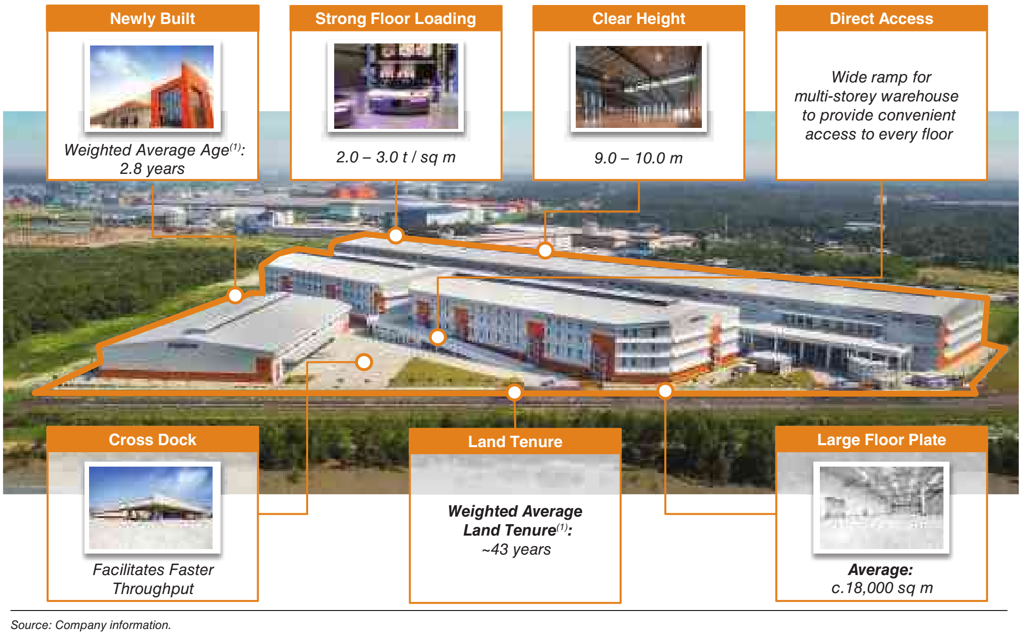
Source: Independent Market Research Consultants.

4.3 Modern Grade A Logistics Facilities with a Strong and Diversified Tenant Base

4.3.1 Modern Grade A Logistics Facilities

The Properties are built to modern Grade A specifications, including strong floor load, high ceilings and large floor plates, catering to the requirements of 3PLs and e-commerce tenants. The majority of the PRC Properties have cross-docking features that enable minimal inventory holding and fast movements of goods, presenting both cost benefits and logistics efficiencies for tenants. The Properties are also designed to be modular and highly versatile to support flexible leasing solutions. As at 30 September 2020, the weighted average age for the Properties is 2.8 years. Excluding the existing 15 Partially Owned PRC Properties, the weighted average age of the nine new Properties is 2.2 years. The Properties have a weighted average land tenure by NLA of approximately 43 years.

Modern Grade A Specifications



Source: Company information.

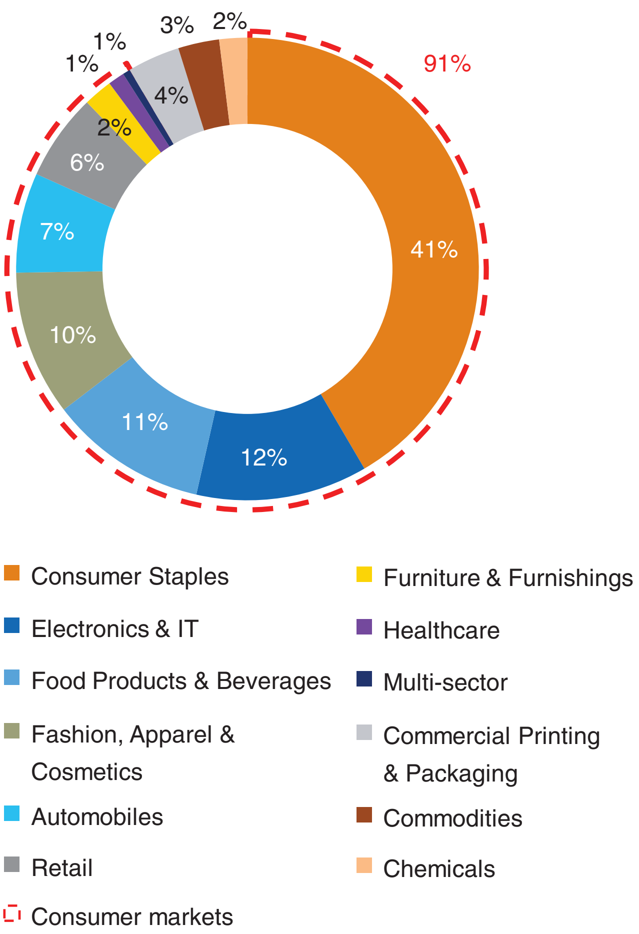
Note:

(1) Weighted by the proportionate NLA of the Properties as at 30 September 2020.

4.3.2 Strong and Diversified Tenant Base

The Properties have a high-quality and diversified tenant base comprising primarily tenants serving domestic consumption, which account for approximately 91% of the Properties' gross revenue for the month of 30 September 2020. A majority of these tenants are engaged in e-commerce/e-fulfilment activities and accounted for approximately 58% of the Properties' gross revenue. Key tenants include leading e-commerce players such as JD.com and Cainiao, international logistics companies like Maersk and Kuehne + Nagel, as well as strong consumer brands like Decathlon.

Tenant Base by Sector(1)
(By % of Gross Revenue(2))



Source: Company information.

Notes:

(1) The trade sector breakdown reflects the nature of the underlying goods that are stored and handled by the respective tenants at the Properties.

(2) Gross revenue for the month ending 30 September 2020.

Top 10 Tenants of the Portfolio

Name(1)	Trade Sector(2)	Description	% of GR(3)
JD.com, Inc.	Consumer Staples (3PL)	E-commerce company	14.1%
Cainiao Network Technology Co., Ltd	Consumer Staples (3PL)	Logistics arm of Alibaba, an e-commerce company	8.9%
Best Logistics Technology Co., Ltd	Consumer Staples (3PL)	International 3PL company	6.9%
Confidential Tenant	Consumer Staples (3PL)	International courier and logistics company	6.2%
Gill Mix Green	Fashion, Apparel and Cosmetics (End-user)	Leading menswear fashion group in China	5.6%
Decathlon Logistics Malaysia Sdn Bhd	Retail (End-user)	International sporting goods retailer	5.4%
Maersk	Commodities (3PL) Electronic and IT (3PL)	Logistics subsidiary of Maersk, a global shipping company	3.3%
Confidential Tenant	Automobiles (3PL)	Logistics and port related service provider	3.0%
Qingdao Takumi Tech. Co., Ltd	Commercial Printing and Packaging (3PL)	Supply chain management service provider for paper and pulp industry	2.6%
Confidential Tenant	Electronics and IT (3PL)	Logistics service provider	1.6%
Top 10 Total			**57.6%**

Source: Company information.

Notes:

(1) Comprises all subsidiaries of companies who are tenants of MLT.

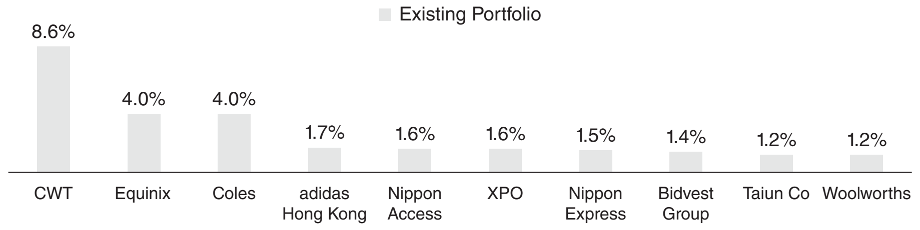
(2) The trade sector breakdown reflects the nature of the underlying goods that are stored and handled by the respective tenants at the Properties.

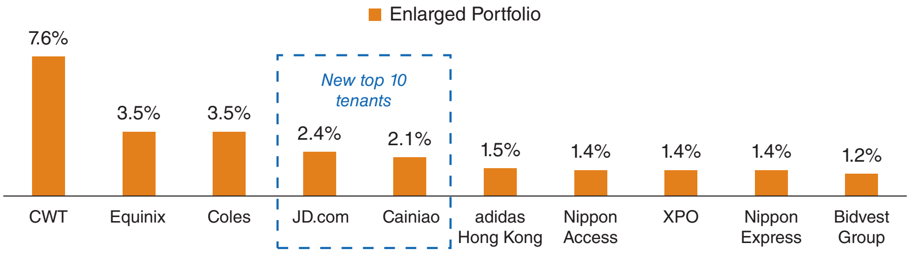
(3) Gross revenue for the month ending 30 September 2020.

As at the Latest Practicable Date, the Properties have 94.7% committed occupancy with a weighted average lease expiry by NLA of approximately 2.3 years.

The Acquisitions will further diversify MLT's tenant base and reduce concentration risks with the addition of 127 tenants, of which 37 are new to MLT. Post-Acquisitions, JD.com and Cainiao will be amongst MLT's top ten tenants accounting for 2.4% and 2.1% of MLT's gross revenue, respectively.

Top 10 Tenants of MLT's Portfolio(1)
(By % of gross revenue(2))





Source: Company information.

Notes:

(1) Comprises all subsidiaries of companies who are tenants of MLT.

(2) Gross revenue for the month ending 30 September 2020.

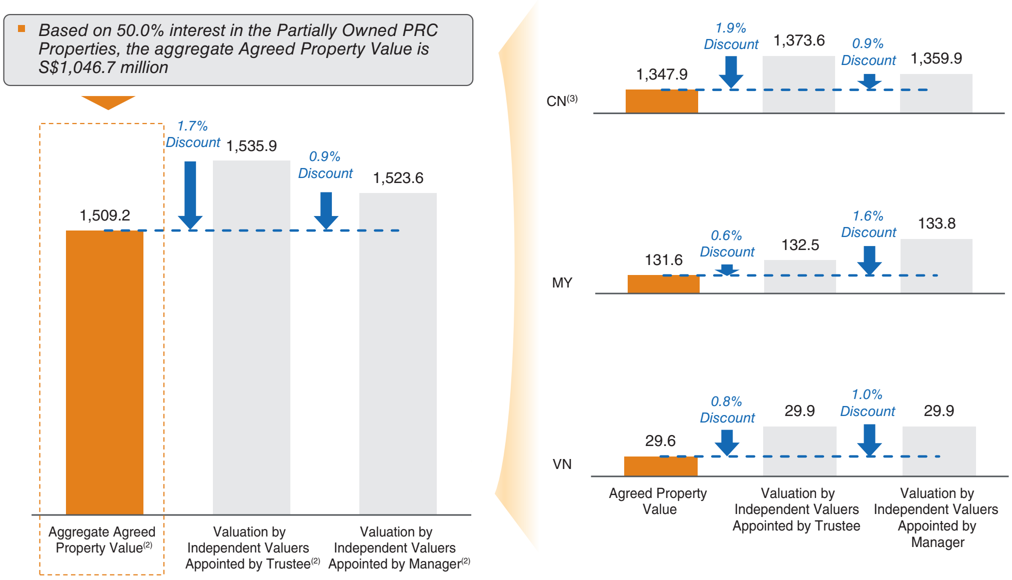
4.4 Attractive Value Proposition

4.4.1 Discount to Independent Valuations

The Manager believes that the Properties provide an attractive value proposition in the current market, given the discount to independent valuations.

The aggregate Agreed Property Value of the Properties is S$1,509.2 million[1], representing a discount of approximately 1.7% to the aggregate valuation of S$1,535.9 million by the Independent Valuers appointed by the Trustee and a discount of approximately 0.9% to the aggregate valuation of S$1,523.6 million by the Independent Valuers appointed by the Manager.

Aggregate Agreed Property Value Relative to Independent Valuations(1)
(SGD million, %)



Source: Independent Valuers.

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[1] Based on 50.0% of the Partially Owned PRC Properties, the aggregate Agreed Property Value is S$1,046.7 million. The implied net property income yield of the Properties is 5.2%.

Notes:

(1) As at 30 September 2020.

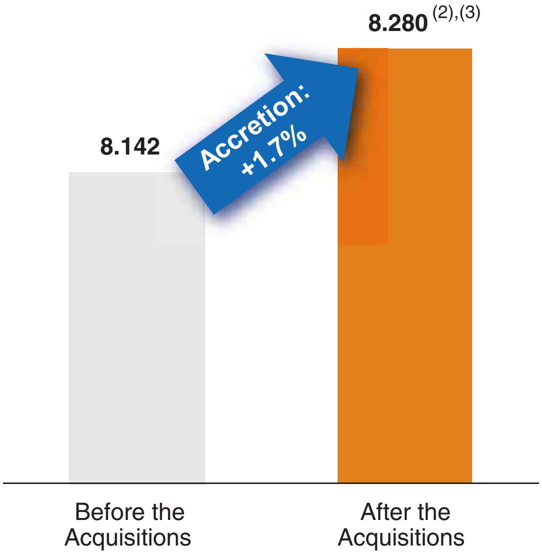
(2) Reflects the 100.0% interest in the Partially Owned PRC Properties, the New PRC Properties, the Malaysia Property and the Vietnam Property.

(3) Reflects 100.0% interest in the Partially Owned PRC Properties and the New PRC Properties.

4.4.2 DPU, NAV per Unit Accretive Acquisitions with Reduced Leverage

Unitholders can expect to benefit from the higher DPU and NAV per Unit as a result of the Acquisitions. On a *pro forma* basis and based on the proposed method of financing, the DPU and NAV per Unit will increase by approximately 1.7% and 7.2% respectively. In addition to the DPU and NAV per Unit accretion, the *pro forma* aggregate leverage will reduce from 39.5% to 36.8%.

Pro Forma **DPU (FY19/20)**(1)
(Singapore cents)



Source: Company information.

Notes:

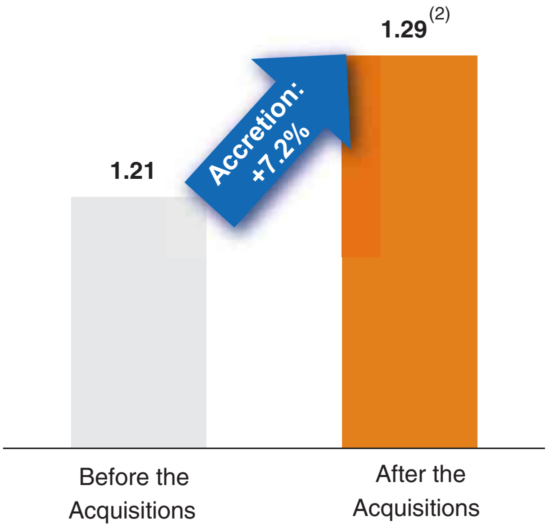
(1) For the financial year ended 31 March 2020.

(2) Assuming that the Properties had a portfolio occupancy rate of 94.7% for the entire financial year ended 31 March 2020 and all leases, whether existing or committed as at the Latest Practicable Date, were in place since 1 April 2019. All tenants were paying their rents in full. In relation to the PRC Acquisitions, it includes the contribution to total profit before tax arising from MLT's 100.0% indirect interest in the PRC Properties. MLT's expenses comprising borrowing costs associated with the drawdown of S$147.7 million from the Loan Facilities and Subsisting PRC Bank Loans, the Manager's management fees, Trustee's fees and other trust expenses incurred in connection with the operation of the Properties have been deducted.

(3) Includes (a) approximately 246.7 million New Units issued in connection with the Private Placement at an issue price of S$2.027 per New Unit, and 72.4 million New Units issued in connection with the Preferential Offering at an issue price of S$1.990 (b) approximately 2,650,115 Acquisition Fee Units issued as payment of the Acquisition Fee payable to the Manager at an issue price of S$2.027 per Acquisition Fee Unit, (c) approximately 148,001,973 of Consideration Units issued at an issue price of S$2.027 per Consideration Unit and (d) approximately 3.1 million new Units issued in aggregate as payment to (i) the Manager for the base management fee and (ii) the Property Manager as payment for the property management and lease management fees for such services rendered to the Properties for the financial quarters ended 30 June 2019, 30 September 2019 and 31 December 2019, based on the volume weighted average price for all trades on the SGX-ST in the last 10 business days of each respective financial quarter.

Pro Forma NAV per Unit (FY19/20)(1)

(S$)



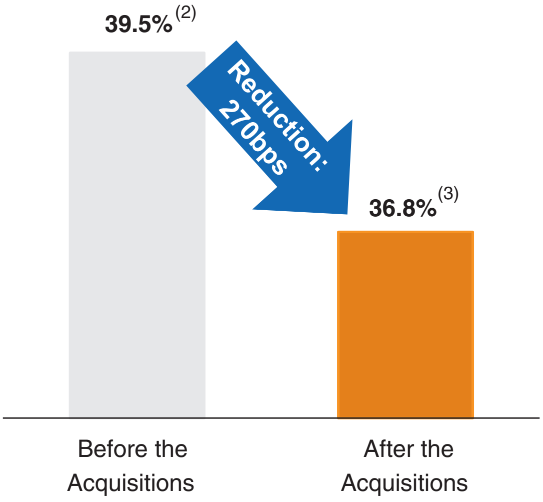
Source: Company information.

Notes:

(1) As at 31 March 2020.

(2) Includes (a) approximately 246.7 million New Units issued in connection with the Private Placement at an issue price of S$2.027 per New Unit, and 72.4 million New Units issued in connection with the Preferential Offering at an issue price of S$1.990 (b) approximately 2,650,115 Acquisition Fee Units issued as payment of the Acquisition Fee payable to the Manager at an issue price of S$2.027 per Acquisition Fee Unit, and (c) approximately 148,001,973 of Consideration Units issued at an issue price of S$2.027 per Consideration Unit.

Pro Forma Aggregate Leverage(1)



Source: Company information.

Notes:

(1) As at 30 September 2020.

(2) Includes the proportionate share of borrowings and deposited property values of the joint ventures with the Sponsor.

(3) Includes the Loan Facilities and Subsisting PRC Bank Loans.

5. REQUIREMENT FOR UNITHOLDERS' APPROVAL

5.1 Discloseable Transaction

Chapter 10 of the Listing Manual governs the acquisition or divestment of assets, including options to acquire or dispose of assets, by MLT. Such transactions are classified into the following categories:

(a) non-discloseable transactions;

(b) discloseable transactions;

(c) major transactions; and

(d) very substantial acquisitions or reverse takeovers.

A transaction by MLT may fall into any of the categories set out above depending on the size of the relative figures computed on the following bases of comparison:

(i) the net asset value ("**NAV**") of the assets to be disposed of, compared with MLT's NAV;

(ii) the net profits attributable to the assets acquired, compared with MLT's net profits;

(iii) the aggregate value of the consideration given, compared with MLT's market capitalisation; and

(iv) the number of Units issued by MLT as consideration for an acquisition, compared with the number of Units previously in issue.

Where any of the relative figures computed on the bases set out above exceeds 5.0% but does not exceed 20.0%, the transaction is classified as a discloseable transaction.

5.2 Relative Figures computed on Bases set out in Rule 1006

The relative figures for the Properties using the applicable bases of comparison described in **Paragraphs 5.1(ii), 5.1(iii) and 5(iv)** above are set out in the table below.

Comparison of	Properties	MLT	Relative figure
Net Property Income (S$ million)(1)	54.2(2)(3)	475.4(4)	11.4%
Consideration against market capitalisation (S$ million)	1,074.4(5)	7,888.7(6)	13.6%
Units issued as consideration against Units previously in issue ('000)	148,002	3,810,983	3.9%

Notes:

(1) In the case of a real estate investment trust, the net property income is a close proxy to the net profits attributable to its assets.

(2) Assuming that the Acquisitions had a portfolio occupancy rate of 94.7% for the entire financial year ended 31 March 2020, all leases, whether existing or committed as at the Latest Practicable Date, were in place since 1 April 2019, and that all tenants were paying their rents in full throughout the period.

(3) In relation to the PRC Acquisition Part A, this figure includes the Net Property Income attributable to MLT for its balance 50.0% indirect interest.

(4) Based on MLT's annualised consolidated accounts for the half year ended 30 September 2020.

(5) This figure represents the Total Acquisition Price.

(6) This figure is based on the closing price of S$2.07 per Unit on the SGX-ST as at 16 October 2020, being the market day immediately prior to 19 October 2020, being the date of the Purchase Agreements.

As the relative figures computed on the bases set out above exceed 5.0% but do not exceed 20.0%, the Acquisitions are classified as discloseable transactions under Chapter 10 of the Listing Manual.

However, as the Acquisitions constitute "interested person transactions" under Chapter 9 of the Listing Manual and "interested party transactions" under the Property Funds Appendix, the Acquisitions will still be subject to the specific approval of Unitholders.

5.3 Interested Person Transactions and Interested Party Transactions

As at the Latest Practicable Date, MIPL holds, through its wholly-owned subsidiaries, an aggregate interest in 1,166,144,518 Units, which is equivalent to approximately 30.59% of the total number of Units in issue.

MIPL is therefore regarded as a "controlling unitholder" of MLT under both the Listing Manual and the Property Funds Appendix. In addition, as the Manager is a wholly-owned subsidiary of MIPL, MIPL is therefore regarded as a "controlling shareholder" of the Manager under both the Listing Manual and the Property Funds Appendix.

In relation to the PRC Acquisitions, as each of the PRC Vendors (other than the Itochu Subsidiaries) are wholly-owned MIPL Subsidiaries, for the purposes of Chapter 9 of the Listing Manual and Paragraph 5 of the Property Funds Appendix, each of the MIPL Subsidiaries (being a wholly-owned subsidiary of a "controlling unitholder" and a "controlling shareholder" of the Manager) is (for the purposes of the Listing Manual) an "interested person" and (for the purposes of the Property Funds Appendix) an "interested party" of MLT.

In relation to the Malaysia Acquisition, as the Malaysia Vendor is a subsidiary of MIPL, for the purposes of Chapter 9 of the Listing Manual and Paragraph 5 of the Property Funds Appendix, the Malaysia Vendor (being a subsidiary of a "controlling unitholder" and a "controlling shareholder" of the Manager) is (for the purposes of the Listing Manual) an "interested person" and (for the purposes of the Property Funds Appendix) an "interested party" of MLT.

In relation to the Vietnam Acquisition, as the Vietnam Vendor is a wholly-owned subsidiary of MIPL, for the purposes of Chapter 9 of the Listing Manual and Paragraph 5 of the Property Funds Appendix, the Vietnam Vendor (being a wholly-owned subsidiary of a "controlling unitholder" and a "controlling shareholder" of the Manager) is (for the purposes of the Listing Manual) an "interested person" and (for the purposes of the Property Funds Appendix) an "interested party" of MLT.

Under Chapter 9 of the Listing Manual, where MLT proposes to enter into a transaction with an interested person and the value of the transaction (either in itself or when aggregated with the value of other transactions, each of a value equal to or greater than S$100,000, with the same interested person during the same financial year) is equal to or exceeds 5.0% of MLT's latest audited net tangible assets ("**NTA**"), Unitholders' approval is required in respect of the transaction. Paragraph 5 of the Property Funds Appendix also imposes a requirement for Unitholders' approval for an interested party transaction by MLT whose value (either in itself or when aggregated with the value of other transactions with the same interested party during the current financial year) exceeds 5.0% of MLT's latest audited NTA.

Based on the audited financial statements of MLT for the financial year ended 31 March 2020 (the "**FY19/20 Financial Statements**"), the NTA and NAV of MLT was S$4,580.2 million[1] as at 31 March 2020. Accordingly, if the value of a transaction which is proposed to be entered into by MLT with an interested party is, either in itself or in aggregation with all other earlier transactions entered into with the same interested party during the current financial year, equal to or greater than S$229.0 million, such a transaction would be subject to Unitholders' approval. Given that the Total Acquisition Cost less the Acquisition Fee and the estimated professional and other fees and expenses in relation to the Acquisitions is approximately S$1,074.4 million, which in aggregate is 23.5% of the NTA and NAV of MLT as at 31 March 2020, such value exceeds the said threshold and Unitholders' approval is required to be sought pursuant to Rule 906(1) of the Listing Manual and paragraph 5 of the Property Funds Appendix.

Therefore, the Acquisitions will constitute "interested person transactions" under Chapter 9 of the Listing Manual as well as "interested party transactions" under the Property Funds Appendix, in respect of which the approval of Unitholders is required.

In approving the Acquisitions, Unitholders are deemed to have approved all such acts and things and documents which are required to be executed by the parties in order to give effect to the Acquisitions.

6. THE FINANCIAL EFFECTS OF THE ACQUISITIONS

FOR ILLUSTRATIVE PURPOSES ONLY: The *pro forma* financial effects of the Acquisitions on the DPU and the NAV per Unit presented below are strictly for illustrative purposes only and were prepared based on the FY19/20 Financial Statements, taking into account the Total Acquisition Cost, the Loan Facilities, the Consideration Units, and the Equity Fund Raising to raise gross proceeds of approximately S$644.1 million to partially fund the Total Acquisition Cost and assuming that:

(i) the Properties had a portfolio occupancy rate of 94.7% for the entire financial year ended 31 March 2020 and all leases, whether existing or committed as at the Latest Practicable Date, were in place since 1 April 2019. All tenants were paying their rents in full;

(ii) the Manager's Acquisition Fee of S$5.4 million is paid in the form of approximately 2,650,115 Acquisition Fee Units at an issue price of S$2.027 per Acquisition Fee Unit;

(iii) approximately 148,001,973 of Consideration Units is issued at an issue price of S$2.027 per Consideration Unit; and

(iv) S$147.7 million is drawn down by MLT from the Loan Facilities and Subsisting PRC Bank Loans with an average interest cost of approximately 4.2% per annum to partially fund the Total Acquisition Cost.

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[1] Represented by Unitholders' funds.

6.1 *Pro Forma* DPU

FOR ILLUSTRATIVE PURPOSES ONLY: The *pro forma* financial effects of the Acquisitions on MLT's DPU for the FY19/20 Financial Statements, as if the Acquisitions, issuance of New Units in connection with the Equity Fund Raising, issuance of Acquisition Fee Units, issuance of Consideration Units and drawdown of Loan Facilities were completed on 1 April 2019, and as if MLT held the Properties through to 31 March 2020, are as follows:

	Before the Acquisitions	After the Acquisitions
Total profit before tax (S$'000)	446,478	486,883⁽¹⁾
Amount available for distribution to Unitholders (S$'000)	301,706	345,797⁽¹⁾
Units in issue at the end of the year (million)	3,800.3⁽²⁾	4,273.1⁽³⁾
DPU (cents)	8.142⁽⁴⁾	8.280
DPU accretion (%)	–	1.7%

Notes:

(1) Assuming that the Properties had a portfolio occupancy rate of 94.7% for the entire financial year ended 31 March 2020 and all leases, whether existing or committed as at the Latest Practicable Date, were in place since 1 April 2019. All tenants were paying their rents in full. In relation to the PRC Acquisitions, it includes the contribution to total profit before tax arising from MLT's 100.0% indirect interest in the PRC Properties. MLT's expenses comprising borrowing costs associated with the drawdown of S$147.7 million from the Loan Facilities and Subsisting PRC Bank Loans, the Manager's management fees, Trustee's fees and other trust expenses incurred in connection with the operation of the Properties have been deducted.

(2) Units in issue as at 31 March 2020.

(3) Includes (a) approximately 246.7 million New Units issued in connection with the Private Placement at an issue price of S$2.027 per New Unit, and 72.4 million New Units issued in connection with the Preferential Offering at an issue price of S$1.990 (b) approximately 2,650,115 Acquisition Fee Units issued as payment of the Acquisition Fee payable to the Manager at an issue price of S$2.027 per Acquisition Fee Unit, (c) approximately 148,001,973 of Consideration Units issued at an issue price of S$2.027 per Consideration Unit and (d) approximately 3.1 million new Units issued in aggregate as payment to (i) the Manager for the base management fee and (ii) the Property Manager as payment for the property management and lease management fees for such services rendered to the Properties for the financial quarters ended 30 June 2019, 30 September 2019 and 31 December 2019, based on the volume weighted average price for all trades on the SGX-ST in the last 10 business days of each respective financial quarter.

(4) For the financial year ended 31 March 2020.

6.2 *Pro Forma* NAV

FOR ILLUSTRATIVE PURPOSES ONLY: The *pro forma* financial effects of the Acquisitions on the NAV per Unit as at 31 March 2020, as if the Acquisitions issuance of New Units in connection with the Equity Fund Raising, issuance of the Consideration Units, issuance of Acquisition Fee Units, the drawdown of Loan Facilities were completed on 31 March 2020, are as follows:

	Before the Acquisitions	After the Acquisitions
NAV represented by Unitholders' funds (S$ million)	4,580.2	5,518.2
Issued Units (million)	3,800.3⁽¹⁾	4,270.0⁽²⁾
NAV per Unit (S$)	1.21	1.29

Notes:

(1) Number of Units in issue as at 31 March 2020.

(2) Includes (a) approximately 246.7 million New Units issued in connection with the Private Placement at an issue price of S$2.027 per New Unit, and 72.4 million New Units issued in connection with the Preferential Offering at an issue price of S$1.990 (b) approximately 2,650,115 Acquisition Fee Units issued as payment of the Acquisition Fee payable to the Manager at an issue price of S$2.027 per Acquisition Fee Unit, (c) approximately 148,001,973 of Consideration Units issued at an issue price of S$2.027 per Consideration Unit.

6.3 *Pro Forma* Aggregate Leverage

FOR ILLUSTRATIVE PURPOSES ONLY: The *pro forma* Aggregate Leverage of MLT as at 30 September 2020, as if the Acquisitions, issuance of New Units in connection with the Equity Fund Raising, issuance of the Consideration Units, issuance of Acquisition Fee Units and the drawdown of Loan Facilities were completed on 30 September 2020, is as follows:

	Before the Acquisitions	**After the Acquisitions**
Aggregate Leverage (*Pro forma* as at 30 September 2020)	39.5%(1)	36.8%(2)

Notes:

(1) Includes the proportionate share of borrowings and deposited property values of the joint ventures with the Sponsor.

(2) Includes the Loan Facilities and Subsisting PRC Bank Loans.

7. THE PROPOSED WHITEWASH RESOLUTION

7.1 Rule 14 of the Code

The Manager is seeking approval from the Independent Unitholders for a waiver of their right to receive a Mandatory Offer from Mulberry and its Concert Parties, in the event that they incur an obligation to make a Mandatory Offer as a result of the receipt by Mulberry (which has been nominated by the Relevant PRC Vendors to receive the Consideration Units) of the Consideration Units as partial consideration for the PRC Acquisitions.

Upon the receipt by Mulberry of the Consideration Units, Mulberry and its Concert Parties may possibly end up acquiring units which exceeds the threshold pursuant to Rule 14.1(a) of the Code.

Rule 14.1(a) of the Code states that Mulberry and its Concert Parties would be required to make a Mandatory Offer, if Mulberry and its Concert Parties acquire whether by a series of transactions over a period of time or not, Units which (taken together with the Units held or acquired by persons acting in concert with him) carry 30.0% or more of the voting rights of MLT.

7.2 Unitholding of Mulberry and its Concert Parties in MLT

To the best of the knowledge of the Manager and the Relevant PRC Vendors, Mulberry and its Concert Parties hold, in aggregate, 1,180,544,344 Units representing approximately 30.97% of the voting rights of MLT as at the Latest Practicable Date.

7.3 Trigger of the Requirement to Make the Mandatory Offer

As at the Latest Practicable Date and prior to the issue of New Units under the Equity Fund Raising and the issue of 2Q Management Fee Units and the 2Q Property Management Fee Units to Mulberry (which has been nominated by the Manager and Property Manager to receive the 2Q Management Fee Units and Property Management Fee Units respectively), MIPL holds an aggregate indirect interest in 1,166,144,518 Units, representing approximately 30.59% of the total number of Units in issue (being 3,810,982,930 Units).

As a result of the issue of (a) 319,078,675 New Units pursuant to the Equity Fund Raising, (b) approximately 2,228,416 2Q Management Fee Units and (c) approximately 180,562 2Q Property Management Fee Units, MIPL would hold an aggregate indirect interest in 1,190,710,242 Units, representing approximately 28.81% of the total number of Units in issue immediately following the issue of units pursuant to the Equity Fund Raising and prior to the issue of Consideration Units (being 4,132,470,583 Units).

Further to the receipt by Mulberry (which has been nominated by the Relevant PRC Vendors to receive the Consideration Units) of 148,001,973 Consideration Units, MIPL would hold an aggregate indirect interest in 1,338,712,215 Units, representing approximately 31.27% of the total number of Units in issue immediately following the issue of Consideration Units, which will result in Mulberry and its Concert Parties holding more than 30% of the voting rights of MLT and thereby trigger the requirement for Mulberry and its Concert Parties to make a Mandatory Offer.

Unless waived by the SIC, pursuant to Rule 14.1(a) of the Code, Mulberry and its Concert Parties would then be required to make a Mandatory Offer. The SIC has granted this waiver on 15 October 2020 subject to, *inter alia*, Resolution 3 (the proposed Whitewash Resolution) being approved by Independent Unitholders at the EGM.

At an issue price of S$2.027 per Consideration Unit and assuming that approximately S$300.0 million out of the Relevant Vendors Consideration is satisfied with the issue of Consideration Units, the aggregate unitholding of Mulberry and its Concert Parties will increase from approximately 29.16% to approximately 31.61%, immediately following the issue of the Consideration Units.

The following table sets out the respective unitholdings of Mulberry and its Concert Parties if Mulberry (which has been nominated by the Relevant PRC Vendors to receive the Consideration Units) receives approximately 148,001,973 Consideration Units (at an issue price of S$2.027 per Consideration Unit):

	As at the Latest Practicable Date	**After the Private Placement**	**After the Private Placement and the Issuance of the 2Q Management Fee Units and 2Q Property Management Fee Units**	**After the Private Placement, the Issuance of the 2Q Management Fee Units and 2Q Property Management Fee Units, and the Preferential Offering**	**After the Private Placement, the Issuance of the 2Q Management Fee Units and 2Q Property Management Fee Units, the Preferential Offering, and the Issuance of Consideration Units**
Issued Units	3,810,982,930	4,057,652,930	4,060,061,908	4,132,470,583	4,280,472,556
Number of Units held by Mulberry and its Concert Parties	1,180,544,344	1,180,544,344	1,182,953,322	1,205,383,665	1,353,385,638
Number of Units held by Unitholders, other than Mulberry and its Concert Parties	2,630,438,586	2,877,108,586	2,877,108,586	2,927,086,918	2,927,086,918
% of issued Units held Mulberry and its Concert Parties	30.97%	29.09%	29.13%	29.16%	31.61%
% of issued Units held by Unitholders, other than Mulberry and its Concert Parties	69.03%	70.91%	70.87%	70.84%	68.39%

7.4 Application for a Waiver from Rule 14 of the Code

An application was made to the SIC on 22 September 2020 for the waiver of the obligation of Mulberry and its Concert Parties to make a Mandatory Offer under Rule 14 of the Code should the obligation to do so arise as a result of the issue of the Consideration Units. The SIC granted the SIC Waiver on 15 October 2020, subject to, *inter alia*, the satisfaction of the following conditions:

(i) a majority of the Unitholders present and voting at a general meeting, held before the issue of the Consideration Units, approve by way of a poll to waive their rights to receive the Mandatory Offer from Mulberry, being an MIPL Subsidiary which has been nominated by the Relevant PRC Vendors to receive the Consideration Units;

(ii) the Whitewash Resolution is voted on separately from any other resolutions;

(iii) Unitholders who do not qualify as Independent Unitholders abstain from voting on the Whitewash Resolution;

(iv) Mulberry and its Concert Parties did not acquire or are not to acquire any Units or instruments convertible into and options in respect of Units (other than subscriptions for, rights to subscribe for, instruments convertible into or options in respect of new Units which have been disclosed in this Circular):

  (a) during the period between the first announcement of the Acquisitions and the date on which the Independent Unitholders' approval is obtained for the Whitewash Resolution; and

  (b) in the six months prior to the announcement of the Acquisitions, but subsequent to negotiations, discussions or the reaching of understandings or agreements with the Manager in relation to the Acquisitions;

(v) MLT appoints an independent financial adviser to advise the Independent Unitholders on the Whitewash Resolution;

(vi) MLT sets out clearly in this Circular:

  (a) details of the proposed issue of the Consideration Units to Mulberry (which has been nominated by the Relevant PRC Vendors to receive the Consideration Units);

  (b) the dilution effect of issuing the Consideration Units to existing Unitholders;

  (c) the number and percentage of Units as well as the number of instruments convertible into, rights to subscribe for and options in respect of Units (if applicable) held by Mulberry and its Concert Parties as at the Latest Practicable Date;

  (d) the number and percentage of voting rights to be acquired by Mulberry (which has been nominated by the Relevant PRC Vendors to receive the Consideration Units) as a result of Mulberry's acquisition of the Consideration Units; and

  (e) specific and prominent reference to the fact that Unitholders, by voting for the Whitewash Resolution, are waiving their rights to a general offer from Mulberry (which has been nominated by the Relevant PRC Vendors to receive the Consideration Units) at the highest price paid by Mulberry and its Concert Parties for Units in the six months preceding the commencement of the Acquisitions;

(vii) this Circular states that the waiver granted by SIC to Mulberry and its Concert Parties from the requirement to make a general offer under Rule 14 of the Code is subject to the conditions set out in sub-paragraphs 7.4(i) to (vi) above;

(viii) Mulberry obtains SIC's approval in advance for the paragraphs of this Circular that refer to the Whitewash Resolution; and

(ix) to rely on the Whitewash Resolution, Unitholders' approval of the Whitewash Resolution must be obtained within 3 months of the date of the SIC Waiver and the acquisition of the Consideration Units by Mulberry must be completed within three months of the date of approval of the Whitewash Resolution.

Independent Unitholders should note that by voting for the Whitewash Resolution, they are waiving their rights to receive a Mandatory Offer from Mulberry and its Concert Parties at the highest price paid or agreed to be paid by Mulberry and its

Concert Parties for Units in the six months preceding the receipt by the Relevant PRC Vendors (and/or their nominees) of the Consideration Units as partial consideration for the PRC Acquisitions.

7.5 Rationale for the Whitewash Resolution and the Issue of the Consideration Units

The Whitewash Resolution is to enable Mulberry (which has been nominated by the Relevant PRC Vendors to receive the Consideration Units) to be issued the Consideration Units as partial consideration for the PRC Acquisitions. The rationale for enabling Mulberry, which is an MIPL Subsidiary, to receive the Consideration Units is set out as follows.

The Manager is of the view that allowing Mulberry (being an MIPL Subsidiary which has been nominated by the Relevant PRC Vendors to receive the Consideration Units) to be issued the Consideration Units will demonstrate the long-term commitment of the Manager and the Sponsor to MLT. It will also further align the interests of the Manager and the Sponsor with Unitholders, incentivising the Manager to raise the performance of MLT to the benefit of Unitholders.

7.6 Subscription for Units under the Preferential Offering

Mulberry and its Concert Parties (including the Directors of the Manager) may subscribe for New Units under the Preferential Offering to the extent that they are existing Unitholders, including applying for excess New Units under the Preferential Offering, subject to (a) compliance with the Code and (b) Rule 877(10) of the Listing Manual so that in the allotment of any excess New Units under the Preferential Offering, preference will be given to the rounding of odd lots, and that MIPL, MIPL Subsidiaries and Directors of the Manager will rank last in priority for the rounding of odd lots and allotment of excess New Units under the Preferential Offering. The figures set out at Paragraph 7.3 above are based on Mulberry and its Concert Parties subscribing for New Units under the Preferential Offering pursuant to the Sponsor Irrevocable Undertaking given by MIPL to the Manager to accept, and procure that MIPL's subsidiaries accept, subscribe and pay in full for MIPL's and its subsidiaries' total provisional allotment of New Units pursuant to the Preferential Offering. These figures will be different in the event that Mulberry and its Concert Parties apply for and receive excess New Units under the Preferential Offering. In any case, prior to the approval by Unitholders of the Whitewash Resolution at the EGM, the percentage unitholding of Mulberry and its Concert Parties in MLT upon the completion of the Preferential Offering cannot reach 30% without triggering the requirement for Mulberry and its Concert Parties to make a Mandatory Offer under the Code.

8. ADVICE OF THE INDEPENDENT FINANCIAL ADVISER

The Manager has appointed the IFA, pursuant to Rule 921(4)(a) of the Listing Manual, as well as to advise the independent directors of the Manager (the "**Independent Directors**"), the audit and risk committee of the Manager (the "**Audit and Risk Committee**") and the Trustee in relation to the Acquisitions, the proposed issue of the Consideration Units and the proposed Whitewash Resolution. A copy of the letter from the IFA to the Independent Directors, the Audit and Risk Committee and the Trustee (the "**IFA Letter**"), containing its advice in full, is set out in **Appendix D** of this Circular and Unitholders are advised to read the IFA Letter carefully.

8.1 The Proposed Acquisitions as Interested Person Transactions

Having considered the factors and the assumptions set out in the IFA Letter, and subject to the qualifications set out therein, the IFA is of the opinion that the Acquisitions are on normal commercial terms and are not prejudicial to the interests of MLT and its minority Unitholders.

Accordingly, the IFA has advised the Independent Directors and the Audit and Risk Committee to recommend that Unitholders vote in favour of the Acquisitions to be proposed at the EGM.

8.2 The Proposed Issue of the Consideration Units

Having considered the factors and the assumptions set out in the IFA Letter, and subject to the qualifications set out therein, the IFA is of the opinion that the proposed issue of the Consideration Units is based on normal commercial terms and is not prejudicial to the interests of MLT and its minority Unitholders.

Accordingly, the IFA has advised the Independent Directors and the Audit and Risk Committee to recommend that Unitholders vote in favour of the resolution in connection with the issue of the Consideration Units to be proposed at the EGM.

8.3 The Proposed Whitewash Resolution

Having considered the factors and the assumptions set out in the IFA Letter, and subject to the qualifications set out therein, the IFA is of the opinion that the Whitewash Resolution is fair and reasonable.

Accordingly, the IFA has advised the Independent Directors and the Audit and Risk Committee to recommend that Unitholders vote in favour of the Whitewash Resolution to be proposed at the EGM.

9. INTERESTS OF DIRECTORS AND SUBSTANTIAL UNITHOLDERS

As at the Latest Practicable Date, certain directors of the Manager (the "**Directors**") collectively hold an aggregate direct and indirect interest in 747,206 Units. Further details of the interests in Units of the Directors and Substantial Unitholders[1] are set out below.

Mr Lee Chong Kwee is the Non-Executive Chairman and Director. Mr Tarun Kataria is the Lead Independent Non-Executive Director and Chairman of the Nominating and Remuneration Committee (the "**Nominating and Remuneration Committee**"). Mr Lim Joo Boon is the Independent Non-Executive Director and Chairman of the Audit and Risk Committee. Ms Lim Mei is the Independent Non-Executive Director and Member of the Nominating and Remuneration Committee. Mr Loh Shai Weng is the Independent Non-Executive Director and Member of the Audit and Risk Committee. Mr Tan Wah Yeow is the Independent Non-Executive Director and Member of the Audit and Risk Committee. Mr Wee Siew Kim is the Independent Non-Executive Director and Member of the Audit and Risk Committee. Mr Goh Chye Boon is the Non-Executive Director. Ms Wendy Koh Mui Ai is the Non-Executive Director. Mr Wong Mun Hoong is the Non-Executive Director and Member of the Nominating and Remuneration Committee. Ms Ng Kiat is the Executive Director and Chief Executive Officer of the Manager.

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[1] "**Substantial Unitholder**" refers to a person with an interest in Units constituting not less than 5.0% of all Units in issue.

Based on the Register of Directors' Unitholdings maintained by the Manager and save as disclosed in the table below, none of the Directors currently holds a direct or deemed interest in the Units as at the Latest Practicable Date:

Name of Directors	Direct Interest		Deemed Interest		Total No. of Units held	%(1)
	No. of Units	**%(1)**	**No. of Units**	**%(1)**		
Lee Chong Kwee	62,412	0.0016	–	–	62,412	0.0016
Tarun Kataria	–	–	330,000	0.0087	330,000	0.0087
Lim Joo Boon	100,000	0.0026	–	–	100,000	0.0026
Lim Mei	–	–	–	–	–	–
Loh Shai Weng	–	–	–	–	–	–
Tan Wah Yeow	–	–	–	–	–	–
Wee Siew Kim	–	–	–	–	–	–
Goh Chye Boon	–	–	–	–	–	–
Wendy Koh Mui Ai	–	–	117,294	0.0031	117,294	0.0031
Wong Mun Hoong	–	–	–	–	–	–
Ng Kiat	–	–	137,500	0.0036	137,500	0.0036

Note:

(1) The percentage is based on 3,810,982,930 Units in issue as at the Latest Practicable Date.

Based on the Register of Substantial Unitholders' Unitholdings maintained by the Manager, the Substantial Unitholders and their interests in the Units as at the Latest Practicable Date are as follows:

Name of Substantial Unitholders	Direct Interest		Deemed Interest		Total No. of Units held	%(1)
	No. of Units	**%(1)**	**No. of Units**	**%(1)**		
Temasek Holdings (Private) Limited(2)	–	–	1,239,319,053	32.51	1,239,319,053	32.51
Fullerton Management Pte Ltd(2)	–	–	1,166,144,518	30.59	1,166,144,518	30.59
Mapletree Investments Pte Ltd(3)	–	–	1,166,144,518	30.59	1,166,144,518	30.59
Mulberry	400,605,230	10.51	–	–	400,605,230	10.51
Meranti Investments Pte. Ltd.	363,004,703	9.52	–	–	363,004,703	9.52
BlackRock, Inc.(4)	–	–	210,341,202	5.51	210,341,202	5.51

Notes:

(1) The percentage is based on 3,810,982,930 Units in issue as at the Latest Practicable Date.

(2) Each of Temasek Holdings (Private) Limited ("**Temasek**") and Fullerton Management Pte Ltd ("**Fullerton**") is deemed to be interested in the 400,605,230 Units held by Mulberry, 363,004,703 Units held by Meranti Investments Pte. Ltd. ("**Meranti**"), 176,579,586 Units held by Mapletree Logistics Properties Pte. Ltd. ("**MLP**"), 176,577,431 Units held by Mangrove Pte. Ltd. ("**Mangrove**"), 45,215,498 Units held by the Manager and 4,162,070 Units held by MPM. In addition, Temasek is deemed to be interested in 73,174,535 Units in which its other subsidiaries and associated companies have direct or deemed interest. Mulberry, Meranti, MLP and Mangrove are wholly-owned subsidiaries of MIPL. The Manager and MPM are wholly-owned subsidiaries of Mapletree Capital Management Pte. Ltd. and Mapletree Property Services Pte. Ltd. respectively, which are wholly-owned subsidiaries of MIPL. MIPL is a wholly-owned subsidiary of Fullerton which is in turn a wholly-owned subsidiary of Temasek. Each of MIPL and such other subsidiaries and associated companies referred to above is an independently-managed Temasek portfolio company. Neither Temasek nor Fullerton are involved in their business or operating decisions, including those regarding their unitholdings.

(3) MIPL is an indirect holding company of the MIPL Subsidiaries.

(4) BlackRock, Inc. is deemed to be interested in the 210,341,202 Units held through various BlackRock, Inc's subsidiaries.

Save as disclosed above and based on information available to the Manager as at the Latest Practicable Date, none of the Directors or the Substantial Unitholders have an interest, direct or indirect, in the Acquisitions.

10. DIRECTORS' SERVICE CONTRACTS

No person is proposed to be appointed as a Director of the Manager in connection with the Acquisitions or any other transactions contemplated in relation to the Acquisitions.

11. RECOMMENDATION

11.1 The Proposed Acquisitions as Interested Person Transactions

Based on the opinion of the IFA (as set out in the IFA Letter in **Appendix D** of this Circular) and the rationale for and key benefits of the Acquisitions as set out in **Paragraph 4** above, the Independent Directors and the Audit and Risk Committee believe that the Acquisitions are on normal commercial terms and are not prejudicial to the interests of MLT and its minority Unitholders.

Accordingly, the Independent Directors recommend that Unitholders vote at the EGM in favour of the resolution to approve the Acquisitions.

11.2 The Proposed Issue of the Consideration Units

Based on the opinion of the IFA (as set out in the IFA Letter in **Appendix D** of this Circular) and the rationale for the issue of the Consideration Units as set out in **Paragraph 7.5** above, the Independent Directors and the Audit and Risk Committee believe that the issue of the Consideration Units is on normal commercial terms and is not prejudicial to the interests of MLT and its minority Unitholders.

Accordingly, the Independent Directors recommend that Unitholders vote at the EGM in favour of the resolution to approve the issue of the Consideration Units.

11.3 The Proposed Whitewash Resolution

Based on the opinion of the IFA (as set out in the IFA Letter in **Appendix D** of this Circular) and the rationale for the Whitewash Resolution as set out in **Paragraph 7.5** above, the Independent Directors and the Audit and Risk Committee believe that the Whitewash Resolution is fair and reasonable.

Accordingly, the Independent Directors recommend that Unitholders vote at the EGM in favour of the resolution to approve the Whitewash Resolution.

12. EXTRAORDINARY GENERAL MEETING

The EGM will be held at 20 Pasir Panjang Road, Mapletree Business City, Town Hall – Auditorium, Singapore 117439 (the "**Physical Meeting**") and by way of electronic means (the "**Virtual Meeting**") on Monday, 23 November 2020 at 2.30 p.m., for the purpose of considering and, if thought fit, passing with or without modification, the resolutions set out in the Notice of EGM, which is set out on pages E-1 to E-4 of this Circular. The purpose of this Circular is to provide Unitholders with relevant information about the Resolutions. Approval by way of an Ordinary Resolution is required in respect of each of the Resolutions.

The hybrid format of this EGM serves to facilitate interaction between the Board, the management team of the Manager, and Unitholders. Unitholders and CPF and SRS investors will have the opportunity to raise questions (i) at the Physical Meeting if attending the Physical Meeting, (ii) via an online chat box function during the live audio-visual webcast if attending the Virtual Meeting, and (iii) through online submission of questions in advance of the EGM, as set out in the Notice of EGM from pages E-1 to E-4 of this Circular.

13. ABSTENTIONS FROM VOTING

13.1 Resolution 1: the Proposed Acquisitions as Interested Person Transactions

As at the Latest Practicable Date, MIPL, through MLP, Mangrove, Mulberry, Meranti, Mapletree Capital Management Pte. Ltd., Mapletree Property Services Pte. Ltd., the Manager and MPM has a deemed interest in 1,166,144,518 Units, which comprises approximately 30.59% of the total number of Units in issue.

As at the Latest Practicable Date, Temasek, through its interests in Fullerton Management Pte Ltd, MIPL and other subsidiaries and associated companies of Temasek, has a deemed interest in 1,239,319,053 Units, which comprises approximately 32.51% of the total number of Units in issue.

Rule 919 of the Listing Manual prohibits interested persons and their associates (as defined in the Listing Manual) from voting, or accepting appointments as proxies, on a resolution in relation to a matter in respect of which such persons are interested in the EGM, unless specific instructions as to voting are given.

Given that (a) the shareholding interests in the PRC Property SPVs will be acquired from the MIPL Subsidiaries (b) the Malaysia Property will be acquired from the Malaysia Vendor, a subsidiary of MIPL, and (c) the interest in the Cayman SPV will be acquired from the Vietnam Vendor, a wholly-owned subsidiary of MIPL, MIPL and its associates will abstain from voting on Resolution 1. Further, MIPL will not and will procure that its associates will not, accept appointments as proxies unless specific instructions as to voting are given.

As Temasek has an aggregate deemed interest in 1,239,319,053 Units, which includes its deemed interest through MIPL, comprising approximately 32.51% of the total number of Units in issue, Temasek and its associates will abstain from voting on Resolution 1. Further, Temasek will not and will procure that its associates will not, accept appointments as proxies unless specific instructions as to voting are given.

For the purposes of good corporate governance, as Mr Lee Chong Kwee, the Non-Executive Chairman and Director, Mr Goh Chye Boon, a Non-Executive Director, Ms Wendy Koh Mui Ai, a Non-Executive Director, Mr Wong Mun Hoong, a Non-Executive Director and Member of the Nominating and Remuneration Committee, and Ms Ng Kiat, the Executive Director and Chief Executive Officer, are non-independent Directors, they will each abstain from voting on Resolution 1 in respect of Units (if any) held by them and will not accept appointments as proxies unless specific instructions as to voting are given.

13.2 Resolution 2: the Proposed Issue of Consideration Units as Partial Consideration for the PRC Acquisitions

As at the Latest Practicable Date, MIPL, through MLP, Mangrove, Mulberry, Meranti, Mapletree Capital Management Pte. Ltd., Mapletree Property Services Pte. Ltd., the Manager and MPM has a deemed interest in 1,166,144,518 Units, which comprises approximately 30.59% of the total number of Units in issue.

As at the Latest Practicable Date, Temasek, through its interests in Fullerton Management Pte Ltd, MIPL and other subsidiaries and associated companies of Temasek, has a deemed interest in 1,239,319,053 Units, which comprises approximately 32.51% of the total number of Units in issue.

Rule 919 of the Listing Manual prohibits interested persons and their associates (as defined in the Listing Manual) from voting, or accepting appointments as proxies, on a resolution in relation to a matter in respect of which such persons are interested in the EGM, unless specific instructions as to voting are given.

Given that the Consideration Units will be issued to Mulberry (which has been nominated by the Relevant PRC Vendors to receive the Consideration Units), an MIPL Subsidiary, MIPL and its associates will abstain from voting on Resolution 2. Further, MIPL will not and will procure that its associates will not, accept appointments as proxies unless specific instructions as to voting are given.

As Temasek has an aggregate deemed interest in 1,239,319,053 Units, which includes its deemed interest through MIPL, comprising approximately 32.51% of the total number of Units in issue, Temasek and its associates will abstain from voting on Resolution 2. Further, Temasek will not and will procure that its associates will not, accept appointments as proxies unless specific instructions as to voting are given.

For the purpose of good corporate governance, as Mr Lee Chong Kwee, the Non-Executive Chairman and Director, Mr Goh Chye Boon, a Non-Executive Director, Ms Wendy Koh Mui Ai, a Non-Executive Director, Mr Wong Mun Hoong, a Non-Executive Director and Member of the Nominating and Remuneration Committee, and Ms Ng Kiat, the Executive Director and Chief Executive Officer of the Manager, are non-independent Directors, they will each abstain from voting on Resolution 2 in respect of Units (if any) held by them and will not accept appointments as proxies unless specific instructions as to voting are given.

13.3 Resolution 3: the Proposed Whitewash Resolution

Pursuant to the SIC Waiver granted in relation to Resolution 3, MIPL, the Concert Parties and parties not independent of MIPL are required to abstain from voting on Resolution 3.

14. ACTION TO BE TAKEN BY UNITHOLDERS

14.1 Date, Time and Conduct of EGM

The EGM will be held by way of the Physical Meeting and by way of the Virtual Meeting on Monday, 23 November 2020 at 2.30 p.m. (Singapore time) pursuant to:

(i) the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020 which was gazetted on 13 April 2020, and which sets out the alternative arrangements in respect of, *inter alia*, general meetings of REITs and business trusts; and

(ii) the COVID-19 (Temporary Measures) (Control Order) Regulations 2020 which were issued by the Minister for Health on 7 April 2020, and which put in place a set of safe management measures to pre-empt increasing local transmission of COVID-19.

The Manager's Chairman, Mr Lee Chong Kwee, the Lead Independent Director, Mr Tarun Kataria, the Chairman of the Audit and Risk Committee, Mr Lim Joo Boon, together with the senior management of the Manager, will conduct the proceedings of the EGM.

14.2 Notice of EGM and Proxy Form

Printed copies of the Notice of EGM and Proxy Form will be published on MLT's website at the URL: https://www.mapletreelogisticstrust.com and will also be made available on the SGX website at the URL: https://www.sgx.com/securities/company-announcements.

14.3 Personal attendance at the Physical Meeting

Due to the current COVID-19 restriction orders in Singapore, the Manager will restrict the number of in-person attendees at the Physical Meeting by imposing a limit of 30 Unitholders and CPF and SRS investors to be accommodated at the Physical Meeting.

This limit for in-person attendees at the Physical Meeting may be subject to change taking into account any regulations, directives, measures or guidelines that may be issued by any government and regulatory agency in light of the COVID-19 situation from time to time.

Arrangements relating to attendance at the Physical Meeting, submission of questions to the Chairman of the EGM in advance of or during the EGM, addressing of substantial and relevant questions prior to or during the EGM and voting by appointing the Chairman of the EGM as proxy at the EGM, are set out in the Notice of EGM from pages E-1 to E-4 of this Circular.

14.4 Alternative arrangements for participation at the EGM

Unitholders may also participate at the EGM by:

(i) observing and/or listening to the EGM proceedings via live audio-visual webcast or live audio-only stream;

(ii) submitting questions in advance of the EGM;

(iii) submitting questions during the EGM via the online chat box function; and

(iv) appointing the Chairman of the EGM as proxy to attend, speak and vote on their behalf at the EGM.

Alternative arrangements relating to attendance at the EGM via electronic means (including arrangements by which the meeting can be electronically accessed via live audio-visual webcast or live audio-only stream), submission of questions to the Chairman of the EGM in advance of the EGM, submission of questions to the Chairman of the EGM during the EGM via the online chat box function, addressing of substantial and relevant questions prior to or during the EGM and voting by appointing the Chairman of the EGM as proxy at the EGM, are set out in the Notice of EGM from pages E-1 to E-4 of this Circular.

14.5 Key Dates and Times

The table below sets out the key dates/deadlines for Unitholders to note:

Key dates	Actions
Monday, 2 November 2020	• Unitholders and CPF and SRS investors may begin to pre-register at the URL: https://www.mapletreelogisticstrust.com for: o the Physical Meeting; or o the Virtual Meeting
5.00 p.m. on Wednesday, 11 November 2020	Deadline for CPF and SRS investors who wish to appoint the Chairman of the EGM as proxy to approach their respective CPF Agent Banks or SRS Operators to submit their votes.
2.30 p.m. on Friday, 20 November 2020	• Deadline for Unitholders and CPF and SRS investors to: o pre-register for the Physical Meeting; o pre-register for the Virtual Meeting; and o submit questions in advance. • Deadline for Unitholders to submit proxy forms (via post to the Unit Registrar's office or email at srs.teamd@boardroomlimited.com).
2.30 p.m. on Sunday, 22 November 2020	• Authenticated Unitholders and CPF and SRS investors who are successful in the pre-registration for the Physical Meeting will receive: o a confirmation email for the Physical Meeting containing details as well as instructions on attending the Physical Meeting (the "**Confirmation Email for Physical Meeting**"); and o a confirmation email for the Virtual Meeting containing unique user ID and password details as well as instructions on how to access the live audio-visual webcast and live audio-only stream of the EGM proceedings and submit questions during the EGM via the online chat box (the "**Confirmation Email for Virtual Meeting**"), which can be used to attend the Virtual Meeting in the event the successful Unitholder or CPF/SRS investor is unable to attend the Physical Meeting for unforeseen reasons.

Key dates	Actions
	• Authenticated Unitholders and CPF and SRS investors who are unsuccessful in the pre-registration for the Physical Meeting due to excess demand will receive the Confirmation Email for Virtual Meeting. • Following the verification by the Manager, authenticated Unitholders and CPF and SRS investors who have pre-registered for the Virtual Meeting will receive the Confirmation Email for Virtual Meeting. • Unitholders and CPF and SRS investors who do not receive the Confirmation Email for Physical Meeting or the Confirmation Email for Virtual Meeting by 2.30 p.m. on 22 November 2020, but have registered by the 20 November 2020 deadline should immediately contact the Unit Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at +65 6230 9580/586 or at srs.teamd@boardroomlimited.com.
2.30 p.m. on Monday, 23 November 2020	• Unitholders and CPF and SRS investors with the Confirmation Email for Physical Meeting to attend the Physical Meeting. • For Unitholders and CPF and SRS investors attending the Virtual Meeting: o Click on the link in the Confirmation Email for Virtual Meeting and enter the user ID and password to access the live audio-visual webcast of the EGM proceedings; or o Call the toll-free telephone number in the Confirmation Email for Virtual Meeting to access the live audio-only stream of the EGM proceedings.

14.6 Important Reminder

Due to the constantly evolving COVID-19 situation in Singapore, the Manager may be required to change the arrangements for the EGM at short notice. Unitholders should check the Manager's website at the URL: https://www.mapletreelogisticstrust.com for the latest updates on the status of the EGM.

15. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Circular and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the Acquisitions, MLT and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Circular misleading. Where information in this Circular has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Circular in its proper form and context.

16. JOINT GLOBAL CO-ORDINATORS AND BOOKRUNNERS' RESPONSIBILITY STATEMENT

To the best of the knowledge and belief of the Joint Global Co-ordinators and Bookrunners, the information about the Equity Fund Raising contained in the "Summary" section and **Paragraph 2.10** of this Circular constitutes full and true disclosure of all material facts about the Equity Fund Raising, and the Joint Global Co-ordinators and Bookrunners are not aware of any facts the omission of which would make any statement about the Equity Fund Raising contained in the said paragraphs misleading.

17. CONSENTS

Each of the IFA, the Independent Market Research Consultants, and the Independent Valuers has given and has not withdrawn their written consent to the issue of this Circular with the inclusion of their name and, respectively, where applicable, the IFA Letter, the independent market research reports issued by the Independent Market Research Consultants in **Appendix C** of this Circular (the "**Independent Market Research Reports**"), the full valuation reports of the Properties prepared by each of the Independent Valuers, and all references thereto, in the form and context in which they are included in this Circular.

18. DOCUMENTS FOR INSPECTION

Copies of the following documents are available for inspection during normal business hours at the registered office of the Manager (by prior appointment) at 10 Pasir Panjang Road #13-01 Mapletree Business City, Singapore 117438 from the date of this Circular up to and including the date falling three months after the date of this Circular:

(i) the PRC Share Purchase Agreements;

(ii) the Malaysia Asset Purchase Agreement;

(iii) the Vietnam Share Purchase Agreement;

(iv) the full valuation reports of the PRC Properties dated 14 October 2020 by Cushman & Wakefield International Property Advisers (Shanghai) Co., Ltd;

(v) the full valuation reports of the PRC Properties dated 14 October 2020 by Knight Frank Petty Limited;

(vi) the full valuation report of the Malaysia Property dated 14 October 2020 by Knight Frank Malaysia Sdn Bhd;

(vii) the full valuation report of the Malaysia Property dated 14 October 2020 by First Pacific Valuers Property Consultants Sdn Bhd;

(viii) the full valuation report of the Vietnam Property dated 14 October 2020 by CBRE (Vietnam) Co., Ltd.;

(ix) the full valuation report of the Vietnam Property dated 14 October 2020 by Colliers International Vietnam;

(x) the Independent Market Research Reports by the Independent Market Research Consultants;

(xi) the IFA Letter; and

(xii) the written consents of each of the IFA, the Independent Market Research Consultants and the Independent Valuers.

The Trust Deed will also be available for inspection at the registered office of the Manager for so long as MLT is in existence.

Yours faithfully

Mapletree Logistics Trust Management Ltd.
(Company Registration No. 200500947N)
As Manager of Mapletree Logistics Trust

Lee Chong Kwee
Non-Executive Chairman and Director

IMPORTANT NOTICE

The value of Units and the income derived from them may fall as well as rise. Units are not obligations of, deposits in, or guaranteed by, the Manager or any of its affiliates. An investment in Units is subject to investment risks, including the possible loss of the principal amount invested.

Investors have no right to request the Manager to redeem their Units while the Units are listed. It is intended that Unitholders may only deal in their Units through trading on the SGX-ST. Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.

The past performance of MLT is not necessarily indicative of the future performance of MLT.

This Circular may contain forward-looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from similar developments, shifts in expected levels of property rental income, changes in operating expenses (including employee wages, benefits and training costs), property expenses and governmental and public policy changes. You are cautioned not to place undue reliance on these forward-looking statements, which are based on the Manager's current view of future events.

If you have sold or transferred all your Units, you should immediately forward this Circular, together with the Notice of Extraordinary General Meeting and the accompanying Proxy Form, to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee.

This Circular is issued to Unitholders solely for the purpose of convening the EGM and seeking the approval of Unitholders for the resolutions to be proposed at the EGM. This Circular does not constitute an offering document for the offer of the New Units in the United States or any other jurisdiction, and no offer of any new Units is being made in this Circular. Any offer of new Units will be made in compliance with all applicable laws and regulations.

This Circular is not for distribution, directly or indirectly, in or into the United States. Any securities of MLT will not be registered under the Securities Act or under the securities laws of any state or other jurisdiction of the United States, or under the securities laws of any other jurisdiction, and any such securities may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with any applicable laws. The Manager does not intend to conduct a public offering of any securities of MLT in the United States.

GLOSSARY

In this Circular, the following definitions apply throughout unless otherwise stated:

%	:	Per centum or percentage
2Q FY20/21 Distribution	:	The quarterly distribution announced for the period of 1 July 2020 to 30 September 2020
2Q Management Fee Units	:	The new Units to be issued as payment for the management that the Manager is entitled to for 2Q FY20/21 pursuant to the Trust Deed
2Q Property Management Fee Units	:	The new Units to be issued as payment of the property management fees and the lease management fees in respect of certain properties within the MLT portfolio for 2Q FY20/21 pursuant to the Master Property Management Agreement
3PLs	:	The third-party logistics service providers
ABS MTN	:	The medium-term notes comprising multiple tranches of variously-ranked notes, being the Senior ABS MTN and the Junior ABS MTN
ABS Notes Issue Request	:	The written request issued by the Malaysia SPV to the facility agent of the MTN Programme for the issuance of the Bridge MTN or the ABS MTNs (as the case may be)
Acquisitions	:	The PRC Acquisitions, the Malaysia Acquisition and the Vietnam Acquisition, collectively
Acquisition Fee	:	The acquisition fee for the Acquisitions which the Manager will be entitled to receive from MLT upon completion of the Acquisitions which is payable fully in Units
Acquisition Fee Units	:	Units to be issued to the Manager as payment of the Acquisition Fee
Advanced Distribution	:	The advanced distribution for the period from 1 October 2020 to the date immediately prior to the date on which the New Units are issued pursuant to the Private Placement
Agreed Malaysia Property Value	:	The agreed property value of the Malaysia Property
Agreed PRC Property Value	:	The agreed property value of the PRC Properties
Agreed Vietnam Property Value	:	The agreed property value of the Vietnam Property

Agreement to Sub-Lease	:	The agreement to sub-lease and a supplemental agreement entered into between the Sub-Lessor and the Malaysia Vendor granting to the Malaysia Vendor the entire sub-lease in respect of the Malaysia Property for a term of 40 years commencing on 7 April 2015 and expiring on 23 March 2055, which is broken down into two (2) lease periods, the First Term and, subject to an option to extend being exercised by the Malaysia SPV, the Second Term.
Audit and Risk Committee	:	The audit and risk committee of the Manager
Board	:	The board of directors of the Manager
Bridge MTN	:	Bridge medium-term notes with an early redemption option to, *inter alia*, bridge finance the purchase of the Malaysia Property
Business Day	:	A day which is not a Saturday, a Sunday or a public holiday in Singapore, United States of America, Hong Kong SAR or the PRC (excluding Macau and Taiwan for the purposes of computation of Business Day)
Cayman SPV	:	The Cayman Islands special purpose vehicle in which MLT will acquire a 100.0% interest pursuant to the Vietnam Acquisition
CDP	:	The Central Depository (Pte) Limited
Circular	:	This circular to Unitholders dated 2 November 2020
Closing Exchange Rate	:	The mid spot exchange rate SGDRMB (expressed as the number of RMB per one SGD) as displayed on Bloomberg Page BFIX 'Mid' at 10.30am Singapore time four Business Days prior to (and excluding) the Completion Date
Co-owned HK SPVs	:	The two PRC Property SPVs which are owned by certain MIPL Subsidiaries and certain Itochu Subsidiaries in the proportion of 80.0% and 20.0% respectively
Code	:	The Singapore Code of Take-overs and Mergers issued by the Monetary Authority of Singapore pursuant to section 321 of the Securities and Futures Act (Cap. 289)
Concert Parties	:	The parties acting in concert with Mulberry
Confirmation Email for Physical Meeting	:	The confirmation email for the Physical Meeting, which will contain details as well as instructions on attending the Physical Meeting
Confirmation Email for Virtual Meeting	:	The confirmation email for the Virtual Meeting, which will contain unique user ID and password details as well as instructions on how to access the live audio-visual webcast and live audio-only stream of the EGM proceedings and submit questions during the EGM via the online chat box

Consideration Units	:	The new Units to be issued as partial payment of the purchase consideration for some of the properties located in the PRC
Corporate Guarantees	:	The corporate guarantees that the Trustee is required to provide, or procure the provision of, at the PRC Completion, in relation to the Subsisting PRC Bank Loans of the three HK SPVs which hold Mapletree Chengdu 2, Mapletree Qingdao and Mapletree Guiyang
CPF	:	Central Provident Fund
Cumulative Distribution	:	The Advanced Distribution and the 2Q FY20/21 Distribution
Directors	:	The directors of the Manager
DPU	:	Distribution per Unit
EGM	:	The extraordinary general meeting of Unitholders to be convened and held at 20 Pasir Panjang Road, Mapletree Business City, Town Hall – Auditorium, Singapore 117439 and by way of electronic means on Monday, 23 November 2020 at 2.30 p.m., to approve the matters set out in the Notice of Extraordinary General Meeting on pages E-1 to E-4 of this Circular
Enlarged Portfolio	:	Comprises the Existing Portfolio and the Properties
Equity Fund Raising	:	The Preferential Offering together with the Private Placement
Existing Guarantee	:	The guarantee given by MIPL to an external lender in respect of a facility agreement entered into by the PRC Property SPV
Existing Malaysia Property	:	The property known as Mapletree Logistics Hub – Shah Alam located at Lot No. 10003, Jalan Jubli Perak 22/1A, Seksyen 22, 40300 Shah Alam, Selangor Darul Ehsan, Malaysia
Existing Portfolio	:	The 146 properties held by MLT as at 30 September 2020, unless otherwise stated
First Term	:	The first lease term of the Malaysia Property commencing from 7 April 2015 and expiring on 23 March 2045 duly registered on the title to the Malaysia Parent Land on 20 June 2017 vide presentation number 41326/2017, for a term of 29 years and 351 days commencing from 7 April 2015 to 23 March 2045
FY19/20	:	Financial year from 1 April 2019 to 31 March 2020
FY19/20 Financial Statements	:	The audited financial statements for MLT for FY19/20
GFA	:	Gross floor area

Gross Revenue	:	Gross revenue of the property(ies) based on the gross revenue of tenants with existing or committed leases as at the relevant date
HK (A) SPVs	:	The 15 Hong Kong SAR special purpose vehicles in which MLT will acquire a 50.0% interest pursuant to the PRC Acquisitions
HK (B) SPVs	:	The six Hong Kong SAR special purpose vehicles in which MLT will acquire a 100.0% interest pursuant to the PRC Acquisitions
HK SPVs	:	The HK (A) SPVs and HK (B) SPVs collectively
Hong Kong SAR or Hong Kong	:	The Hong Kong Special Administrative Region of the People's Republic of China
IFA	:	Ernst & Young Corporate Finance Pte Ltd
IFA Letter	:	The letter from the IFA to the Independent Directors, the Audit and Risk Committee and the Trustee containing its advice as set out in **Appendix D** of this Circular
Independent Directors	:	The independent directors of the Manager, being Mr Tarun Kataria, Mr Lim Joo Boon, Ms Lim Mei, Mr Loh Shai Weng, Mr Tan Wah Yeow and Mr Wee Siew Kim
Independent Market Research Consultants	:	Knight Frank Malaysia Sdn Bhd, Colliers International Vietnam and Knight Frank Petty Limited
Independent Market Research Reports	:	The independent market research reports issued by the Independent Market Research Consultants as set out in **Appendix C** of this Circular
Independent Valuers	:	Knight Frank Malaysia Sdn Bhd, First Pacific Valuers Property Consultants Sdn Bhd, Cushman & Wakefield International Property Advisers (Shanghai) Co., Ltd, Knight Frank Petty Limited, CBRE (Vietnam) Co., Ltd, Colliers International Vietnam
Independent Unitholders	:	Unitholders other than Mulberry and its Concert Parties and other Unitholders who are not independent of Mulberry
Itochu	:	Itochu Corporation
Itochu Subsidiaries	:	Wholly-owned subsidiaries of Itochu with which the Trustee has entered into certain PRC Share Purchase Agreements
Junior ABS MTN	:	Junior ranking ABS MTN issued to MLT and/or its subsidiaries by the Malaysia SPV
km	:	Kilometre
Latest Practicable Date	:	22 October 2020, being the latest practicable date prior to the printing of this Circular

Listing Manual	:	The listing manual of the SGX-ST
Loan Facilities	:	Debt facilities (including the Senior ABS MTNs) to be drawn down to finance the Total Acquisition Outlay
m	:	Metre
Malaysia ABS Structure	:	The structure of the asset-backed securitisation exercise which the Manager intends to use for the acquisition of the Malaysia Property and other acquisitions of various commercial/industrial warehouses and logistics properties or, as the case may be, the rights, title and interest as a contractual lessee, sub-lessee or tenant under an existing lease, sub-lease or tenancy in relation to such properties in Malaysia in future
Malaysia Acquisition	:	The acquisition of the Malaysia Property
Malaysia Acquisition Price	:	The aggregate purchase consideration payable by the Malaysia SPV in connection with the Malaysia Acquisition. As at the date of this Circular, the Malaysia Acquisition Price is estimated to be MYR402.5 million (S$131.6 million)
Malaysia Asset Management Agreement	:	The asset management agreement entered into between, among others, the Malaysia SPV and MMMSB, a wholly-owned subsidiary of MIPL, under which MMMSB will be appointed as the asset manager for the Malaysia Property
Malaysia Asset Purchase Agreement	:	The conditional sale and purchase agreement entered into between the Malaysia SPV and the Malaysia Vendor dated 19 October 2020
Malaysia Parent Land	:	The leasehold land of ninety-nine (99) years expiring on 22 May 2099 held under H.S.(D) 303949, Lot PTD 2426, Mukim Tajung Kupang, Daerah Johor Bahru, Negeri Johor
Malaysia Properties	:	The Malaysia Property, and the various commercial/ industrial warehouses and logistics properties located in Malaysia or, as the case may be, the rights, title and interest as a contractual lessee, sub-lessee or tenant under an existing lease, sub-lease or tenancy in relation to such properties, that may be acquired from time to time, by the Malaysia SPV from vendors to be identified, and funded with the issuance of one or more classes of MTNs pursuant to the MTN Programme

Malaysia Property	:	The property located in Malaysia, being a sub-lease over all that area particularly described as Plot D40 & D44, Jalan DBP/8, Zone B, Pelabuhan Tanjung Pelepas 81560, Gelang Patah, Johor being part of the Malaysia Parent Land, measuring approximately 27,92 acres in area of the Malaysia Parent Land for a term of 40 years commencing on 7 April 2015 and expiring on 23 March 2055 which is broken down into two (2) lease periods, the First Term which is registered on the title to the Malaysia Parent Land on 20 June 2017 vide presentation number 41326/2017, for a term of 29 years and 351 days commencing from 7 April 2015 to 23 March 2045, and subject to an option to extend the First Term being exercised by the Malaysia SPV, and the Second Term, further details of which are set out in **Paragraph 2.2.2 and Appendix A** of this Circular
Malaysia Servicer Agreement	:	The servicer agreement entered into between, among other, the Malaysia SPV and MPM to administer the assets of the Malaysia SPV or to perform such other services on behalf of the Malaysia SPV
Malaysia SPV	:	Semangkuk 2 Berhad, a bankruptcy-remote special purpose vehicle incorporated in Malaysia under the Malaysia ABS Structure
Malaysia Vendor	:	Trinity Bliss Sdn. Bhd.
Manager	:	Mapletree Logistics Trust Management Ltd., in its capacity as manager of MLT
Mangrove	:	Mangrove Pte. Ltd.
Mapletree Bac Ninh 3	:	Mapletree Logistics Park Bac Ninh Phase 3
Mapletree Changsha	:	Mapletree Changsha Logistics Park Phase 1
Mapletree Changsha 2	:	Mapletree Changsha Industrial Park (Phase 2)
Mapletree Changsha 3	:	Mapletree Changsha Airport Logistics Park
Mapletree Changshu	:	Mapletree Changshu Logistics Park
Mapletree Chengdu	:	Chengdu DC Logistics Park
Mapletree Chengdu 2	:	Mapletree Chengdu Qingbaijiang Logistics Park
Mapletree Guiyang	:	Mapletree Guizhou Longli Logistics Park
Mapletree Hangzhou	:	Mapletree Hangzhou Logistics Park
Mapletree Jiaxing	:	Mapletree Jiaxing Logistics Park
Mapletree Jinan	:	Mapletree Jinan International Logistics Park
Mapletree Nanchang	:	Mapletree Nanchang Logistics Park

Mapletree Nantong : Mapletree Nantong Chongchuan Logistics Park

Mapletree Nantong 2 : Mapletree Nantong (EDZ) Logistics Park

Mapletree Ningbo : Mapletree (Cixi) Logistics Park

Mapletree PTP : Mapletree Logistics Hub – Tanjong Pelepas

Mapletree Qingdao : Mapletree Huangdao Logistics Park

Mapletree Shenyang : Mapletree Shenyang Logistics Park

Mapletree Tianjin : Mapletree Tianjin Wuqing Logistics Park

Mapletree Tianjin 2 : Mapletree Tianjin Xiqing Logistics Park

Mapletree Wuhan : Mapletree Wuhan Yangluo Logistics Park

Mapletree Wuxi : Mapletree Wuxi New District Logistics Park

Mapletree Xi'an : Mapletree Fengdong (Xi'an) Industrial Park

Mapletree Zhenjiang : Mapletree Zhenjiang Logistics Park

Market Price : Has the meaning ascribed to it in the Trust Deed

Master Property Management Agreement : The master property management agreement (as amended and restated) dated 24 June 2005 and entered into between the Trustee, the Manager and the Property Manager

Meranti : Meranti Investments Pte. Ltd.

MIPL : Mapletree Investments Pte Ltd

MIPL Subsidiaries : Wholly-owned subsidiaries of MIPL with which the Trustee has entered into the PRC Share Purchase Agreements

MLP : Mapletree Logistics Properties Pte. Ltd.

MLT : Mapletree Logistics Trust

MLT Group Entities : MLT and/or its subsidiaries

MMMSB : Mapletree Malaysia Management Sdn. Bhd., a wholly-owned subsidiary of MIPL

MOHL : Mapletree Overseas Holdings Ltd.

MPM : Mapletree Property Management Pte. Ltd.

MTN : Medium term note

MTN Programme : The 60-year, asset-backed medium-term note programme of up to MYR5.0 billion (approximately S$1.6 billion) under which the Bridge MTN and the ABS MTN will be issued by the Malaysia SPV

Mulberry	:	Mulberry Pte. Ltd.
NAV	:	Net asset value
Net Property Income	:	Has the meaning ascribed to it in the Trust Deed
New PRC Properties	:	The properties listed at rows 16 to 22 of Section 1.2 of Appendix A
New Units	:	New Units issued for the purpose of the Private Placement and/or the Preferential Offering
NLA	:	Net lettable area
Nominating and Remuneration Committee	:	The nominating and remuneration committee of the Manager
NTA	:	Net tangible assets
OPMA	:	The Overseas Properties Property Management Agreement entered into between MLT and the Property Manager
Ordinary Resolution	:	A resolution proposed and passed as such by a majority being greater than 50.0% or more of the total number of votes cast for and against such resolution at a meeting of Unitholders convened in accordance with the provisions of the Trust Deed
Partially Owned PRC Properties	:	The properties listed at rows 1 to 15 of Section 1.2 of Appendix A
Physical Meeting	:	The physical EGM to be held at 20 Pasir Panjang Road, Mapletree Business City, Town Hall – Auditorium, Singapore 117439
PRC or **China**	:	The People's Republic of China
PRC Acquisitions	:	The acquisition of the remaining 50.0% interest in each of the HK (A) SPVs, and a 100.0% interest in each of the HK (B) SPVs and the SG SPV
PRC Acquisition Price	:	The acquisition price payable by the Trustee in respect of the PRC Acquisitions
PRC Adjusted Net Asset Value	:	The adjusted consolidated net asset value of each PRC Property SPV

PRC Aggregate Share Consideration	:	The aggregate purchase consideration payable by the Trustee in connection with the PRC Acquisitions. As at the date of this Circular, the PRC Aggregate Share Consideration is estimated to be RMB744.4 million (S$151.7 million) (comprising the purchase consideration of RMB730.4 million (S$148.9 million) payable to the MIPL Subsidiaries and the purchase consideration of RMB14.0 million (S$2.9 million) payable to the Itochu Subsidiaries), subject to post-PRC Completion adjustments to the PRC Total Adjusted Net Asset Values
PRC Bank Loans	:	The existing external bank loans owed by the PRC Property SPVs to certain financial institutions (as further described below) (comprising the balance 50.0% stake and the full 100.0% stake in the existing external bank loans owed by the HK (A) SPVs and HK (B) SPVs and SG SPV respectively)
PRC Completion	:	The completion of the PRC Acquisitions
PRC Properties	:	The 22 properties located in the PRC, details of which are set out in **Appendix A** of this Circular
PRC Property Manager	:	Shanghai Mapletree Management Co., Ltd.
PRC Property SPVs	:	The HK (A) SPVs, HK (B) SPVs and the SG SPV, collectively
PRC Shareholders' Loans	:	The existing PRC Property SPVs' shareholders' loans of RMB2,381.0 million (S$485.4 million) owed to the PRC Vendors
PRC Share Purchase Agreements	:	The 22 conditional share purchase agreements entered into between the Trustee and the PRC Vendors each dated 19 October 2020
PRC Total Adjusted Net Asset Values	:	The aggregate PRC Adjusted Net Asset Values of the PRC Property SPVs
PRC Vendors	:	The MIPL Subsidiaries and the Itochu Subsidiaries, collectively
PRC WFOEs	:	The 22 PRC wholly foreign-owned enterprises, details of which are set out in **Appendix A** of this Circular
Preferential Offering	:	The non-renounceable preferential offering of 72,408,675 million New Units to existing Unitholders, details of which were announced on 21 October 2020
Private Placement	:	The private placement of 246,670,000 New Units at an issue price of S$2.027 per New Unit, details of which were announced on 21 October 2020
Properties	:	The PRC Properties, the Malaysia Property and the Vietnam Property, collectively

Property Funds Appendix	:	Appendix 6 of the Code on Collective Investment Schemes issued by the Monetary Authority of Singapore
Property Manager	:	Mapletree Property Management Pte. Ltd.
Proxy Form	:	The instrument appointing a proxy or proxies as set out in this Circular
Purchase Agreements	:	The PRC Share Purchase Agreements, Malaysia Asset Purchase Agreement and the Vietnam Share Purchase Agreement, collectively
REIT	:	Real estate investment trust
Relevant Distribution Period	:	The period from the day the New Units are issued pursuant to the Private Placement to 31 December 2020
Relevant PRC Vendors	:	The PRC Vendors which are MIPL Subsidiaries that have agreed to receive the Consideration Units in satisfaction of part of the PRC Acquisition Price
Relevant Vendors Consideration	:	Approximately S$300.0 million out of the PRC Acquisition Price in relation to the Relevant PRC Properties to be paid to the Relevant PRC Vendors
Repaid PRC Bank Loans	:	The PRC Bank Loans that will be repaid and discharged by the Trustee at the PRC Completion
RMB	:	The lawful currency of the PRC
S$ and **cents**	:	Singapore dollars and cents
Second Term	:	The second lease term of the Malaysia Property which, subject to an option to extend the First Term being exercised by the Malaysia SPV, continues from 24 March 2045 until 23 March 2055
Securities Act	:	U.S. Securities Act of 1933, as amended
Senior ABS MTN	:	Senior ranking ABS MTN issued to sophisticated investors by the Malaysia SPV
Servicer	:	Mapletree Property Management Pte. Ltd., a wholly-owned subsidiary of MIPL appointed by the Malaysia SPV as the servicer to administer the assets of the Malaysia SPV or to perform such other services on behalf of the Malaysia SPV in accordance with the terms and conditions set out in the Malaysia Servicer Agreement
SG SPV	:	The Singapore special purpose vehicle in which MLT will acquire a 100.0% interest pursuant to the PRC Acquisitions
SGX-ST	:	Singapore Exchange Securities Trading Limited
State Authority	:	State Authority of Johor

Sponsor	:	Mapletree Investments Pte Ltd
Sponsor Irrevocable Undertaking	:	The irrevocable undertaking given by MIPL to the Manager to accept, and procure that MIPL's subsidiaries accept, subscribe and pay in full for MIPL's and its subsidiaries' total provisional allotment of units pursuant to the Preferential Offering
Sponsor-owned HK SPVs	:	The four HK (B) SPVs which are wholly-owned by MOHL
sq m	:	Square metre
Sub-Lessor	:	The sub-lessor of the Malaysia Property, being Pelabuhan Tanjung Pelepas Sdn Bhd
Subsisting PRC Bank Loans	:	The remaining PRC Bank Loans that are not the Repaid PRC Bank Loans, which will remain after the PRC Completion
Substantial Unitholder	:	A Unitholder with an interest in one or more Units constituting not less than 5.0% of all Units in issue
Temasek	:	Temasek Holdings (Private) Limited
Total Acquisition Cost	:	The total cost of the Acquisitions as set out in **Paragraph 2.8** of this Circular
Total Acquisition Outlay	:	Total Acquisition Cost less the Subsisting PRC Bank Loans which will not be discharged by the PRC Property SPVs and will remain after the PRC Completion
Total Acquisition Price	:	The total acquisition price payable in respect of the Acquisitions being the sum of the PRC Acquisition Price, the Malaysia Acquisition Price, and the Vietnam Acquisition Price, being approximately S$1,074.4 million
Trust Deed	:	The trust deed dated 5 July 2004 constituting MLT, as supplemented, amended and restated from time to time
Trustee	:	HSBC Institutional Trust Services (Singapore) Limited, in its capacity as trustee of MLT
Unit	:	A unit representing an undivided interest in MLT
US or **United States**	:	United States of America
Unitholder	:	The Depositor whose securities account with CDP is credited with Unit(s)
Valuation Date	:	The date of the two independent valuations of each Property as at 30 September 2020
Vendors	:	The PRC Vendors, the Malaysia Vendor, and the Vietnam Vendor, collectively
Vietnam Acquisition	:	The acquisition of a 100.0% interest in the Cayman SPV

Vietnam Acquisition Price	:	The acquisition price payable by the Vietnam Purchaser in respect of the Vietnam Acquisition
Vietnam Adjusted Net Asset Value	:	The adjusted net asset value of the Cayman SPV as at the date of Vietnam Completion
Vietnam Aggregate Share Consideration	:	The Vietnam Adjusted Net Asset Value as at Vietnam Completion
Vietnam Completion	:	The completion of the Vietnam Acquisition
Vietnam Property	:	The property located in Vietnam, details of which are set out in **Appendix A** of this Circular
Vietnam Shareholder's Loan	:	The sum of USD17.1 million (S$23.1 million) owed by the Cayman SPV to the Vietnam Vendor
Vietnam Purchaser	:	MapletreeLog VSIP 1 Warehouse Pte. Ltd., a wholly-owned subsidiary of MLT
Vietnam Share Purchase Agreement	:	The conditional share purchase agreement entered into between the Vietnam Purchaser and the Vietnam Vendor dated 19 October 2020
Vietnam SPV	:	The Vietnam special purpose vehicle, details of which are set out in **Appendix A** of this Circular
Vietnam Vendor	:	Mapletree Citrine Ltd.
Virtual Meeting	:	The EGM to be held via electronic means

The terms "Depositor" and "Depository Register" shall have the meanings ascribed to them respectively in Section 81SF of the Securities and Futures Act, Chapter 289 of Singapore.

Words importing the singular shall, where applicable, include the plural and vice versa and words importing the masculine gender shall, where applicable, include the feminine and neuter genders. References to persons shall include corporations.

Any reference in this Circular to any enactment is a reference to that enactment for the time being amended or re-enacted.

Any reference to a time of day in this Circular shall be a reference to Singapore time unless otherwise stated.

Any discrepancies in the tables, graphs and charts between the listed amounts and totals thereof are due to rounding. Figures shown as totals in tables may not be an arithmetic aggregation of the figures that precede them. Where applicable, figures and percentages are rounded to one decimal place.

INFORMATION ABOUT THE PROPERTIES AND THE ENLARGED PORTFOLIO

1. THE PROPERTIES

1.1. Description of the Properties

The Manager has identified the following Properties as being suitable for acquisition by MLT, namely:

PRC

(i) Mapletree Wuxi;

(ii) Mapletree Hangzhou;

(iii) Mapletree Nantong;

(iv) Mapletree Changshu;

(v) Mapletree Changsha;

(vi) Mapletree Wuhan;

(vii) Mapletree Xi'an;

(viii) Mapletree Tianjin;

(ix) Mapletree Jiaxing;

(x) Mapletree Nanchang;

(xi) Mapletree Zhenjiang;

(xii) Mapletree Chengdu;

(xiii) Mapletree Shenyang;

(xiv) Mapletree Jinan;

(xv) Mapletree Changsha 2;

(xvi) Mapletree Tianjin 2;

(xvii) Mapletree Chengdu 2;

(xviii) Mapletree Qingdao;

(xix) Mapletree Guiyang;

(xx) Mapletree Nantong 2;

(xxi) Mapletree Ningbo;

(xxii) Mapletree Changsha 3;

(out of which the properties listed at (i) – (xv) are Partially Owned PRC Properties, with the proposed acquisition of the remaining 50.0% stake in them resulting in MLT holding 100.0% interest in the Partially Owned PRC Properties. For the avoidance of doubt, MLT does not currently hold any stake in the New PRC Properties listed at (xvi) to (xxii) prior to the present proposed acquisition);

Malaysia

(xxiii) Mapletree PTP[1]; and

Vietnam

(xxiv) Mapletree Bac Ninh 3.

The 15 Partially Owned PRC Properties listed in (i) to (xv) above are held by 15 PRC WFOEs, which are in turn wholly-owned by the HK (A) SPVs in which the respective MIPL Subsidiaries and MLT each hold 50.0% of the entire ordinary issued share capital. MLT intends to acquire the remaining 50.0% interest in each of the 15 HK (A) SPVs from the respective MIPL Subsidiaries.

The four PRC Properties listed in (xvi) to (xix) above are held by four PRC WFOEs, which are in turn wholly-owned by the Sponsor-owned HK SPVs. The Sponsor-owned HK SPVs are in turn 100.0% owned by MOHL. MLT intends to acquire a 100.0% interest in each of the Sponsor-owned HK SPVs from MOHL.

The two PRC Properties listed in (xx) to (xxi) above are held by two PRC WFOEs, which are in turn wholly-owned by two Co-owned HK SPVs in which the relevant MIPL Subsidiaries and Itochu Subsidiaries hold 80.0% and 20.0% of the entire ordinary issued share capital respectively. MLT intends to acquire a 100.0% interest in each of the Co-owned HK SPVs through the acquisition of an 80.0% interest from the respective MIPL Subsidiaries and the entire 20.0% interest from the respective Itochu Subsidiaries.

The PRC Property listed in (xxii) above is held by a PRC WFOE, which is in turn wholly-owned by the SG SPV. The SG SPV is in turn 100.0% owned by an MIPL Subsidiary. MLT intends to acquire a 100.0% interest in the Sponsor-owned SG SPV from the relevant MIPL Subsidiary.

Following the PRC Acquisitions, MLT will hold a 100.0% interest in each of the twenty-one HK SPVs and one SG SPV.

The Malaysia Property listed in (xxiii) above is held by the Malaysia Vendor. The Malaysia SPV intends to acquire the Malaysia Property from the Malaysia Vendor as an asset acquisition. Following the Malaysia Acquisition, the Malaysia Property will be held by the Malaysia SPV. MLT (and/or its subsidiaries) will subscribe for either (a) the Bridge MTN, which are intended to be refinanced by the issue of the ABS MTN to sophisticated investors (upon securing such investors) by the Malaysia SPV, or (b) the Junior ABS MTN which will be issued to MLT (and/or its subsidiaries), together with the Senior ABS MTN to be issued to sophisticated investors, by the Malaysia SPV.

The Vietnam Property listed in (xxiv) above is held by a Vietnam SPV, which is in turn wholly-owned by the Cayman SPV. The Cayman SPV is in turn 100.0% owned by the Vietnam Vendor. MLT intends to acquire all of the shares in the Cayman SPV from the Vietnam Vendor. Following the Vietnam Acquisition, MLT will hold a 100.0% interest in the Cayman SPV.

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[1] The proposed acquisition is in respect of the entire sub-lease over Mapletree PTP.

1.2. Ownership of the PRC Properties

	Property Name	PRC WFOE holding 100.0% of the PRC Property	HK SPV holding 100.0% of the PRC WFOE	Shareholders and their interests in the HK SPV before the Acquisition
1.	Mapletree Wuxi	Fengshuo Warehouse Development (Wuxi) Co., Ltd.	Wuxi EMZ (HKSAR) Limited	Mapletree Wuxi (EMZ) Ltd. – 50.0% Mapletree Logistics Trust – 50.0%
2.	Mapletree Hangzhou	Fengzhou Warehouse (Hangzhou) Co., Ltd.	Hangzhou Development (HKSAR) Limited	Mapletree Hangzhou Ltd. – 50.0% Mapletree Logistics Trust – 50.0%
3.	Mapletree Nantong	Fengrui Logistics (Nantong) Co., Ltd.	Nantong Development (HKSAR) Limited	Mapletree Nantong Ltd. – 50.0% Mapletree Logistics Trust – 50.0%
4.	Mapletree Changshu	Changshu Fengjia Warehouse Co., Ltd.	Changshu IDZ (HKSAR) Limited	Mapletree Changshu Ltd. – 50.0% Mapletree Logistics Trust – 50.0%
5.	Mapletree Changsha	Fengshun Logistics Development (Changsha) Co., Ltd.	Changsha Development (HKSAR) Limited	Mapletree Changsha Ltd. – 50.0% Mapletree Logistics Trust – 50.0%
6.	Mapletree Wuhan	Fengying Logistics (Wuhan) Co., Ltd.	Yangluo EDZ (HKSAR) Limited	Mapletree Yangluo (EDZ) Ltd. – 50.0% Mapletree Logistics Trust – 50.0%
7.	Mapletree Xi'an(1)	Fenghang Logistics Development (Xi'an) Co., Ltd.	Mapletree Xi'an Falcon II (HKSAR) Limited	Mapletree Xi'an Falcon II Ltd. – 50.0% Mapletree Logistics Trust – 50.0%
8.	Mapletree Tianjin	Fengquan Warehouse (Tianjin) Co., Ltd.	TWDA (HKSAR) Limited	Mapletree Tianjin (WDA) Ltd. – 50.0% Mapletree Logistics Trust – 50.0%
9.	Mapletree Jiaxing	Jiaxing Fengyue Warehouse Co., Ltd.	Jiaxing Development (HKSAR) Limited	Mapletree Overseas Holdings Ltd. – 50.0% Mapletree Logistics Trust – 50.0%
10.	Mapletree Nanchang	Fengqi Warehouse (Nanchang) Co., Ltd.	Nanchang ETDZ Development (HKSAR) Limited	Mapletree Overseas Holdings Ltd. – 50.0% Mapletree Logistics Trust – 50.0%
11.	Mapletree Zhenjiang	Fengzhen Logistics (Zhenjiang) Co., Ltd.	Jurong Development (HKSAR) Limited	Mapletree Overseas Holdings Ltd. – 50.0% Mapletree Logistics Trust – 50.0%
12.	Mapletree Chengdu(1)	Digital China (Chengdu) Science Park Co., Ltd.	Chengdu DC Development (HKSAR) Limited	Mapletree Overseas Holdings Ltd. – 50.0% Mapletree Logistics Trust – 50.0%
13.	Mapletree Shenyang	Fengda Warehouse (Shenyang) Co., Ltd.	Shenyang SYEDA Development (HKSAR) Limited	Mapletree Overseas Holdings Ltd. – 50.0% Mapletree Logistics Trust – 50.0%

	Property Name	PRC WFOE holding 100.0% of the PRC Property	HK SPV holding 100.0% of the PRC WFOE	Shareholders and their interests in the HK SPV before the Acquisition
14.	Mapletree Jinan	Fengcheng Logistics Development (Jinan) Co., Ltd.	SD Licheng (HKSAR) Limited	Mapletree Licheng Ltd. – 50.0% Mapletree Logistics Trust – 50.0%
15.	Mapletree Changsha 2	Fengyi Warehouse (Changsha) Co., Ltd.	Changsha Development II (HKSAR) Limited	Mapletree Changsha II Ltd. – 50.0% Mapletree Logistics Trust – 50.0%
16.	Mapletree Tianjin 2	Fengwei Warehouse (Tianjin) Co., Ltd.	Tianjin XEDA Development (HKSAR) Limited	Mapletree Overseas Holdings Ltd. – 100.0%
17.	Mapletree Chengdu 2(1)	Fengqing Warehouse (Chengdu) Co., Ltd.	Chengdu QBJ Development (HKSAR) Limited	Mapletree Overseas Holdings Ltd. – 100.0%
18.	Mapletree Qingdao	Fenglu Warehouse (Qingdao) Co., Ltd.	Qingdao HWDZ Development (HKSAR) Limited	Mapletree Overseas Holdings Ltd. – 100.0%
19.	Mapletree Guiyang	Fenglong Warehouse (Guizhou) Co., Ltd.	Guizhou Longli Development (HKSAR) Limited (f.k.a. Copper KB (HKSAR) Limited)	Mapletree Overseas Holdings Ltd. – 100.0%
20.	Mapletree Nantong 2	Fengchi Logistics (Nantong) Co., Ltd.	Nantong (ETDA) Development (HKSAR) Limited	Mapletree Nantong (ETDA) Ltd. – 80.0% ITC Nantsu II Investment LIMITED – 20.0%
21.	Mapletree Ningbo(1)	Fengkang Logistics (Cixi) Co., Ltd.	Ningbo (CBD) Development (HKSAR) Limited	Mapletree Ningbo (CBD) Ltd. – 80.0% ITC Ninpo II Investment LIMITED – 20.0%

	Property Name	PRC WFOE holding 100.0% of the PRC Property	SG SPV holding 100.0% of the PRC WFOE	Shareholder and its interest in the SG SPV before the Acquisition
22.	Mapletree Changsha 3(1)	Fengchuang Warehouse (Changsha) Co., Ltd.	Changsha East Development Pte. Ltd.	Changsha East Development Holding Pte. Ltd. – 100.0%

1.3. Holding of the Malaysia Property

	Property Name	Vendor holding the Malaysia Property
1.	Mapletree PTP[(2)]	Trinity Bliss Sdn Bhd – 100.0%

1.4. Ownership of the Vietnam Property

	Property Name	Vietnam SPV holding 100.0% of the Vietnam Property	Cayman SPV holding 100.0% of the Vietnam SPV	Vendor holding 100.0% of the Cayman SPV
1.	Mapletree Bac Ninh 3	Mapletree Logistics Park Bac Ninh Phase 3 (Viet Nam) Co., Ltd.	Mapletree VSIP Bac Ninh Phase 3 (Cayman) Co. Ltd.	Mapletree Citrine Ltd. – 100.0%

Notes:

(1) The Manager expects the property title certificates in respect of Mapletree Xi'an and Mapletree Chengdu to be obtained by the first half of 2021, and in respect of Mapletree Chengdu 2, Mapletree Ningbo and Mapletree Changsha 3 to be obtained by the second half of 2021.

(2) 23 March 2045 is the expiry date of the First Term presently registered on the title to the Malaysia Parent Land. Pursuant to an agreement to sub-lease and a supplemental agreement entered into pursuant thereto with Pelabuhan Tanjung Pelepas Sdn Bhd ("**Sub-Lessor**") and the Malaysia Vendor, the Malaysia Vendor has been granted the entire sub-lease in respect of the Malaysia Property for a term of 40 years commencing on 7 April 2015 and expiring on 23 March 2055, which is broken down into two (2) lease periods, i.e. the First Term and the Second Term ("**Agreement to Sub-Lease**"). Pursuant to the Agreement to Sub-Lease, the First Term granted by the Sub-Lessor in favour of the Malaysia Vendor was registered on 20 June 2017 vide presentation number 41326/2017, for a term of 29 years and 351 days commencing from 7 April 2015 to 23 March 2045 and the total rent for the First Term and the Second Term has been fully paid by the Malaysia Vendor to the Sub-Lessor as at the date of the Malaysia Asset Purchase Agreement. Pursuant to Section 222(3) of the National Land Code (Revised – 2020), where any sub-lease so granted relates to a part only of an alienated land, as it is in respect of the Malaysia Property, the term thereof shall not exceed 30 years. Therefore, while the lease expiry date is 23 March 2045, the Malaysia SPV will have an option to extend the term of the sub-lease and register the same on the title to the Malaysia Parent Land subject to the payment of RM1.00 before the expiration of the First Term in order to secure its registered interest for the Second Term. No regulatory approval is required to extend the term of the sub-lease and register the same on the title to the Malaysia Parent Land, except that the written consent of the Johor Port Authority is required to register the extension of the lease expiry date to 23 March 2055. The Johor Port Authority has consented to the Agreement to Sub-Lease which applies for the period up till 23 March 2055. Therefore, the Manager does not expect any difficulty in obtaining the written consent of the Johor Port Authority to register the extension of the sub-lease to 23 March 2055.

1.5. Description by Asset

The tables in this section set out a summary of selected information on each of the Properties as at Latest Practicable Date (unless otherwise indicated).

PRC Properties

1. Mapletree Wuxi	
Address	No. 1 Qiangzhai Road, Wuxi, Jiangsu Province, PRC
Description	Four blocks of two-storey warehouse, with an ancillary office on the mezzanine level of each warehouse unit.
Land Tenure	Leasehold estate of 50 years expiring on 16 March 2064 (approximately 43 years remaining)
Land, Gross Floor and Net Lettable Area	Land Area: 99,958 sqm
	GFA: 119,599 sqm
	NLA: 122,403 sqm
Building Specifications	Clear ceiling height: 9.0 m
	Floor loading: 1st floor – 3.0 tons psm, 2nd floor – 2.5 tons psm
	Column grid: 11.6 m by 12.0 m
Completion	December 2015
Committed Occupancy	100%
Key Tenant(s)	Suzhou Pulibang Logistics Co., Ltd. Shanghai J-link Supply Chain Co., Ltd.
Number of Tenants	16
Independent Valuation by Cushman as at 30 September 2020	RMB529.1 million
Independent Valuation by Knight Frank as at 30 September 2020	RMB528.0 million

2. Mapletree Hangzhou	
Address	No. 1717 Weiqi Road, Dajiangdong Industrial Cluster Zone, Hangzhou, Zhejiang Province, PRC
Description	Three blocks of two-storey warehouse, with an ancillary office on the mezzanine level of each warehouse unit.
Land Tenure	Leasehold estate of 50 years expiring on 5 September 2064 (approximately 44 years remaining)
Land, Gross Floor and Net Lettable Area	Land Area: 83,593 sqm
	GFA: 94,590 sqm
	NLA: 106,726 sqm
Building Specifications	Clear ceiling height: 1st floor – 8.5m, 2nd floor – 9.0m
	Floor loading: 1st floor – 3.0 tons psm, 2nd floor – 2.5 tons psm
	Column grid: 11.9 m by 11.7 m
Completion	June 2016
Committed Occupancy	98%
Key Tenant(s)	Hangzhou Cainiao Supply Chain Management Co., Ltd. Dongguan XFJ Co., Ltd. (Hangzhou Branch) Shandong Joyi Supply Chain Management Co., Ltd.
Number of Tenants	3
Independent Valuation by Cushman as at 30 September 2020	RMB465.2 million
Independent Valuation by Knight Frank as at 30 September 2020	RMB459.0 million

3. Mapletree Nantong	
Address	No. 75-76 East Kuaisu Road, Nantong, Jiangsu Province, PRC
Description	Three blocks of single-storey warehouses on the East parcel and one block of single-storey warehouse on the West parcel. Ancillary offices are located on the mezzanine level of each warehouse unit.
Land Tenure	East: Leasehold estate of 50 years expiring on 19 October 2064 (approximately 44 years remaining) West: Leasehold estate of 50 years expiring on 29 January 2065 (approximately 44 years remaining)
Land, Gross Floor and Net Lettable Area	Land Area: 135,735 sqm
	GFA: 75,545 sqm
	NLA: 78,624 sqm
Building Specifications	Clear ceiling height: 9.0 m
	Floor loading: 3.0 tons psm
	Column grid: 11.4 m by 30.0 m
Completion	East: April 2016 West: January 2017
Committed Occupancy	77%
Key Tenant(s)	Confidential Tenant
Number of Tenants	14
Independent Valuation by Cushman as at 30 September 2020	RMB295.6 million
Independent Valuation by Knight Frank as at 30 September 2020	RMB293.0 million

4. Mapletree Changshu	
Address	No. 37 Dongnan Avenue, High-Tech Industrial Development Zone, Changshu, Jiangsu Province, PRC
Description	Four blocks of single-storey warehouse, with an ancillary office on the mezzanine level of each warehouse unit.
Land Tenure	Leasehold estate of 50 years expiring on 14 February 2065 (approximately 44 years remaining)
Land, Gross Floor and Net Lettable Area	Land Area: 100,672 sqm
	GFA: 59,538 sqm
	NLA: 60,967 sqm
Building Specifications	Clear ceiling height: 9.0 m
	Floor loading: 3.0 tons psm
	Column grid: 11.4 m by 21.7 m
Completion	June 2016
Committed Occupancy	93%
Key Tenant(s)	SKLC Logistics Co., Ltd. Changshu Nissin Transportation Co., Ltd.
Number of Tenants	10
Independent Valuation by Cushman as at 30 September 2020	RMB221.1 million
Independent Valuation by Knight Frank as at 30 September 2020	RMB218.0 million

5. Mapletree Changsha	
Address	101, No. 1-4 Buildings and No. 1-2 Gatehouses, No. 77 Jinqiao Road, Yuelu District, Changsha, Hunan Province, PRC
Description	Four blocks of single-storey warehouse, with an ancillary office on the mezzanine level of each warehouse unit.
Land Tenure	Leasehold estate of 50 years expiring on 20 June 2064 (approximately 44 years remaining)
Land, Gross Floor and Net Lettable Area	Land Area: 125,333 sqm
	GFA: 76,862 sqm
	NLA: 79,253 sqm
Building Specifications	Clear ceiling height: 9.0 m
	Floor loading: 3.0 tons psm
	Column grid: 11.4 m by 23.2 m
Completion	September 2016
Committed Occupancy	100%
Key Tenant(s)	Hangzhou Cainiao Supply Chain Management Co., Ltd. Hunan Zhonghan Express Service Co., Ltd
Number of Tenants	7
Independent Valuation by Cushman as at 30 September 2020	RMB356.3 million
Independent Valuation by Knight Frank as at 30 September 2020	RMB352.0 million

6. Mapletree Wuhan	
Address	Dongyue Village, Cangbu Street and Qiuli Village, Yangluo Street, Yangluo Economic and Development Zone, Xinzhou District, Wuhan, Hubei Province, PRC
Description	Four blocks of single-storey warehouse, with an ancillary office on the mezzanine level of each warehouse unit.
Land Tenure	Leasehold estate of 50 years expiring on 10 June 2065 (approximately 45 years remaining)
Land, Gross Floor and Net Lettable Area	Land Area: 116,467 sqm
	GFA: 68,126 sqm
	NLA: 69,984 sqm
Building Specifications	Clear ceiling height: 9.0 m
	Floor loading: 3.0 tons psm
	Column grid: 11.4 m by 24.0 m
Completion	October 2017
Committed Occupancy	100%
Key Tenant(s)	Confidential Tenant
Number of Tenants	1
Independent Valuation by Cushman as at 30 September 2020	RMB282.0 million
Independent Valuation by Knight Frank as at 30 September 2020	RMB279.0 million

7. Mapletree Xi'an	
Address	North of No. 2 Fengchan Road, East of No. 3 Jianzhang Road, Xi'an, Shaanxi Province, PRC
Description	Three blocks of single-storey warehouse, with an ancillary office on the mezzanine level of each warehouse unit.
Land Tenure	Leasehold estate of 50 years expiring on 9 December 2063 (approximately 43 years remaining)
Land, Gross Floor and Net Lettable Area	Land Area: 119,422 sqm
	GFA: 64,010 sqm
	NLA: 63,558 sqm
Building Specifications	Clear ceiling height: 9.0 m
	Floor loading: 3.0 tons psm
	Column grid: 11.7 m by 26.0 m
Completion	March 2016
Committed Occupancy	100%
Key Tenant(s)	Xi'an Zhicheng Deppon Logistics Co., Ltd. Shaanxi Zhongyou Health Medicine Co., Ltd.
Number of Tenants	5
Independent Valuation by Cushman as at 30 September 2020	RMB381.0 million
Independent Valuation by Knight Frank as at 30 September 2020	RMB376.0 million

8. Mapletree Tianjin	
Address	No. 20 Quanxiu Road, Wuqing Development District, Tianjin New-Tech Industrial Park, Wuqing District, Tianjin, PRC
Description	Two blocks of single-storey warehouse, with an ancillary office located on the mezzanine level of each warehouse unit.
Land Tenure	Leasehold estate of 50 years expiring on 12 February 2065 (approximately 44 years remaining)
Land, Gross Floor and Net Lettable Area	Land Area: 47,101 sqm
	GFA: 29,057 sqm
	NLA: 29,148 sqm
Building Specifications	Clear ceiling height: 9.0 m
	Floor loading: 3.0 tons psm
	Column grid: 11.4 m by 26.5 m
Completion	August 2016
Committed Occupancy	100%
Key Tenant(s)	Tianjin Xiangshi Logistics Co., Ltd.
Number of Tenants	2
Independent Valuation by Cushman as at 30 September 2020	RMB126.7 million
Independent Valuation by Knight Frank as at 30 September 2020	RMB124.0 million

9. Mapletree Jiaxing	
Address	No. 406 Yantang Road, Wangdian Town, Xiuzhou District, Jiaxing, Zhejiang Province, PRC
Description	Two blocks of single-storey warehouse, with an ancillary office located on the mezzanine level of each warehouse unit. One block of five-storey dormitory is located on the north parcel.
Land Tenure	Leasehold estate of 50 years expiring on 26 January 2066 (approximately 45 years remaining)
Land, Gross Floor and Net Lettable Area	Land Area: 62,346 sqm
	GFA: 35,735 sqm
	NLA: 35,683 sqm
Building Specifications	Clear ceiling height: 9.0 m
	Floor loading: 3.0 tons psm
	Column grid: 12.0 m by 22.2 m
Completion	June 2017
Committed Occupancy	100%
Key Tenant(s)	Hangzhou Best Network Technology Co., Ltd.
Number of Tenants	1
Independent Valuation by Cushman as at 30 September 2020	RMB183.1 million
Independent Valuation by Knight Frank as at 30 September 2020	RMB182.0 million

10. Mapletree Nanchang	
Address	No. 3688 Jingkai Avenue, Economic and Technological Development Zone, Qingshanhu District, Nanchang, Jiangxi Province, PRC
Description	Three blocks of single-storey warehouse, with an ancillary office on the mezzanine level of each warehouse unit.
Land Tenure	Leasehold estate of 50 years expiring on 14 January 2066 (approximately 45 years remaining)
Land, Gross Floor and Net Lettable Area	Land Area: 121,134 sqm
	GFA: 71,482 sqm
	NLA: 73,950 sqm
Building Specifications	Clear ceiling height: 9.0 m
	Floor loading: 3.0 tons psm
	Column grid: 11.4 m by 28.0 m
Completion	August 2017
Committed Occupancy	77%
Key Tenant(s)	Jiangxi SF Express Co., Ltd. Hangzhou Cainiao Supply Chain Management Co., Ltd. Jiangxi Yong Hui Store Co., Ltd.
Number of Tenants	4
Independent Valuation by Cushman as at 30 September 2020	RMB249.1 million
Independent Valuation by Knight Frank as at 30 September 2020	RMB245.0 million

11. Mapletree Zhenjiang	
Address	East of Huamao Road, West of Hengda Road, Guozhuang Town, Jurong, Jiangsu Province, PRC
Description	Seven blocks of single-storey warehouse, with an ancillary office located on the mezzanine level of each warehouse unit.
Land Tenure	Leasehold estate of 50 years expiring on 1 October 2066 (approximately 46 years remaining)
Land, Gross Floor and Net Lettable Area	Land Area: 172,106 sqm
	GFA: 98,553 sqm
	NLA: 101,616 sqm
Building Specifications	Clear ceiling height: 9.0 m
	Floor loading: 3.0 tons psm
	Column grid: 11.4 m by 23.1 m
Completion	February 2018
Committed Occupancy	100%
Key Tenant(s)	Jurong Xiangyun Logistics Co., Ltd.
Number of Tenants	4
Independent Valuation by Cushman as at 30 September 2020	RMB472.1 million
Independent Valuation by Knight Frank as at 30 September 2020	RMB468.0 million

12. Mapletree Chengdu	
Address	South of No. 2 Hangshu Road, Shuangliu District, Chengdu, Sichuan Province
Description	One block single-storey warehouse with four units, with an ancillary office located on the mezzanine level of each warehouse unit.
Land Tenure	Term of Land Use until 27 October 2065 (approximately 45 years remaining)
Land, Gross Floor and Net Lettable Area	Land Area: 32,332 sqm
	GFA: 20,769 sqm
	NLA: 20,138 sqm
Building Specifications	Clear ceiling height: 9.0 m
	Floor loading: 3.0 tons psm
	Column grid: 11.4 m by 21.7 m
Completion	September 2018
Committed Occupancy	100%
Key Tenant(s)	Shanghai Lantu Information Technology Co., Ltd. Sichuan ChuanLeng Supply Chain Management Co., Ltd.
Number of Tenants	2
Independent Valuation by Cushman as at 30 September 2020	RMB114.1 million
Independent Valuation by Knight Frank as at 30 September 2020	RMB113.0 million

13. Mapletree Shenyang	
Address	4A, 4A1, 4A2, 4A3, Hunhe Shiba Street, Economic Technology Development Zone, Shenyang, Liaoning Province, PRC
Description	Two blocks of single-storey steel framed warehouse, with an ancillary office located on the mezzanine level of each warehouse unit.
Land Tenure	Term of Land Use until 28 September 2066 (approximately 46 years remaining)
Land, Gross Floor and Net Lettable Area	Land Area: 71,361 sqm
	GFA: 41,846 sqm
	NLA: 42,881 sqm
Building Specifications	Clear ceiling height: 9.0 m
	Floor loading: 3.0 tons psm
	Column grid: 22.0 m by 12.0 m
Completion	October 2018
Committed Occupancy	90%
Key Tenant(s)	Hubei Jiuzhoushuntian International Logistics Co., Ltd.
Number of Tenants	3
Independent Valuation by Cushman as at 30 September 2020	RMB149.3 million
Independent Valuation by Knight Frank as at 30 September 2020	RMB148.0 million

14. Mapletree Jinan	
Address	Unit 3153, Lingang Road, Gaoxin District, Jinan, Shandong Province, PRC
Description	Four blocks of single-storey steel framed warehouse, with an ancillary office located on the mezzanine level of each warehouse unit.
Land Tenure	Term of Land Use until 15 March 2065 (approximately 44 years remaining)
Land, Gross Floor and Net Lettable Area	Land Area: 126,770 sqm
	GFA: 78,921 sqm
	NLA: 80,931 sqm
Building Specifications	Clear ceiling height: 9.0 m
	Floor loading: 3.0 tons psm
	Column grid: 22.0 m by 12.0 m
Completion	November 2016
Committed Occupancy	80%
Key Tenant(s)	Shandong Spark International Media Group Co., Ltd.
Number of Tenants	7
Independent Valuation by Cushman as at 30 September 2020	RMB377.9 million
Independent Valuation by Knight Frank as at 30 September 2020	RMB373.0 million

15. Mapletree Changsha 2	
Address	No. 20 Jinqiao Road, Yuelu District, Fengyi Changsha Logistics Park, Changsha, Hunan Province, PRC
Description	Four blocks of single-storey and one block of double-storey steel framed warehouse.
Land Tenure	Term of Land Use until 26 December 2064 (approximately 44 years remaining)
Land, Gross Floor and Net Lettable Area	Land Area: 140,207 sqm
	GFA: 99,842 sqm
	NLA: 97,888 sqm
Building Specifications	Clear ceiling height: 9.0 m
	Floor loading: 1st floor – 3.0 tons psm, 2nd floor – 2.5 tons psm
	Column grid: 24.0 m by 11.4 m
Completion	July 2018
Committed Occupancy	82%
Key Tenant(s)	Hangzhou Cainiao Supply Chain Management Co., Ltd. Changsha Su Teng Express Co., Ltd.
Number of Tenants	11
Independent Valuation by Cushman as at 30 September 2020	RMB419.7 million
Independent Valuation by Knight Frank as at 30 September 2020	RMB415.0 million

16. Mapletree Tianjin 2	
Address	No. 10, Chuying Road, Dasi Town, Xiqing District, Tianjin
Description	Two blocks of single-storey non-bonded warehouses.
Land Tenure	Term of Land Use until 07 October 2066 (approximately 46 years remaining)
Land, Gross Floor and Net Lettable Area	Land Area: 66,668 sqm
	GFA: 37,115 sqm
	NLA: 37,689 sqm
Building Specifications	Clear ceiling height: 9.0 m
	Floor loading: 3.0 tons psm
	Column grid: 24.0 m by 11.4 m
Completion	April 2019
Committed Occupancy	100%
Key Tenant(s)	Confidential Tenant
Number of Tenants	6
Independent Valuation by Cushman as at 30 September 2020	RMB229.5 million
Independent Valuation by Knight Frank as at 30 September 2020	RMB227.0 million

17. Mapletree Chengdu 2	
Address	West of Dongfeng Road and North of Guoguang Road, Mimou Town, Qingbaijiang District, Chengdu, Sichuan Province, PRC
Description	Six blocks of single-storey warehouses, and two blocks of double-storey warehouses.
Land Tenure	Term of Land Use until 11 December 2066 (approximately 46 years remaining)
Land, Gross Floor and Net Lettable Area	Land Area: 153,951 sqm
	GFA: 109,091 sqm
	NLA: 107,379 sqm
Building Specifications	Clear ceiling height: 9.0 m
	Floor loading: 1st floor – 3.0 tons psm, 2nd floor – 2.5 tons psm
	Column grid: 1st floor – 24.0 m by 11.4 m 2nd floor – 12.0 m by 12.0 m
Completion	June 2019
Committed Occupancy	84%
Key Tenant(s)	Sichuan Jingbangda Logistics Technology Co., Ltd
Number of Tenants	2
Independent Valuation by Cushman as at 30 September 2020	RMB440.4 million
Independent Valuation by Knight Frank as at 30 September 2020	RMB436.0 million

18. Mapletree Qingdao	
Address	North of Shugang Expressway, west of Dazhushan North Road, Huangdao District, Qingdao, Shandong Province, PRC
Description	Two blocks of single-storey warehouses and one block of double-storey, non-bonded warehouses with two guardrooms.
Land Tenure	Term of Land Use until 17 May 2067 (approximately 47 years remaining)
Land, Gross Floor and Net Lettable Area	Land Area: 100,000 sqm
	GFA: 73,010 sqm
	NLA: 74,192 sqm
Building Specifications	Clear ceiling height: 9.0 m
	Floor loading: 1st floor – 3.0 tons psm, 2nd floor – 2.5 tons psm
	Column grid: 12.0 m by 12.0 m
Completion	June 2019
Committed Occupancy	100%
Key Tenant(s)	Qingdao Papertiger Logistics Co., Ltd Qingdao Takumi Tech. Co., Ltd
Number of Tenants	4
Independent Valuation by Cushman as at 30 September 2020	RMB270.8 million
Independent Valuation by Knight Frank as at 30 September 2020	RMB267.0 million

19. Mapletree Guiyang	
Address	Gujiao Town, Longli County, Guiyang, Guizhou
Description	Three blocks of single-storey non-bonded warehouses
Land Tenure	Term of Land Use until 04 July 2068 (approximately 48 years remaining)
Land, Gross Floor and Net Lettable Area	Land Area: 102,333 sqm
	GFA: 52,499 sqm
	NLA: 51,656 sqm
Building Specifications	Clear ceiling height: 10.2 m
	Floor loading: 3.0 tons psm
	Column grid: 27.8 m/22.4 m by 11.4 m
Completion	November 2019
Committed Occupancy	100%
Key Tenant(s)	Guizhou Jiangkun Logistics Information Consulting Co., Ltd
Number of Tenants	3
Independent Valuation by Cushman as at 30 September 2020	RMB216.9 million
Independent Valuation by Knight Frank as at 30 September 2020	RMB214.0 million

20. Mapletree Nantong 2	
Address	No. 20 Jiqing Rd, Nantong Economic and Technological Development Area, Nantong, Jiangsu
Description	Four blocks of single-storey non-bonded warehouses.
Land Tenure	Term of Land Use until 9 June 2065 (approximately 45 years remaining)
Land, Gross Floor and Net Lettable Area	Land Area: 108,782 sqm
	GFA: 67,895 sqm
	NLA: 67,504 sqm
Building Specifications	Clear ceiling height: 9.0 m
	Floor loading: 3.0 tons psm
	Column grid: 11.4 m by 20.5/22.0/26.5 m
Completion	October 2016
Committed Occupancy	98%
Key Tenant(s)	Best Logistics Technology (China) Co., Ltd.
Number of Tenants	8
Independent Valuation by Cushman as at 30 September 2020	RMB246.3 million
Independent Valuation by Knight Frank as at 30 September 2020	RMB243.0 million

21. Mapletree Ningbo	
Address	Ningbo Cidong Binhai District, Ningbo, Zhejiang
Description	Eight blocks of single-storey non-bonded warehouses and one dormitory.
Land Tenure	Term of Land Use until 30 December 2064 (approximately 44 years remaining)
Land, Gross Floor and Net Lettable Area	Land Area: 238,292 sqm
	GFA: 132,905 sqm
	NLA: 138,588 sqm
Building Specifications	Clear ceiling height: 9.0 m
	Floor loading: 3.0 tons psm
	Column grid: 24.0 m by 11.4 m
Completion	February 2018
Committed Occupancy	100%
Key Tenant(s)	Ningbo Zhongzhe Mulshang Electronic Commerce Co., Ltd.
Number of Tenants	6
Independent Valuation by Cushman as at 30 September 2020	RMB504.1 million
Independent Valuation by Knight Frank as at 30 September 2020	RMB506.0 million

22. Mapletree Changsha 3	
Address	South of Tianxiang Road and West of Shengxiang Road, Changsha County, Changsha, Hunan Province, PRC
Description	Two blocks of single-storey non-bonded warehouses and one dormitory.
Land Tenure	Term of Land Use until 30 September 2067 (approximately 47 years remaining)
Land, Gross Floor and Net Lettable Area	Land Area: 62,903 sqm
	GFA: 35,843 sqm
	NLA: 35,108 sqm
Building Specifications	Clear Height (Warehouse): 9.0 m
	Floor Loading: 3.0 tons psm
	Column Grid: 24.0 m by 11.4 m
Completion	December 2019
Committed Occupancy	100%
Key Tenant(s)	Best Logistics Technology (China) Co., Ltd.
Number of Tenants	1
Independent Valuation by Cushman as at 30 September 2020	RMB207.8 million
Independent Valuation by Knight Frank as at 30 September 2020	RMB205.0 million

Malaysia Property

1. Mapletree PTP	
Address	Mapletree Logistics Hub – Tanjung Pelepas, Plot D40 & D44, Jalan DBP/8, Zone B, Pelabuhan Tanjung Pelepas 81560, Gelang Patah, Johor
Description	One block of single-storey warehouse, two blocks of double-storey ramp-up warehouse with mezzanine floor offices and other ancillary buildings.
Land Tenure	Sublease term until 23 March 2045 with an option to extend to 23 March 2055[1]
Land, Gross Floor and Net Lettable Area	Land Area: 112,988 sqm
	GFA: 133,719 sqm
	NLA: 131,986 sqm
Building Specifications	Clear ceiling height: 10.0 m
	Floor loading: 3.0 tons psm
	Column grid: 1st floor – 12.0 m by 12.0 m 2nd floor – 24.0 m by 12.0 m
Completion	July 2017
Committed Occupancy	95%
Key Tenant(s)	Decathlon Logistics Malaysia Sdn Bhd Pacific Transport Sdn. Bhd. Damco Logistics Malaysia Sdn. Bhd.
Number of Tenants	6
Independent Valuation by Knight Frank as at 30 September 2020	MYR405.0 million
Independent Valuation by First Pacific as at 30 September 2020	MYR409.0 million

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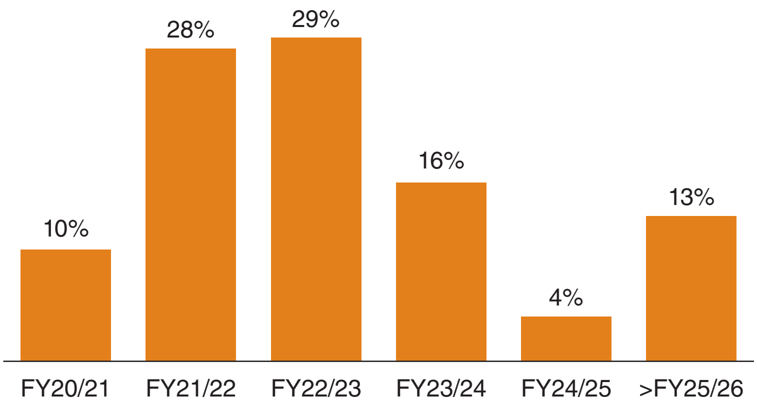
[1] The Agreement to Sub-Lease provides that the Malaysia Property is a sub-lease for a term of 40 years commencing on 7 April 2015 and expiring on 23 March 2055 which is broken down into two (2) lease periods, the First Term and the Second Term. Pursuant to the Agreement to Sub-Lease, the First Term granted by the Sub-Lessor in favour of the Malaysia Vendor was registered on the Malaysia Parent Land on 20 June 2017 vide presentation number 41326/2017, for a term of 29 years and 351 days commencing from 7 April 2015 to 23 March 2045 and the total rent for the First Term and the Second Term has been fully paid by the Malaysia Vendor to the Sub-Lessor as at the date of the Malaysia Asset Purchase Agreement. Pursuant to Section 222(3) of the National Land Code (Revised – 2020), where any sub-lease so granted relates to a part only of an alienated land, as it is in respect of the Malaysia Property, the term thereof shall not exceed 30 years. Therefore, while the Lease Expiry Date is 23 March 2045, the Malaysia SPV will have an option to extend the term of the sub-lease and register the same on the title to the Malaysia Parent Land subject to the payment of RM1.00 before the expiration of the First Term in order to secure its registered interest for the Second Term.

Vietnam Property

1. Mapletree Bac Ninh 3	
Address	No. 3, Street 6, VSIP Bac Ninh, Phu Chan Commune, Tu Son Town, Bac Ninh Province, Vietnam
Description	3 blocks of single-storey warehouse with mezzanine office and other facilities such as substation, fire pump room, guard house and bin centre.
Land Tenure	Expiring on 30 November 2057 (approximately 37 years remaining)
Land, Gross Floor and Net Lettable Area	Land Area: 83,148 sqm
	GFA: 47,813 sqm
	NLA: 47,682 sqm
Building Specifications	Clear ceiling height: 9.0 m
	Floor loading: 3.0 tons psm
	Column grid: 23.3 m by 11.4 m
Completion	April 2019
Committed Occupancy	100%
Key Tenant(s)	Damco Vietnam Co., Ltd. Kuehne + Nagel Co., Ltd. Indo Trans Logistics Corporation
Number of Tenants	3
Independent Valuation by CBRE as at 30 September 2020	USD22.0 million
Independent Valuation by Colliers as at 30 September 2020	USD22.1 million

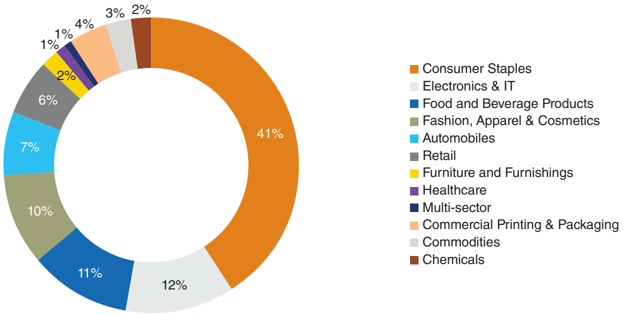
1.6. Lease Expiry Profile of the Properties

The chart below illustrates the lease expiry profile of the Properties by NLA. As at the Latest Practicable Date, the WALE by NLA for the Properties is 2.3 years.



1.7. Trade Sector Analysis for the Properties

The chart below provides a breakdown by gross revenue of the different trade sectors represented in the Properties as at the Latest Practicable Date.



1.8. Top 10 Tenants for the Properties

Top 10 Tenants[1]	**% of Gross Revenue**[2]	**Trade Sector**[3] **(Business Nature)**
JD.com, Inc.	14.1%	Consumer Staples (3PL)
Cainiao Network Technology Co., Ltd.	8.9%	Consumer Staples (3PL)
Best Logistics Technology Co., Ltd.	6.9%	Consumer Staples (3PL)
Confidential Tenant	6.2%	Consumer Staples (3PL)
Gill Mix Green	5.6%	Fashion, Apparel & Cosmetics (End-user)
Decathlon Logistics Malaysia Sdn Bhd	5.4%	Retail (End-user)
Maersk	3.3%	Commodities (3PL) Electronics & IT (3PL)
Confidential Tenant	3.0%	Automobiles (3PL)
Qingdao Takumi Tech. Co., Ltd.	2.6%	Commercial Printing & Packaging (3PL)
Confidential Tenant	1.6%	Electronics & IT (3PL)
Total	**57.6%**	

Notes:

(1) Comprises all subsidiaries of companies who are tenants of MLT.

(2) Gross revenue for the month ending 30 September 2020.

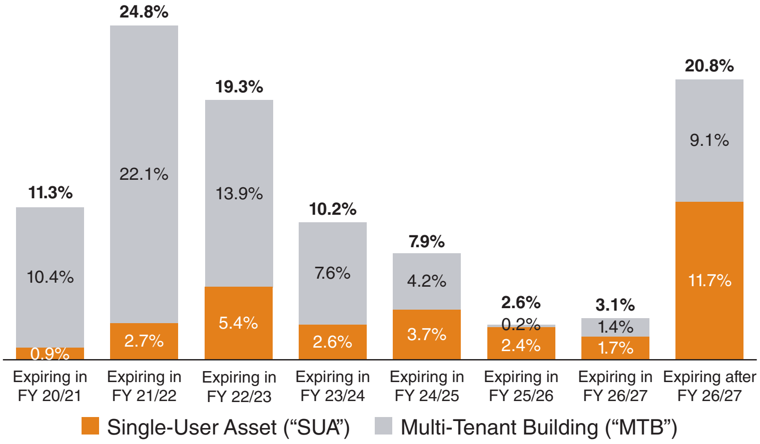
(3) The trade sector breakdown reflects the nature of the underlying goods that are stored and handled by the respective tenants at the Properties.

2. EXISTING PORTFOLIO

As at 30 September 2020, MLT's portfolio comprised 146 properties located in Singapore, Hong Kong SAR, Japan, Australia, China, Malaysia, South Korea and Vietnam. The graphs and charts set out in this Paragraph 2 are based on MLT's portfolio as at 30 September 2020.

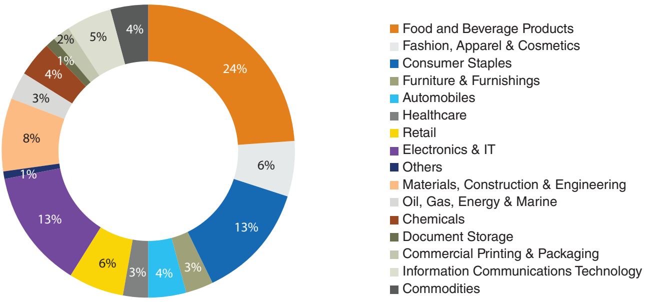
2.1. Lease Expiry Profile of the Existing Portfolio

The chart below illustrates the lease expiry profile of the Existing Portfolio by NLA. The WALE by NLA for the Existing Portfolio is approximately 4.2 years[1].



2.2. Trade Sector Analysis for the Existing Portfolio

The chart below provides a breakdown by gross revenue of the different trade sectors(1) in the Existing Portfolio.



Note:

(1) The trade sector breakdown reflects the nature of the underlying goods that are stored and handled by the respective tenants at the Properties.

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[1] WALE by Gross Revenue is 3.9 years.

2.3. Top 10 Tenants of the Existing Portfolio

Top 10 Tenants	% of Gross Revenue	Trade Sector(1)
CWT	8.6%	Multi-sector (3PL)
Equinix	4.0%	Information Communication Technology (End-user)
Coles Group	4.0%	Food Products & Beverages (End-user)
adidas Hong Kong Limited	1.7%	Fashion, Apparel & Cosmetics (End-user)
Nippon Access Group	1.6%	Food Products & Beverages (End-user)
XPO Worldwide Logistics	1.6%	Chemicals (3PL) Consumer Staples (3PL) Electronics & IT (3PL) Materials, Construction & Engineering (3PL)
Nippon Express	1.5%	Document Storage (3PL) Materials, Construction & Engineering (3PL) Multi-sector (3PL)
Bidvest Group	1.4%	Food Products & Beverages (End-user)
Taiun Co., Ltd	1.2%	Electronics & IT (3PL)
Woolworths	1.2%	Food Products & Beverages (End-user)
Total	**26.8%**	

Note:

(1) The trade sector breakdown reflects the nature of the underlying goods that are stored and handled by the respective tenants at the Properties.

3. ENLARGED PORTFOLIO

The table below sets out selected information on the Enlarged Portfolio.

	Existing Portfolio(1)	Properties(2)	Enlarged Portfolio
GFA (sqm)	5,100,759	1,207,127	6,307,886
NLA (sqm)	5,053,139	1,223,660	6,276,799
Number of Tenants	696	37	733
Asset Under Management (S$ billion)	8.96	1.06(3)	10.01
Occupancy Rate (%)	97.5%(4)	94.7%(5)	97.0%

Notes:

(1) As at 30 September 2020 and taking into account MLT's 50.0% existing interest in the Partially Owned PRC Properties.

(2) As at the Latest Practicable Date and taking into account MLT's acquisition of the remaining 50.0% interest in the Partially Owned PRC Properties.

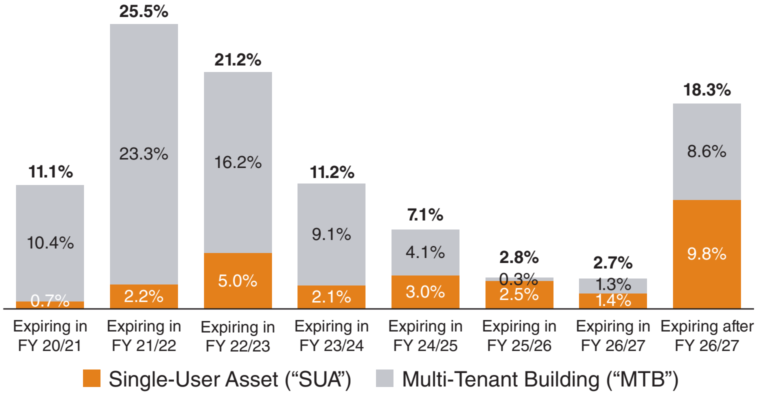
(3) Based on the aggregate Agreed Property Value of the Properties, which includes the acquisition of the remaining 50.0% interest in the Partially Owned PRC Properties and any capitalised costs.

(4) Based on the actual occupancy.

(5) Based on the committed occupancy.

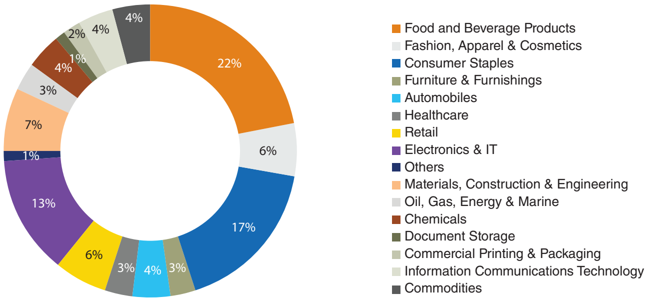
3.1. Lease Expiry Profile for the Enlarged Portfolio

The chart below illustrates the committed lease profile of the Enlarged Portfolio by NLA. The WALE by NLA for the Enlarged Portfolio is approximately 3.8[1] years.



3.2. Trade Sector Analysis for the Enlarged Portfolio.

The chart below provides a breakdown by Gross Revenue of the different trade sectors[2] in the Enlarged Portfolio.



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[1] WALE by Gross Revenue is 3.7 years.

[2] The trade sector breakdown reflects the nature of the underlying goods that are stored and handled by the respective tenants at the Properties.

3.3. Top 10 Tenants of the Enlarged Portfolio

Top 10 Tenants	% of Gross Revenue	Trade Sector[(1)]
CWT	7.6%	Multi-sector (3PL)
Equinix	3.5%	Information Communication Technology (End-user)
Coles Group	3.5%	Food Products & Beverages (End-user)
JD.com, Inc.	2.4%	Consumer Staples (3PL)
Cainiao	2.1%	Consumer Staples (3PL)
adidas Hong Kong Limited	1.5%	Fashion, Apparel & Cosmetics (End-user)
Nippon Access Group	1.4%	Food Products & Beverages (End-user)
XPO Worldwide Logistics	1.4%	Chemicals (3PL) Consumer Staples (3PL) Electronics & IT (3PL) Materials, Construction & Engineering (3PL)
Nippon Express	1.4%	Document Storage (3PL) Materials, Construction & Engineering (3PL) Multi-sector (3PL)
Bidvest Group	1.2%	Food Products & Beverages (End-user)
Total	**26.0%**	

Note:

(1) The trade sector breakdown reflects the nature of the underlying goods that are stored and handled by the respective tenants at the Properties.

SUMMARY VALUATION CERTIFICATES

The following is the text of a valuation report prepared for the purpose of incorporation in this circular received from Knight Frank Petty Limited, an independent valuer, in connection with their valuation as at 30 September 2020 of the Property Interests to be acquired by Mapletree Logistics Trust.

Knight Frank 莱坊

Knight Frank Petty Limited
4th Floor, Shui On Centre
6-8 Harbour Road
Wan Chai, Hong Kong

KF ref: GV/TL/CF/NW/JT/RC/06-0738/10687(6)

14 October 2020

HSBC Institutional Trust Services (Singapore) Limited
(In its capacity as Trustee of Mapletree Logistics Trust)
21 Collyer Quay
#13-02 HSBC Building
Singapore 049320

Mapletree Logistics Trust Management Ltd.
(In its capacity as Manager of Mapletree Logistics Trust)
10 Pasir Panjang Road
#13-01 Mapletree Business City
Singapore 117438

Dear Sirs

Valuation of Twenty Two Logistics Parks in The People’s Republic of China (“PRC”) (the “Property Interests”)

In accordance with the instructions from Mapletree Logistics Trust Management Ltd. (in its capacity as manager of Mapletree Logistics Trust) (the “Manager”) to value the Property Interests to be acquired by Mapletree Logistics Trust (the “REIT”), we confirm that we have made relevant enquiries and carried out searches and obtained such further information as we consider necessary for the purpose of providing you with our opinion of the market value of the Property Interests in existing state as at 30 September 2020 (the "Valuation Date") for public disclosure purposes. Our valuation is undertaken by the qualified valuer with relevant experiences as an independent valuer. Our valuation is prepared in unbiased and professional manner.

Basis of Valuation
In arriving at our opinion of a market value, we followed "The RICS Valuation – Global Standards 2020" issued by the Royal Institution of Chartered Surveyors ("RICS"). Under the said standards, market value is defined as:

"the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion."

Market value is understood as the value of an asset or liability estimated without regard to costs of sale or purchase (or transaction), and without offset for any associated taxes or potential taxes.

Market value is also the best price reasonably obtainable in the market on the valuation date by the seller and the most advantageous price reasonably obtainable in the market on the valuation date by the buyer. This estimate specially excludes an estimated price inflated or deflated by special terms or circumstances such as atypical financing, sale and leaseback arrangements, special considerations or concessions granted by anyone associated with the sale, or any element of value available only to a specific owner or purchaser.

Our valuation complies with the requirements set out in ''The RICS Valuation – Global Standards 2020'' issued by RICS.

Our valuation is based on 100% of the leasehold interest of the Property Interests.

Valuation Methodology
In forming our opinion of market value of the Property Interests to be acquired by the REIT, we have adopted Discounted Cashflow ("DCF") Approach and have cross-checked the result by Sales Comparison Approach.

Valuation Assumptions and Conditions
Our valuation is subject to the following assumptions and conditions:-

<u>Title Documents and Encumbrances</u>
In our valuation, we have assumed a good and marketable title and that all documentation is satisfactorily drawn. We have also assumed that the Property Interests are not subject to any unusual or onerous covenants, restrictions, encumbrances or outgoings.

<u>Disposal Costs and Liabilities</u>
No allowance has been made in our report for any charges, mortgages or amounts owing on the Property Interests nor for any expenses or taxation which may be incurred in effecting a sale.

Source of Information

We have relied to a very considerable extent on information given by the Manager. We have accepted advice given to us on such matters as tenure, floor areas and all other relevant matters. We have not verified the correctness of any information, including their translation supplied to us concerning the Property Interests, whether in writing or verbally by yourselves, your representatives or by your legal or professional advisers or by any (or any apparent) occupier of the Property Interests or contained on the register of title. We assume that this information is complete and correct.

Inspection

The inspection of the Property Interests was undertaken in September 2020.

Identity of the Property Interests to be Valued

We have exercised reasonable care and skill to ensure that the Property Interests are the property inspected by us and contained within our valuation report. If there is ambiguity as to the property address, or the extent of the property interest to be valued, this should be drawn to our attention in your instructions or immediately upon receipt of our report.

Property Insurance

We have valued the Property Interests on the assumption that, in all respects, it is insurable against all usual risks including terrorism, flooding and rising water table at normal, commercially acceptable premiums.

Site Boundary

We were not able to delineate the exact boundary of the Property Interests nor were we able to carry out detailed site measurements to verify the correctness of the site area of the Property Interests. Nevertheless, we have based on the site area of the Property Interests as obtained from the Government records in preparing our valuation.

Areas

In our valuations, we have relied upon areas provided to us. We have also assumed that the site areas, measurements and dimensions shown on the documents handed to us are correct and in approximations only.

Structural and Services Condition

We have not undertaken any structural surveys, tested the services or arranged for any investigations to be carried out to determine whether any deleterious materials have been used in the construction of the Property Interests. Our valuation has therefore been undertaken on the basis that the services, including but not limited to the drain, waterway or watercourse, water main, sewer, cable, wire and pipe and other utility services, etc to the Property Interests were approved and connected and the services functioned satisfactorily.

Ground Condition

We have assumed there to be no unidentified adverse ground or soil conditions and that the load bearing qualities of the site of the Property Interests are sufficient to support the building constructed or to be constructed thereon; and that the services are suitable for any existing or future development. Our valuation is therefore prepared on the basis that no extraordinary expenses or delays will be incurred in this respect.

Environmental Issues

We are not environmental specialists and therefore we have not carried out any scientific investigations of sites or buildings to establish the existence or otherwise of any environmental contamination, nor have we undertaken searches of public archives to seek evidence of past activities that might identify potential for contamination. In the absence of appropriate investigations and where there is no apparent reason to suspect potential for contamination, our valuation is prepared on the assumption that the Property Interests are unaffected. Where contamination is suspected or confirmed, but adequate investigation has not been carried out and made available to us, then the valuation will be qualified.

Compliance with Relevant Ordinances and Regulations

We have assumed that the Property Interests were constructed, occupied and used in full compliance with, and without contravention of any Ordinances, statutory requirement and notices except only where otherwise stated. We have further assumed that, for any use of the Property Interests upon which this report is based, any and all required licences, permits, certificates, consents, approvals and authorisation have been obtained, except only where otherwise stated.

Limitations on Liability

In accordance with our standard practice, we must state that this valuation is for the use of the party to whom it is addressed and no responsibility is accepted to any third party for the whole or any part of its contents. We do not accept liability to any third party or for any direct or indirect consequential losses or loss of profits as a result of this valuation.

Knight Frank has prepared the valuation based on information and data available to us as at the Valuation Date. It must be recognised that the real estate market is subject to market fluctuations, while changes in policy direction and social environment could be immediate and have sweeping impact on the real estate market. It should therefore be noted that any market violation, policy and social changes or other unexpected incidents after the Valuation Date may affect the value of the Property Interests.

Market Conditions Explanatory Note: Novel Coronavirus (“COVID-19”)

The outbreak of COVID-19, declared by the World Health Organisation as a “Global Pandemic” on the 11 March 2020, has and continues to impact many aspects of daily life and the global economy – with real estate markets having experienced lower levels of transactional activity and liquidity. Travel restrictions have been implemented by many countries and “lockdowns” applied to varying degrees. Whilst restrictions have now been lifted in some cases, local lockdowns may continue to be deployed as necessary and the emergence of significant further outbreaks is possible.

The pandemic and the measures taken to tackle COVID-19 continues to affect economies and real estate markets both locally and globally. Nevertheless, as at the valuation date some property markets have started to function again, with transaction volumes and other relevant evidence returning to levels where an adequate quantum of market evidence exists upon which to base opinions of value.

Material Valuation Uncertainty

As at the valuation date we continue to be faced with an unprecedented set of circumstances caused by COVID-19 and an absence of relevant/sufficient market evidence on which to base our judgements. Our valuation is therefore reported as being subject to 'material valuation uncertainty' as set out in VPS 3 and VPGA 10 of the RICS Valuation – Global Standards. Consequently, in respect of these valuations less certainty – and a higher degree of caution – should be attached to our valuation than would normally be the case.

For the avoidance of doubt this explanatory note, including the 'material valuation uncertainty' declaration, does not mean that the valuation cannot be relied upon. Rather, this explanatory note has been included to ensure transparency and to provide further insight as to the market context under which the valuation opinion was prepared. In recognition of the potential for market conditions to move rapidly in response to changes in the control or future spread of COVID-19 we highlight the importance of the valuation date.

Currency

Unless otherwise stated, all monetary figures in this valuation report will be in Renminbi (RMB).

We enclose herewith our valuation report.

Yours faithfully
For and on behalf of
Knight Frank Petty Limited

Cyrus Fong	**Thomas Lam**
MRICS MHKIS MCIREA RPS(GP) RICS Registered Valuer	FRICS FHKIS MCIREA RPS(GP) RICS Registered Valuer
Director, Valuation & Advisory	Executive Director, Head of Valuation & Advisory

VALUATION SUMMARY

The Property Interests to be acquired by the REIT

No	Property	Market Value in the Existing State as at the Valuation Date
1	**Mapletree Fengdong (Xi'an) Industrial Park** North of No. 2 Fengchan Road, East of No. 3 Jianzhang Road, Xi’an, Shaanxi Province, PRC	RMB376,000,000
2	**Mapletree Tianjin Wuqing Logistics Park,** No. 20 Quanxiu Road, Wuqing Development District, Tianjin New-Tech Industrial Park, Wuqing District, Tianjin, PRC	RMB124,000,000
3	**Mapletree Hangzhou Logistics Park** No. 1717 Weiqi Road, Dajiangdong Industrial Cluster Zone, Hangzhou, Zhejiang Province, PRC	RMB459,000,000
4	**Mapletree Wuhan Yangluo Logistics Park** Dongyue Village, Cangbu Street and Qiuli Village, Yangluo Street, Yangluo Economic and Development Zone, Xinzhou District, Wuhan, Hubei Province, PRC	RMB279,000,000
5	**Mapletree Changsha Logistics Park Phase 1** 101, No. 1-4 Buildings and No. 1-2 Gatehouses, No. 77 Jinqiao Road, Yuelu District, Changsha, Hunan Province, PRC	RMB352,000,000
6	**Mapletree Wuxi New District Logistics Park** No. 1 Qiangzhai Road, Wuxi, Jiangsu Province, PRC	RMB528,000,000
7	**Mapletree Nantong Chongchuan Logistics Park** No. 75-76 East Kuaisu Road, Nantong, Jiangsu Province, PRC	RMB293,000,000
8	**Mapletree Changshu Logistics Park** No. 37 Dongnan Avenue, High-Tech Industrial Development Zone, Changshu, Jiangsu Province, PRC	RMB218,000,000

No	Property	Market Value in the Existing State as at the Valuation Date
9	**Mapletree Jiaxing Logistics Park** No. 406 Yantang Road, Wangdian Town, Xiuzhou District, Jiaxing, Zhejiang Province, PRC	RMB182,000,000
10	**Mapletree Nanchang Logistics Park** No. 3688 Jingkai Avenue, Economic and Technological Development Zone, Qingshanhu District, Nanchang, Jiangxi Province, PRC	RMB245,000,000
11	**Mapletree Zhenjiang Logistics Park** East of Huamao Road, West of Hengda Road, Guozhuang Town, Jurong, Jiangsu Province, PRC	RMB468,000,000
12	**Mapletree Jinan International Logistics Park** Unit 3153, Lingang Road, Gaoxin District, Jinan, Shandong Province, PRC	RMB373,000,000
13	**Mapletree Changsha Industrial Park (Phase 2)** No. 20 Jinqiao Road, Yuelu District, Fengyi Changsha Logistics Park, Changsha, Hunan Province, PRC	RMB415,000,000
14	**Chengdu DC Logistics Park** South of No. 2 Hangshu Road, Shuangliu District, Chengdu, Sichuan Province, PRC	RMB113,000,000
15	**Mapletree Shenyang Logistics Park** 4A, 4A1, 4A2, 4A3, Hunhe Shiba Street, Economic Technology Development Zone, Shenyang, Liaoning Province, PRC	RMB148,000,000
16	**Mapletree Nantong (EDZ) Logistics Park** No. 20 Jiqing Road, Nantong Economic and Technological Development Area, Nantong, Jiangsu Province, PRC	RMB243,000,000
17	**Mapletree Tianjin Xiqing Logistics Park** No. 10 Chuying Road, Dasi Town, Xiqing District, Tianjin, PRC	RMB227,000,000

No	Property	Market Value in the Existing State as at the Valuation Date
18	**Mapletree Chengdu Qingbaijiang Logistics Park** West of Dongfeng Road and North of Guoguang Road, Mimou Town, Qingbaijiang District, Chengdu, Sichuan Province, PRC	RMB436,000,000*
19	**Mapletree (Cixi) Logistics Park** Ningbo Cidong Binhai District, Ningbo, Zhejiang Province, PRC	RMB506,000,000
20	**Mapletree Huangdao Logistics Park** North of Shugang Expressway, West of Dazhushan North Road, Huangdao District, Qingdao, Shandong Province, PRC	RMB267,000,000
21	**Mapletree Guizhou Longli Logistics Park** Gujiao Town, Longli County, Guiyang, Guizhou Province, PRC	RMB214,000,000
22	**Mapletree Changsha Airport Logistics Park** South of Tianxiang Road and West of Shengxiang Road, Changsha County, Changsha, Hunan Province, PRC	RMB205,000,000
	Total:	**RMB6,671,000,000**

* Excluding the Real Estate Title Certificate, 川(2019)青白江区不动产权第 0007272 号, the Market Value remains as RMB436,000,000.

VALUATION

The Property Interests to be acquired by the REIT

No	Property Interest	Description and tenure	Particulars of occupancy	Market Value in the Existing State as at the Valuation Date
1	Mapletree Fengdong (Xi'an) Industrial Park, North of No. 2 Fengchan Road, East of No. 3 Jianzhang Road, Xi'an, Shaanxi Province, PRC	The property is a logistics park comprising three blocks of single-storey warehouse, with an ancillary office on mezzanine level of each warehouse unit. As per the information provided, the property was completed in about March 2016. As per the State-owned Land Use Rights Certificate, the subject site has a site area of approximately 119,422.04 square metres. As per the Housing Construction and Municipal Infrastructure Project Work Completion Registration Form, the property has a gross floor area of approximately 64,009.79 square metres. According to the tenancy schedule provided as at September 2020, the property has a total lettable area of approximately 63,558.10 square metres. The land use rights of the property were granted for a term expiring on 9 December 2063 for industrial uses.	According to the tenancy schedule provided as at September 2020, the property was leased to various tenants subject to an occupancy rate of 100%.	RMB376,000,000 (Renminbi Three Hundred and Seventy Six Million)

Notes:

(1) In our valuation, we have adopted the following key parameters:

DCF Approach	**Details**
Terminal Yield:	4.00%
Stabilised Growth Rate:	3.50%
Discount Rate:	7.50%

Sales Comparison Approach	**Details**
Unit Prices of Comparables:	RMB3,220 – RMB4,941 per square metre on gross floor area basis
Adopted Unit Value:	RMB5,733 per square metre on gross floor area basis

VALUATION

No	Property Interest	Description and tenure	Particulars of occupancy	Market Value in the Existing State as at the Valuation Date
2	Mapletree Tianjin Wuqing Logistics Park, No. 20 Quanxiu Road, Wuqing Development District, Tianjin New-Tech Industrial Park, Wuqing District, Tianjin, PRC	The property is a logistics park comprising two blocks of single-storey warehouse, with an ancillary office on mezzanine level of each warehouse unit. As per the information provided, the property was completed in about August 2016. As per the Real Estate Title Certificate, the subject site has a site area of approximately 47,100.70 square metres and a gross floor area of approximately 29,056.76 square metres. According to the tenancy schedule provided as at September 2020, the property has a total lettable area of approximately 29,148.02 square metres. The land use rights of the property were granted for a term expiring on 12 February 2065 for warehouse uses.	According to the tenancy schedule provided as at September 2020, the property was leased to various tenants subject to an occupancy rate of 100%.	RMB124,000,000 (Renminbi One Hundred and Twenty Four Million)

Notes:

(1) In our valuation, we have adopted the following key parameters:

DCF Approach	**Details**
Terminal Yield:	3.90%
Stabilised Growth Rate:	3.50%
Discount Rate:	7.40%

Sales Comparison Approach	**Details**
Unit Prices of Comparables:	RMB4,179 – RMB6,812 per square metre on gross floor area basis
Adopted Unit Value:	RMB4,455 per square metre on gross floor area basis

VALUATION

No	Property Interest	Description and tenure	Particulars of occupancy	Market Value in the Existing State as at the Valuation Date
3	Mapletree Hangzhou Logistics Park, No. 1717 Weiqi Road, Dajiangdong Industrial Cluster Zone, Hangzhou, Zhejiang Province, PRC	The property is a logistics park comprising three blocks of two-storey warehouse, with an ancillary office on the mezzanine level of each warehouse unit. As per the information provided, the property was completed in about June 2016. As per the Real Estate Title Certificate, the subject site has a site area of approximately 83,593.00 square metres and a gross floor area of approximately 94,590.36 square metres. According to the tenancy schedule provided as at September 2020, the property has a total lettable area of approximately 106,725.97 square metres. The land use rights of the property were granted for a term expiring on 5 September 2064 for industrial uses.	According to the tenancy schedule provided as at September 2020, the property was leased to various tenants subject to an occupancy rate of approximately 98.1%.	RMB459,000,000 (Renminbi Four Hundred and Fifty Nine Million)

Notes:

(1) In our valuation, we have adopted the following key parameters:

DCF Approach	**Details**
Terminal Yield:	3.90%
Stabilised Growth Rate:	3.50%
Discount Rate:	7.40%

Sales Comparison Approach	**Details**
Unit Prices of Comparables:	RMB4,179 – RMB6,812 per square metre on gross floor area basis
Adopted Unit Value:	RMB5,042 per square metre on gross floor area basis

VALUATION

No	Property Interest	Description and tenure	Particulars of occupancy	Market Value in the Existing State as at the Valuation Date
4	Mapletree Wuhan Yangluo Logistics Park, Dongyue Village, Cangbu Street and Qiuli Village, Yangluo Street, Yangluo Economic and Development Zone, Xinzhou District, Wuhan, Hubei Province, PRC	The property is a logistics park comprising four blocks of single-storey warehouse, with an ancillary office on the mezzanine level of each warehouse unit. As per the information provided, the property was completed in about October 2017. As per the Real Estate Title Certificate, the subject site has a site area of approximately 116,467.46 square metres and a gross floor area of approximately 68,126.22 square metres. According to the tenancy schedule provided as at September 2020, the property has a total lettable area of approximately 69,983.90 square metres. The land use rights of the property were granted for a term expiring on 10 June 2065 for industrial uses.	According to the tenancy schedule provided as at September 2020, the property was leased to a single tenant subject to an occupancy rate of 100 %.	RMB279,000,000 (Renminbi Two Hundred and Seventy Nine Million)

Notes:

(1) In our valuation, we have adopted the following key parameters:

DCF Approach	**Details**
Terminal Yield:	4.00%
Stabilised Growth Rate:	3.50%
Discount Rate:	7.50%

Sales Comparison Approach	**Details**
Unit Prices of Comparables:	RMB3,220 – RMB4,941 per square metre on gross floor area basis
Adopted Unit Value:	RMB4,210 per square metre on gross floor area basis

VALUATION

No	Property Interest	Description and tenure	Particulars of occupancy	Market Value in the Existing State as at the Valuation Date
5	Mapletree Changsha Logistics Park Phase 1, 101, No. 1-4 Buildings and No. 1-2 Gatehouses, No. 77 Jinqiao Road, Yuelu District, Changsha, Hunan Province, PRC	The property is a logistics park comprising four blocks of single-storey warehouse, with an ancillary office on the mezzanine level of each warehouse unit. As per the information provided, the property was completed in about September 2016. As per the Real Estate Title Certificates, the subject site has a site area of approximately 125,333.34 square metres and a total gross floor area of approximately 76,862.33 square metres. According to the tenancy schedule provided as at September 2020, the property has a total lettable area of approximately 79,252.71 square metres. The land use rights of the property were granted for a term expiring on 20 June 2064 for industrial uses.	According to the tenancy schedule provided as at September 2020, the property was leased to various tenants subject to an occupancy rate of 100%.	RMB352,000,000 (Renminbi Three Hundred and Fifty Two Million)

Notes:

(1) In our valuation, we have adopted the following key parameters:

DCF Approach	**Details**
Terminal Yield:	4.00%
Stabilised Growth Rate:	3.50%
Discount Rate:	7.50%

Sales Comparison Approach	**Details**
Unit Prices of Comparables:	RMB3,220 – RMB4,941 per square metre on gross floor area basis
Adopted Unit Value:	RMB4,369 per square metre on gross floor area basis

VALUATION

No	Property Interest	Description and tenure	Particulars of occupancy	Market Value in the Existing State as at the Valuation Date
6	Mapletree Wuxi New District Logistics Park, No. 1 Qiangzhai Road, Wuxi, Jiangsu Province, PRC	The property is a logistics park comprising four blocks of two-storey warehouse, with an ancillary office on the mezzanine level of each warehouse unit. The 2nd storey warehouses are accessible via a vehicular ramp and driveway. As per the information provided, the property was completed in about December 2015. As per the Real Estate Title Certificate, the subject site has a site area of approximately 99,958.30 square metres and a gross floor area of approximately 119,599.26 square metres. According to the tenancy schedule provided as at September 2020, the property has a total lettable area of approximately 122,403.33 square metres. The land use rights of the property were granted for a term expiring on 16 March 2064 for warehouse uses.	According to the tenancy schedule provided as at September 2020, the property was leased to various tenants subject to an occupancy rate of 100%.	RMB528,000,000 (Renminbi Five Hundred and Twenty Eight Million)

Notes:

(1) In our valuation, we have adopted the following key parameters:

DCF Approach	**Details**
Terminal Yield:	4.00%
Stabilised Growth Rate:	3.50%
Discount Rate:	7.50%

Sales Comparison Approach	**Details**
Unit Prices of Comparables:	RMB3,220 – RMB4,941 per square metre on gross floor area basis
Adopted Unit Value:	RMB4,449 per square metre on gross floor area basis

VALUATION

No	Property Interest	Description and tenure	Particulars of occupancy	Market Value in the Existing State as at the Valuation Date
7	Mapletree Nantong Chongchuan Logistics Park, No. 75-76 East Kuaisu Road, Nantong, Jiangsu Province, PRC	The property is a logistics park comprising three blocks of single-storey warehouse on the East parcel and one block of single-storey warehouse on the West parcel. Ancillary offices are located on the mezzanine level of each warehouse unit. As per the information provided, the warehouses on the East parcel of the property was completed in about April 2016 while the warehouse on the West parcel of the property was completed in about January 2017. As per the Real Estate Title Certificates, the subject site has a total site area of approximately 135,735.19 square metres and a total gross floor area of approximately 75,544.75 square metres. According to the tenancy schedule provided as at September 2020, the property has a total lettable area of approximately 78,624.00 square metres. The land use rights of the East parcel of the property were granted for a term expiring on 19 October 2064 for industrial uses while the land use rights of the West parcel of the property were granted for a term expiring on 29 January 2065 for industrial uses.	According to the tenancy schedule provided as at September 2020, the property was leased to various tenants subject to an occupancy rate of approximately 82.7%.	RMB293,000,000 (Renminbi Two Hundred and Ninety Three Million)

Notes:

(1) In our valuation, we have adopted the following key parameters:

DCF Approach	Details
Terminal Yield:	4.20%
Stabilised Growth Rate:	3.50%
Discount Rate:	7.70%

Sales Comparison Approach	Details
Unit Prices of Comparables:	RMB3,220 – RMB4,941 per square metre on gross floor area basis
Adopted Unit Value:	RMB3,930 per square metre on gross floor area basis

VALUATION

No	Property Interest	Description and tenure	Particulars of occupancy	Market Value in the Existing State as at the Valuation Date
8	Mapletree Changshu Logistics Park, No. 37 Dongnan Avenue, High-Tech Industrial Development Zone, Changshu, Jiangsu Province, PRC	The property is a logistics park comprising four blocks of single-storey warehouse, with an ancillary office on the mezzanine level of each warehouse unit. As per the information provided, the property was completed in about June 2016. As per the Real Estate Title Certificate, the subject site has a site area of approximately 100,672.00 square metres and a gross floor area of approximately 59,537.99 square metres. According to the tenancy schedule provided as at September 2020, the property has a total lettable area of approximately 60,966.98 square metres. The land use rights of the property were granted for a term expiring on 14 February 2065 for warehouse uses.	According to the tenancy schedule provided as at September 2020, the property was leased to various tenants subject to an occupancy rate of approximately 93.2%.	RMB218,000,000 (Renminbi Two Hundred and Eighteen Million)

Notes:

(1) In our valuation, we have adopted the following key parameters:

DCF Approach	**Details**
Terminal Yield:	4.00%
Stabilised Growth Rate:	3.50%
Discount Rate:	7.50%

Sales Comparison Approach	**Details**
Unit Prices of Comparables:	RMB3,220 – RMB4,941 per square metre on gross floor area basis
Adopted Unit Value:	RMB3,775 per square metre on gross floor area basis

VALUATION

No	Property Interest	Description and tenure	Particulars of occupancy	Market Value in the Existing State as at the Valuation Date
9	Mapletree Jiaxing Logistics Park, No. 406 Yantang Road, Wangdian Town, Xiuzhou District, Jiaxing, Zhejiang Province, PRC	The property is a logistics park comprising two blocks of single-storey warehouse, with an ancillary office on the mezzanine level of each warehouse unit. One block of five-storey dormitory is located on the north parcel. As per the information provided, the property was completed in about June 2017. As per the Real Estate Title Certificate, the subject site has a site area of approximately 62,346.00 square metres and a gross floor area of approximately 35,734.76 square metres. According to the tenancy schedule provided as at September 2020, the property has a total lettable area of approximately 35,683.43 square metres. The land use rights of the property were granted for a term expiring on 26 January 2066 for warehouse uses.	According to the tenancy schedule provided as at September 2020, the property was leased to a single tenant subject to an occupancy rate of 100%.	RMB182,000,000 (Renminbi One Hundred and Eighty Two Million)

Notes:

(1) In our valuation, we have adopted the following key parameters:

DCF Approach	**Details**
Terminal Yield:	4.20%
Stabilised Growth Rate:	3.50%
Discount Rate:	7.70%

Sales Comparison Approach	**Details**
Unit Prices of Comparables:	RMB3,220 – RMB4,941 per square metre on gross floor area basis
Adopted Unit Value:	RMB4,995 per square metre on gross floor area basis

VALUATION

No	Property Interest	Description and tenure	Particulars of occupancy	Market Value in the Existing State as at the Valuation Date
10	Mapletree Nanchang Logistics Park, No. 3688 Jingkai Avenue, Economic and Technological Development Zone, Qingshanhu District, Nanchang, Jiangxi Province, PRC	The property is a logistics park comprising three blocks of single-storey warehouse, with an ancillary office on the mezzanine level of each warehouse unit. As per the information provided, the property was completed in about August 2017. As per the Real Estate Title Certificate, the subject site has a site area of approximately 121,134.00 square metres and a gross floor area of approximately 71,481.71 square metres. According to the tenancy schedule provided as at September 2020, the property has a total lettable area of approximately 73,950.40 square metres. The land use rights of the property were granted for a term expiring on 14 January 2066 for warehouse uses.	According to the tenancy schedule provided as at September 2020, the property was leased to various tenants subject to an occupancy rate of approximately 77.1%.	RMB245,000,000 (Renminbi Two Hundred and Forty Five Million)

Notes:

(1) In our valuation, we have adopted the following key parameters:

DCF Approach	**Details**
Terminal Yield:	4.20%
Stabilised Growth Rate:	3.50%
Discount Rate:	7.70%

Sales Comparison Approach	**Details**
Unit Prices of Comparables:	RMB3,220 – RMB4,941 per square metre on gross floor area basis
Adopted Unit Value:	RMB3,498 per square metre on gross floor area basis

VALUATION

No	Property Interest	Description and tenure	Particulars of occupancy	Market Value in the Existing State as at the Valuation Date
11	Mapletree Zhenjiang Logistics Park, East of Huamao Road, West of Hengda Road, Guozhuang Town, Jurong, Jiangsu Province, PRC	The property is a logistics park comprising seven blocks of single-storey warehouse, with an ancillary office on the mezzanine level of each warehouse unit. As per the information provided, the property was completed in about February 2018. As per the Real Estate Title Certificate, the subject site has a site area of approximately 172,106.00 square metres and a gross floor area of approximately 98,553.14 square metres. According to the tenancy schedule provided as at September 2020, the property has a total lettable area of approximately 101,615.73 square metres. The land use rights of the property were granted for a term expiring on 1 October 2066 for warehouse uses.	According to the tenancy schedule provided as at September 2020, the property was leased to various tenants subject to an occupancy rate of 100%.	RMB468,000,000 (Renminbi Four Hundred and Sixty Eight Million)

Notes:

(1) In our valuation, we have adopted the following key parameters:

DCF Approach	**Details**
Terminal Yield:	4.20%
Stabilised Growth Rate:	3.50%
Discount Rate:	7.70%

Sales Comparison Approach	**Details**
Unit Prices of Comparables:	RMB3,220 – RMB4,941 per square metre on gross floor area basis
Adopted Unit Value:	RMB4,656 per square metre on gross floor area basis

VALUATION

No	Property Interest	Description and tenure	Particulars of occupancy	Market Value in the Existing State as at the Valuation Date
12	Mapletree Jinan International Logistics Park, Unit 3153, Lingang Road, Gaoxin District, Jinan, Shandong Province, PRC	The property is a logistics park comprising four blocks of single-storey steel framed warehouse, with an ancillary office on the mezzanine level of each warehouse unit. As per the information provided, the property was completed in about November 2016. As per the Real Estate Title Certificates, the subject site has a site area of approximately 126,770.00 square metres and a total gross floor area of approximately 78,920.87 square metres. According to the tenancy schedule provided as at September 2020, the property has a total lettable area of approximately 80,931.14 square metres. The land use rights of the property were granted for a term expiring on 15 March 2065 for warehouse uses.	According to the tenancy schedule provided as at September 2020, the property was leased to various tenants subject to an occupancy rate of approximately 80.2%.	RMB373,000,000 (Renminbi Three Hundred and Seventy Three Million)

Notes:

(1) In our valuation, we have adopted the following key parameters:

DCF Approach	**Details**
Terminal Yield:	4.00%
Stabilised Growth Rate:	3.50%
Discount Rate:	7.50%

Sales Comparison Approach	**Details**
Unit Prices of Comparables:	RMB3,220 – RMB4,941 per square metre on gross floor area basis
Adopted Unit Value:	RMB4,837 per square metre on gross floor area basis

VALUATION

No	Property Interest	Description and tenure	Particulars of occupancy	Market Value in the Existing State as at the Valuation Date
13	Mapletree Changsha Industrial Park (Phase 2), No. 20 Jinqiao Road, Yuelu District, Fengyi Changsha Logistics Park, Changsha, Hunan Province, PRC	The property is a logistics park comprising four blocks of single-storey and one block of double-storey steel framed warehouse. As per the information provided, the property was completed in about July 2018. As per the Real Estate Title Certificates, the subject site has a site area of approximately 140,207.21 square metres and a total gross floor area of approximately 99,842.41 square metres. According to the tenancy schedule provided as at September 2020, the property has a total lettable area of approximately 97,887.99 square metres. The land use rights of the property were granted for a term expiring on 26 December 2064 for warehouse uses.	According to the tenancy schedule provided as at September 2020, the property was leased to various tenants subject to an occupancy rate of approximately 86.8%.	RMB415,000,000 (Renminbi Four Hundred and Fifteen Million)

Notes:

(1) In our valuation, we have adopted the following key parameters:

DCF Approach	**Details**
Terminal Yield:	4.00%
Stabilised Growth Rate:	3.50%
Discount Rate:	7.50%

Sales Comparison Approach	**Details**
Unit Prices of Comparables:	RMB3,220 – RMB4,941 per square metre on gross floor area basis
Adopted Unit Value:	RMB4,157 per square metre on gross floor area basis

VALUATION

No	Property Interest	Description and tenure	Particulars of occupancy	Market Value in the Existing State as at the Valuation Date
14	Chengdu DC Logistics Park, South of No. 2 Hangshu Road, Shuangliu District, Chengdu, Sichuan Province, PRC	The property is a logistics park comprising one block single-storey warehouse with four units, with an ancillary office on the mezzanine level of each warehouse unit. As per the information provided, the property was completed in about September 2018. As per the State-owned Land Use Rights Certificate, the subject site has a site area of approximately 32,331.55 square metres. As per the tenancy schedule provided as at September 2020, the property has a total gross floor area of approximately 20,769.30 square metres. According to the tenancy schedule provided as at September 2020, the property has a total lettable area of approximately 20,137.69 square metres. The land use rights of the property were granted for a term expiring on 27 October 2065 for warehouse uses.	According to the tenancy schedule provided as at September 2020, the property was leased to various tenants subject to an occupancy rate of 100%.	RMB113,000,000 (Renminbi One Hundred and Thirteen Million)

Notes:

(1) In our valuation, we have adopted the following key parameters:

DCF Approach	**Details**
Terminal Yield:	3.50%
Stabilised Growth Rate:	3.50%
Discount Rate:	7.00%

Sales Comparison Approach	**Details**
Unit Prices of Comparables:	RMB4,179 – RMB6,812 per square metre on gross floor area basis
Adopted Unit Value:	RMB5,178 per square metre on gross floor area basis

VALUATION

No	Property Interest	Description and tenure	Particulars of occupancy	Market Value in the Existing State as at the Valuation Date
15	Mapletree Shenyang Logistics Park, 4A, 4A1, 4A2, 4A3, Hunhe Shiba Street, Economic Technology Development Zone, Shenyang, Liaoning Province, PRC	The property is a logistics park comprising two blocks of single-storey steel framed warehouse, with an ancillary office on the mezzanine level of each warehouse unit. As per the information provided, the property was completed in about October 2018. As per the Real Estate Title Certificates, the subject site has a site area of approximately 71,360.58 square metres and a total gross floor area of approximately 41,845.63 square metres. According to the tenancy schedule provided as at September 2020, the property has a total lettable area of approximately 42,881.00 square metres. The land use rights of the property were granted for a term expiring on 28 September 2066 for industrial (logistics warehouses) uses.	According to the tenancy schedule provided as at September 2020, the property was leased to various tenants subject to an occupancy rate of approximately 89.6%.	RMB148,000,000 (Renminbi One Hundred and Forty Eight Million)

Notes:

(1) In our valuation, we have adopted the following key parameters:

DCF Approach	**Details**
Terminal Yield:	4.00%
Stabilised Growth Rate:	3.50%
Discount Rate:	7.50%

Sales Comparison Approach	**Details**
Unit Prices of Comparables:	RMB3,220 – RMB4,941 per square metre on gross floor area basis
Adopted Unit Value:	RMB3,685 per square metre on gross floor area basis

VALUATION

No	Property Interest	Description and tenure	Particulars of occupancy	Market Value in the Existing State as at the Valuation Date
16	Mapletree Nantong (EDZ) Logistics Park, No. 20 Jiqing Road, Nantong Economic and Technological Development Area, Nantong, Jiangsu Province, PRC	The property is a logistics park comprising four blocks of single-storey non-bonded warehouse. As per the information provided, the property was completed in about October 2016. As per the Real Estate Title Certificate, the subject site has a site area of approximately 108,782.22 square metres and a gross floor area of approximately 67,894.92 square metres. According to the tenancy schedule provided as at September 2020, the property has a total lettable area of approximately 67,504.00 square metres. The land use rights of the property were granted for a term expiring on 9 June 2065 for warehouse uses.	According to the tenancy schedule provided as at September 2020, the property was leased to various tenants subject to an occupancy rate of 100%.	RMB243,000,000 (Renminbi Two Hundred and Forty Three Million)

Notes:

(1) In our valuation, we have adopted the following key parameters:

DCF Approach	**Details**
Terminal Yield:	4.20%
Stabilised Growth Rate:	3.50%
Discount Rate:	7.70%

Sales Comparison Approach	**Details**
Unit Prices of Comparables:	RMB3,220 – RMB4,941 per square metre on gross floor area basis
Adopted Unit Value:	RMB3,734 per square metre on gross floor area basis

VALUATION

No	Property Interest	Description and tenure	Particulars of occupancy	Market Value in the Existing State as at the Valuation Date
17	Mapletree Tianjin Xiqing Logistics Park, No. 10 Chuying Road, Dasi Town, Xiqing District, Tianjin, PRC	The property is a logistics park comprising two blocks of single-storey non-bonded warehouse. As per the information provided, the property was completed in about April 2019. As per the Real Estate Title Certificate, the subject site has a site area of approximately 66,668.00 square metres and a gross floor area of approximately 37,115.05 square metres. According to the tenancy schedule provided as at September 2020, the property has a total lettable area of approximately 37,689.33 square metres. The land use rights of the property were granted for a term expiring on 7 October 2066 for industrial uses.	According to the tenancy schedule provided as at September 2020, the property was leased to various tenants subject to an occupancy rate of 100%.	RMB227,000,000 (Renminbi Two Hundred and Twenty Seven Million)

Notes:

(1) In our valuation, we have adopted the following key parameters:

DCF Approach	Details
Terminal Yield:	3.90%
Stabilised Growth Rate:	3.50%
Discount Rate:	7.40%

Sales Comparison Approach	Details
Unit Prices of Comparables:	RMB4,179 – RMB6,812 per square metre on gross floor area basis
Adopted Unit Value:	RMB5,939 per square metre on gross floor area basis

VALUATION

No	Property Interest	Description and tenure	Particulars of occupancy	Market Value in the Existing State as at the Valuation Date
18	Mapletree Chengdu Qingbaijiang Logistics Park, West of Dongfeng Road and North of Guoguang Road, Mimou Town, Qingbaijiang District, Chengdu, Sichuan Province, PRC	The property is a logistics park comprising six blocks of single-storey warehouse, and two blocks of double-storey warehouse. As per the information provided, the property was completed in about June 2019. As per the Real Estate Title Certificates, the subject site has a total site area of approximately 153,951.26 square metres. As per the Chengdu Construction Project Work Completion Stage Application Form, the property has a total gross floor area of approximately 109,090.91 square metres. According to the tenancy schedule provided as at September 2020, the property has a total lettable area of approximately 107,379.29 square metres. The land use rights of the property were granted for a term expiring on 11 December 2066 for industrial uses.	According to the tenancy schedule provided as at September 2020, the property was leased to various tenants subject to an occupancy rate of approximately 84.2%.	RMB436,000,000* (Renminbi Four Hundred and Thirty Six Million)

Notes:

(1) In our valuation, we have adopted the following key parameters:

DCF Approach	**Details**
Terminal Yield:	3.90%
Stabilised Growth Rate:	3.50%
Discount Rate:	7.40%

Sales Comparison Approach	**Details**
Unit Prices of Comparables:	RMB4,179 – RMB6,812 per square metre on gross floor area basis
Adopted Unit Value:	RMB4,155 per square metre on gross floor area basis

* Excluding the Real Estate Title Certificate, 川(2019)青白江区不动产权第 0007272 号, the Market Value remains as RMB436,000,000.

VALUATION

No	Property Interest	Description and tenure	Particulars of occupancy	Market Value in the Existing State as at the Valuation Date
19	Mapletree (Cixi) Logistics Park, Ningbo Cidong Binhai District, Ningbo, Zhejiang Province, PRC	The property is a logistics park comprising eight blocks of single-storey non-bonded warehouse and one dormitory. As per the information provided, the property was completed in about February 2018. As per the Real Estate Title Certificate and State-owned Land Use Rights Certificate, the subject site has a total site area of approximately 238,292.00 square metres. As per the Real Estate Title Certificate, Phase 1 of the property has a gross floor area of approximately 48,049.65 square metres. As per the tenancy schedule provided as at September 2020 and the Cixi Housing Construction Project Work Completion Certificate, Phase 2 of the property has a gross floor area of approximately 84,855.17 square metres. According to the tenancy schedule provided as at September 2020, the property has a total lettable area of approximately 138,588.00 square metres. The land use rights of Phase 1 of the property were granted for a term expiring on 30 December 2064 for warehouse uses while the land use rights of Phase 2 of the property were granted for a term expiring on 30 December 2064 for industrial uses.	According to the tenancy schedule provided as at September 2020, the property was leased to various tenants subject to an occupancy rate of 100%.	RMB506,000,000 (Renminbi Five Hundred and Six Million)

Notes:

(1) In our valuation, we have adopted the following key parameters:

DCF Approach	Details
Terminal Yield:	4.00%
Stabilised Growth Rate:	3.50%
Discount Rate:	7.50%

Sales Comparison Approach	Details
Unit Prices of Comparables:	RMB3,220 – RMB4,941 per square metre on gross floor area basis
Adopted Unit Value:	RMB3,686 per square metre on gross floor area basis

VALUATION

No	Property Interest	Description and tenure	Particulars of occupancy	Market Value in the Existing State as at the Valuation Date
20	Mapletree Huangdao Logistics Park, North of Shugang Expressway, West of Dazhushan North Road, Huangdao District, Qingdao, Shandong Province, PRC	The property is a logistics park comprising two blocks of single-storey warehouse and one block of double-storey, non-bonded warehouse. As per the information provided, the property was completed in about June 2019. As per the Real Estate Title Certificate, the subject site has a site area of approximately 100,000.00 square metres and a gross floor area of approximately 73,010.05 square metres. According to the tenancy schedule provided as at September 2020, the property has a total lettable area of approximately 74,192.00 square metres. The land use rights of the property were granted for a term expiring on 17 May 2067 for warehouse uses.	According to the tenancy schedule provided as at September 2020, the property was leased to various tenants subject to an occupancy rate of 100%.	RMB267,000,000 (Renminbi Two Hundred and Sixty Seven Million)

Notes:

(1) In our valuation, we have adopted the following key parameters:

DCF Approach	**Details**
Terminal Yield:	4.00%
Stabilised Growth Rate:	3.50%
Discount Rate:	7.50%

Sales Comparison Approach	**Details**
Unit Prices of Comparables:	RMB3,220 – RMB4,941 per square metre on gross floor area basis
Adopted Unit Value:	RMB3,666 per square metre on gross floor area basis

VALUATION

No	Property Interest	Description and tenure	Particulars of occupancy	Market Value in the Existing State as at the Valuation Date
21	Mapletree Guizhou Longli Logistics Park, Gujiao Town, Longli County, Guiyang, Guizhou Province, PRC	The property is a logistics park comprising three blocks of single-storey non-bonded warehouse. As per the information provided, the property was completed in about November 2019. As per the Real Estate Title Certificates, the subject site has a site area of approximately 102,332.89 square metres and a total gross floor area of approximately 52,498.91 square metres. According to the tenancy schedule provided as at September 2020, the property has a total lettable area of approximately 51,656.26 square metres. The land use rights of the property were granted for a term expiring on 4 July 2068 for warehouse uses.	According to the tenancy schedule provided as at September 2020, the property was leased to various tenants subject to an occupancy rate of 100%.	RMB214,000,000 (Renminbi Two Hundred and Fourteen Million)

Notes:

(1) In our valuation, we have adopted the following key parameters:

DCF Approach	**Details**
Terminal Yield:	4.20%
Stabilised Growth Rate:	3.50%
Discount Rate:	7.70%

Sales Comparison Approach	**Details**
Unit Prices of Comparables:	RMB3,220 – RMB4,941 per square metre on gross floor area basis
Adopted Unit Value:	RMB4,176 per square metre on gross floor area basis

VALUATION

No	Property Interest	Description and tenure	Particulars of occupancy	Market Value in the Existing State as at the Valuation Date
22	Mapletree Changsha Airport Logistics Park, South of Tianxiang Road and West of Shengxiang Road, Changsha County, Changsha, Hunan Province, PRC	The property is a logistics park comprising two blocks of single-storey non-bonded warehouse and one dormitory. As per the information provided, the property was completed in about December 2019. As per the Real Estate Title Certificate, the subject site has a site area of approximately 62,903.01 square metres. As per the tenancy schedule provided as at September 2020, the property has a total gross floor area of approximately 35,843.00 square metres. According to the tenancy schedule provided as at September 2020, the property has a total lettable area of approximately 35,108.10 square metres. The land use rights of the property were granted for a term expiring on 30 September 2067 for warehouse uses.	According to the tenancy schedule provided as at September 2020, the property was leased to a single tenant subject to an occupancy rate of 100%.	RMB205,000,000 (Renminbi Two Hundred and Five Million)

Notes:

(1) In our valuation, we have adopted the following key parameters:

DCF Approach	**Details**
Terminal Yield:	4.00%
Stabilised Growth Rate:	3.50%
Discount Rate:	7.50%

Sales Comparison Approach	**Details**
Unit Prices of Comparables:	RMB3,220 – RMB4,941 per square metre on gross floor area basis
Adopted Unit Value:	RMB5,594 per square metre on gross floor area basis

Conditions & Caveats
(These Conditions & Caveats form part of our valuation report / letter)

1. **Valuation Standards**
Our valuations are prepared in accordance with the HKIS Valuation Standards (2017) published by the Hong Kong Institute of Surveyors ("HKIS"), the RICS Valuation – Global Standards (2020) published by the Royal Institution of Chartered Surveyors ("RICS") and / or International Valuation Standards (2020) published by International Valuation Standards Council ("IVSC") which entitle us to make assumptions that may upon further investigation, for instance by your legal representative, prove to be inaccurate or untrue. Any exception is clearly stated below and / or in the report.

2. **Portfolios**
In valuing the portfolio of properties, unless specifically agreed with you otherwise, we have valued the individual properties separately.

3. **Title and Encumbrances**
We have taken reasonable care to investigate the title of the property by obtaining land search records from the Land Registry, and if not available, with reference to the title document or other document of title as provided. We have not, however, searched the original documents to verify ownership or to ascertain the existence of any amendment which does not appear on the copies handed to us. We however do not accept liability for any interpretation which we have placed on such information that is more properly the sphere of your legal advisers. We have also assumed in our valuation that the property was free from encumbrances, restrictions, title defects and outgoings of an onerous nature that could affect its value, unless stated otherwise as at the date of valuation.

   In cases where sample land searches or land searches at the Land Registries are not required, we have relied on the title information as provided and assumed that the information is correct as at the date of valuation.

4. **Disposal Costs and Liabilities**
No allowance has been made in our report for any charges, mortgages or amounts owing on any property nor for any expenses or taxation which may be incurred in effecting a sale.

5. **Sources of Information**
We have relied on the quoted source of information to a very considerable extent and have not verified the correctness of any information including their translation supplied to us concerning this property, whether in writing or verbally by yourselves, your representatives or by your legal or professional advisers or by any (or any apparent) occupier of the property or contained on the register of title. We assume that this information is complete and correct.

6. **Inspection**
Where applicable and available, we have carried out external and / or internal inspection of the property. Nevertheless, we have assumed in our valuation that the property was in satisfactory exterior and interior decorative order without any unauthorised extensions or structural alterations as at the date of valuation, unless otherwise stated.

7. **Identity of Property to be Valued**
We have exercised reasonable care and skill (but will not have an absolute obligation to you) to ensure that the property, identified by the property address in your instructions, is the property inspected by us and contained within our valuation report. If there is ambiguity as to the property address, or the extent of the property to be valued, this should be drawn to our attention in your instructions or immediately upon receipt of our report.

8. **Boundaries**
Plans accompanying this report are for identification purposes only and should not be relied upon to define boundaries, title or easements. The extent of the site is outlined in accordance with the information given to us and / or our understanding of the boundaries.

9. **Property Insurance**
We have valued the property on the assumption that, in all respects, it is insurable against all usual risks including terrorism, flooding and rising water table at normal, commercially acceptable premiums.

10. **Areas and Age**
As instructed, we have relied upon areas as available from a quoted source. Otherwise, dimensions and areas would be measured on-site or from plans and calculated in accordance with, where appropriate, the current HKIS Code of Measuring Practice and are quoted to a reasonable approximation, with reference to their source.

    We have also assumed that the site areas, floor areas, measurements and dimensions shown on the documents handed to us are correct and in approximations only. The plans in this report are included to assist the reader to visualise the property and we assume no responsibility for their accuracy.

    Where the age of the building is estimated, this is for reference only.

11. **Structural and Services Condition**
We were not instructed to undertake any structural surveys, test the services or arrange for any investigations to be carried out to determine whether any deleterious materials have been used in the construction of the property. Our valuation has therefore been undertaken on the basis that the property was in satisfactory repair and condition and contains no deleterious materials and that services function satisfactorily.

12. **Ground Condition**
We have assumed there to be no unidentified adverse ground or soil conditions and that the load bearing qualities of the sites of each property are sufficient to support the building constructed or to be constructed thereon; and that the services are suitable for any existing or future development. Our valuation is therefore prepared on the basis that no extraordinary expenses or delays will be incurred in this respect.

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13. Environmental Issues

We are not environmental specialists and therefore we have not carried out any scientific investigations of sites or buildings to establish the existence or otherwise of any environmental contamination, nor have we undertaken searches of public archives to seek evidence of past activities that might identify potential for contamination. In the absence of appropriate investigations and where there is no apparent reason to suspect potential for contamination, our valuation is prepared on the assumption that the property is unaffected. Where contamination is suspected or confirmed, but adequate investigation has not been carried out and made available to us, then the valuation will be qualified.

14. Leases

Reliance must not be placed on our interpretation of leases without reference to solicitors, particularly where purchase or lending against the security of a property is involved.

15. Loan Security

Where instructed to comment on the suitability of property as a loan security we are only able to comment on any inherent property risk. Determination of the degree and adequacy of capital and income cover for loans is the responsibility of the lender having regard to the terms of the loan.

16. Build Cost Information

We do not hold ourselves out to have expertise in assessing build costs and any property valuation advice provided by us will be stated to have been arrived at reliance upon the build cost and other relevant information prepared by a suitably qualified construction cost professional supplied to us by you. In their absence, we would have to rely on the published build cost information that might present severe limitations on the accuracy. Henceforth, the reliance that can be placed upon our advice is severely restricted.

17. Comparable Evidence

Where comparable evidence information is included in our report, they are only referred to where we had reason to believe its general accuracy or where it was in accordance with expectation. In addition, we have not inspected the comparable properties.

18. Valuation Bases

Unless otherwise specifically agreed, the value advised by us shall be the market value as at the date of valuation.

We have assumed that the property valued has been constructed or to be constructed, occupied and used in full compliance with, and without contravention of any Ordinances, statutory requirements and notices, except only where otherwise stated. We have further assumed that, for any use of the property upon which the report is based, any and all required licences, permits, certificates, consents, approvals and authorisations have been obtained, except only where stated otherwise.

18.1 Market Value is defined as:

Market Value is defined within “The HKIS Valuation Standards 2017” issued by HKIS and “RICS Valuation – Global Standards 2020” issued by RICS as: -

“the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm’s length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion.”

“the estimated exchange price of an asset without regard to the seller’s costs of sale or the buyer’s costs of purchase and without adjustment for any taxes payable by either party as a direct result of the transaction.”

Market value is the most probable price reasonably obtainable in the market on the valuation date in keeping with the market value definition. It is the best price reasonably obtainable by the seller and the most advantageous price reasonably obtainable by the buyer. This estimate specifically excludes an estimated price inflated or deflated by special terms or circumstances such as a typical financing, sale and leaseback arrangements, special considerations or concessions granted by anyone associated with the sale, or any element of value available only to a specific owner or purchaser.

Valuations are, however, undertaken for a variety of purposes, including sale, purchase, letting, mortgage, rating, compulsory purchase, insurance, probate and other tax purposes. Sometimes, a basis of valuation other than “market value” will be required as, for example, when assessing for insurance purposes. However, unless agreed otherwise, our valuation figure will represent our opinion of the asset or liability’s market value as defined above.

18.2 Market Rent is defined as:

The estimated amount for which an interest in real property should be leased on the valuation date between a willing lessor and willing lessee on appropriate lease terms in an arm’s length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion.

18.3 Value for Sale under Repossession

The action of regaining possession especially the seizure of collateral securing a loan that is in default refers to the price that might reasonably be expected to realize within a defined period of time (the period shall be agreed upon between Lender and Valuer) from the sale of a real property in the market under repossession by the lender or receiver, on an “as is” basis, taking into account the unique quality of the real property and the existence of any specific demand as well as factors which might adversely affect the marketability of the real property due to market perception of increased risk or stigma, justified or otherwise. The increased risk or stigma would include but not limiting to the need for substantial renovation or repair, the need for abortive expenses and the need for completion in a short period of time.

18.4 Building Insurance Replacement Cost

The building insurance replacement cost is defined as the estimated cost of erecting the same real property or a modern substitute real property having the same areas as the existing one at the relevant date, which includes fees, finance costs and other associated expenses directly related to the construction of the real property. Coverage for loss of rent and other disturbances are not included.

January 2020

The building insurance replacement cost is to be covered by the insurance policy against losses due to structural damage caused directly by the out-break of fire and do not include any consequential loss or liabilities to third parties as a result of fire.

In estimating the building insurance cost of the Property, we have made reference to the building cost index published by a reputable quantity surveyor firm. It is recommended that a professional quantity surveyor or a firm of professional quantity surveyors in Hong Kong should be consulted in order to assess an accurate building insurance replacement cost.

19. **Limitations on Liability and Disclosure**

19.1 This report / letter is confidential to the addressee for the specific purpose to which it refers. It may be disclosed to other professional advisers assisting the addressee in respect of the purposes, but the addressed shall not disclose the report to any other person. Neither the whole, or any part of this report/ letter and valuation, nor any reference thereto may be included in any documents, circular or statement nor published in any way whatsoever whether in hard copy or electronically (including on any web site) without our written approval of the form and context in which it will appear.

19.2 In accordance with our standard practice, we must state that this report / letter and valuation is for the use of the party to whom it is addressed and no responsibility is accepted to any third party for the whole or any part of its contents. We do not accept liability to any third party or for any direct or indirect consequential losses or loss of profits as a result of this report / letter.

19.3 No claim arising out of or in connection with this agreement may be brought against any member, employee, shareholder or consultant of Knight Frank. Those individuals will not have a personal duty of care to the client or any other party and any such claim for losses must be brought against Knight Frank.

19.4 Knight Frank will not be liable in respect of any of the following:

(a) for any services outside the scope of the services agreed to be performed by Knight Frank;
(b) to any third party; or
(c) any indirect or consequential losses (such as loss of profits).

19.5 Where any loss is suffered by you for which Knight Frank and any other person are jointly and severally liable to you, the loss recoverable by you from Knight Frank shall be limited so as to be in proportion to Knight Frank's relative contribution to the overall fault.

19.6 Our maximum total liability for any direct loss or damage whether caused by our negligence or breach of contract or otherwise is limited to HKD50 million, unless otherwise stated in the valuation report. This limit applies to each and every transaction and retainer and any subsequent work that Knight Frank undertakes for you.

Conversion factors used in this report are:
1 square meter = 10.764 square feet and
1 meter = 3.2808 feet

January 2020

Valuation Report

22 Logistics properties located at Xi'An, Tianjin, Hangzhou, Wuhan, Changsha, Wuxi, Nantong, Changshu, Jiaxing, Nanchang, Jurong, Jinan, Chengdu, Shenyang, Ningbo, Qingdao and Guiyang The People's Republic of China

for
HSBC Institutional Trust Services
(Singapore) Limited
(As Trustee of Mapletree Logistics
Trust)

14 October 2020

cushmanwakefield.com

CUSHMAN &
WAKEFIELD
戴 德 梁 行

Our Ref : F/CWSH/2020/000088

HSBC Institutional Trust Services (Singapore) Limited
(as trustee of Mapletree Logistics Trust)
10 Marina Boulevard
Marina Bay Financial Centre Tower 2 #45-01
Singapore 018983

Dear Sirs/Madam,

Instructions, Purpose and Date of Valuation

We refer to your instructions for us to prepare a valuation of the market values of 22 logistics properties (the "Properties") situated at Xi'An, Tianjin, Hangzhou, Wuhan, Changsha, Wuxi, Nantong, Changshu, Jiaxing, Nanchang, Jurong, Jinan, Chengdu, Shenyang, Ningbo, Qingdao and Guiyang in the People's Republic of China (the "PRC"), we confirm that we have carried out inspection, made relevant searches and enquiries and obtained such further information as we consider necessary for the purpose of providing you (the "Company") with our opinion of the market values of the Properties as at 30 September 2020 (the "Date of Valuation") for acquisition and public circulation purpose. We acknowledge and agree that this valuation certificate will be included in a circular to be issued by Mapletree Logistics Trust Management Ltd. in connection with the acquisition.

Confirmation of Independence

Cushman & Wakefield has been appointed by the Company to conduct a market valuation of the Property. We hereby confirm that Cushman & Wakefield and the appraisers conducting this valuation have no pecuniary or other interests that could conflict with the proper valuation of the Property or could reasonably be regarded as being capable of affecting his ability to give an unbiased opinion.

Definition of Market Value

Our valuation and report have been prepared in accordance with the RICS Valuation – Global Standards 2020 (the "Red Book") incorporating the IVSC International Valuation Standards, published by the Royal Institution of Chartered Surveyors ("RICS").

The Properties have been valued on the following basis:

"The estimated amount for which a property should exchange on the Valuation Date between a willing buyer and a willing seller in an arm's-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion."

Valuation Basis and Assumption

Our valuation of the Properties excludes an estimated price inflated or deflated by special terms or circumstances such as atypical financing, sale and leaseback arrangement, special considerations or concessions granted by anyone associated with the sale, or any element of special value. Unless otherwise stated, in the course of our valuation of the Properties held and occupied by the Company in the PRC, we have assumed that transferable land use rights in respect of the Properties for respective specific terms at nominal annual land use fees have been granted and that any premium payable has already been fully paid. We have assumed that the grantees or the users of the Properties have free and uninterrupted rights to use or assign the Properties for the whole of the respective unexpired terms as granted.

No allowance has been made in our valuations for any charges, mortgages or amounts owing on the Properties nor any expenses or taxation which may be incurred in effecting a sale. Unless otherwise stated, it is assumed that the Properties are free from encumbrances, restrictions and outgoings of any onerous nature which could affect their values.

The recent outbreak of the Novel Coronavirus (COVID-19) has brought high volatility to global financial markets and uncertainty to the property market. It is expected that property values will be very sensitive to development of the pandemic and changes in the financial markets. The extents of impact on different sectors of the market are different and the time for marketing and negotiating sale of a property will be longer than normal. There will be less certainty as to how long a valuation may sustain and property prices may fluctuate rapidly and materially over a short period of time. Any subsequent changes in market conditions as well as the resulting impacts on property values after the valuation date cannot be taken into account. If any party intends to make reference to our valuation when entering into any transaction, he must bear in mind the high market volatility during this period of time and that property values may or may not have changed since the valuation date. For the avoidance of doubt, the inclusion of the "material valuation uncertainty" above does not mean that the valuation cannot be relied upon. Rather, the declaration has been included to ensure transparency of the fact that less certainty can be attached to the valuation than would otherwise be the case. The material uncertainty clause is to serve as a precaution and does not invalidate the valuation.

Method of Valuation

In arriving at our opinion of the Market Values of the Properties in existing state, we have valued them by Income Capitalisation Approach to derive the values of the Properties by capitalizing the rental incomes derived from the existing tenancies with due provision for any reversionary income potential.

We have also adopted the Discounted Cash Flow (“DCF”) Method, it involves discounting future net cash flow of the Properties to their present values by using the appropriate discount rate that reflects the rate of return required by a third-party investor for an investment of this type.

In valuing the Properties, we have complied with the requirements set out in RICS Valuation – Professional Standards January 2020 (Red Book) published by The Royal Institution of Chartered Surveyors.

Source of Information

In the course of our valuation, we have relied to a very considerable extent on the information given to us by the Company and have accepted advice given to us on such matters as identification of the Properties, completion dates of buildings, particulars of occupancy, site and floor areas and all other relevant matters. However, we have not searched the original documents to ascertain ownership or to verify any amendments. We have been provided with extracts of documents in relation to the title to the

Properties in the PRC. We have relied to a very considerable extent on the information given to us by the Company and have accepted advice given to us on such matters as identification of the Properties, completion dates of buildings, particulars of occupancy, site and floor areas and all other relevant matters.

Title Investigation

We have been provided by the Company with copies or extracts of documents. However, we have not searched the original documents to verify ownership or to ascertain any amendments. All documents have been used for reference only and all dimensions, measurements and areas are approximate.

Site Inspection

We have inspected the exterior and, where possible, the interior of the Properties. However, no structural survey has been made, but in the course of our inspection, we did not note any serious defect. We are not, however, able to report that the Properties are free of rot, infestation or other structural defects. We have not been able to carry out on-site measurements to verify the site and floor areas of the Properties and we have assumed that the areas shown on the copies of the documents handed to us are correct.

Currency

Unless otherwise stated, all money amounts stated in our valuation are in Renminbi ("RMB"), the official currency of the PRC.

Non-publication & Saving Clauses

Neither the whole nor any part of this letter, the valuation certificate or any reference thereto may be included in any document, circular or statement without our prior written approval of the form and context in which they will appear.

Finally and in accordance with our standard practice, we must state that this letter and valuation certificate are for the use only of the party to whom they are addressed and to the fullest extent permitted by applicable law, no responsibility is accepted to any third party for the whole or any part of their contents.

We enclose herewith our valuation certificate for your attention.

Yours faithfully,
for and on behalf of
Cushman & Wakefield International Property Advisers (Shanghai) Co., Ltd

Yi Fan

Yi Fan
MRICS
Director

Valuation Summary

No.	**Property**	**Market Value in existing state of 100% interest as at 30 September 2020**	**Market Value in existing state of 50% Interest as at 30 September 2020**
1.	Mapletree Fengdong (Xi'an) Industrial Park, situated at North of No. 2 Fengchan Road, East of No.3 Jianzhang Road, Xi'an, Shaanxi Province, PRC	**RMB 381,000,000**	**RMB 190,500,000**
2.	Mapletree Tianjin Wuqing Logistics Park, situated at No.20 Quanxiu Road, Wuqing Development District, Tianjin New-Tech Industrial Park, Wuqing District, Tianjin, PRC	**RMB 126,700,000**	**RMB 63,350,000**
3.	Mapletree Hangzhou Logistics Park, situated at No. 1717 Weiqi Road, Dajiangdong Industrial Cluster Zone, Hangzhou, Zhejiang Province, PRC	**RMB 465,200,000**	**RMB 232,600,000**
4.	Mapletree Wuhan Yangluo Logistics Park, situated at Dongyue Village, Cangbu Street and Qiuli Village, Yangluo Street, Yangluo Economic and Development Zone, Xinzhou District, Wuhan, Hubei Province, PRC	**RMB 282,000,000**	**RMB 141,000,000**
5.	Mapletree Changsha Logistics Park Phase 1, situated at 101, No. 1-4 Buildings and No. 1-2 Gatehouses, No. 77 Jinqiao Road, Yuelu District, Changsha, Hunan Province, PRC	**RMB 356,300,000**	**RMB 178,150,000**
6.	Mapletree Wuxi New District Logistics Park, Situated at No.1 Qiangzhai Road, Wuxi, Jiangsu Province, PRC	**RMB 529,100,000**	**RMB 264,550,000**

No.	Property	Market Value in existing state of 100% interest as at 30 September 2020	Market Value in existing state of 50% Interest as at 30 September 2020
7	Mapletree Nantong Chongchuan Logistics Park, situated at No. 75-76 East Kuaisu Road, Nantong, Jiangsu Province, PRC	**RMB 295,600,000**	**RMB 147,800,000**
8.	Mapletree Changshu Logistics Park Situated at No. 37 Dongnan Avenue, High-Tech Industrial Development Zone, Changshu, Jiangsu Province, PRC	**RMB 221,100,000**	**RMB 110,550,000**
9.	Mapletree Jiaxing Logistics Park, situated at No. 406 Yantang Road, Wangdian Town, Xiuzhou District, Jiaxing, Zhejiang Province, PRC	**RMB 183,100,000**	**RMB 91,550,000**
10	Mapletree Nanchang Logistics Park, situated at No.3688 Jingkai Avenue, Economic and Technological Development Zone, Qingshanhu District, Nanchang, Jiangxi Province, PRC	**RMB 249,100,000**	**RMB 124,550,000**
11.	Mapletree Zhenjiang Logistics Park, situated at East of Huamao Road, West of Hengda Road, Guozhuang Town, Jurong, Jiangsu Province, PRC	**RMB 472,100,000**	**RMB 236,050,000**
12	Mapletree Jinan International Logistics Park, situated at Unit 3153, Lingang Road, Gaoxin District, Jinan, Shandong Province, PRC	**RMB 377,900,000**	**RMB 188,950,000**

No.	Property	Market Value in existing state of 100% interest as at 30 September 2020	Market Value in existing state of 50% Interest as at 30 September 2020
13.	Mapletree Changsha Industrial Park (Phase 2), situated at No. 20 Jinqiao Road, Yuelu District, Fengyi Changsha Logistics Park, Changsha, Hunan Province, PRC	**RMB 419,700,000**	**RMB 209,850,000**
14.	Chengdu DC Logistics Park, situated at South of No. 2 Hangshu Road, Shuangliu District, Chengdu, Sichuan Province, PRC	**RMB 114,100,000**	**RMB 57,050,000**
15.	Mapletree Shenyang Logistics Park, situated at 4A, 4A1, 4A2, 4A3, Hunhe Shiba Street, Economic Technology Development Zone, Shenyang, Liaoning Province, PRC	**RMB 149,300,000**	**RMB 74,650,000**
16.	Mapletree Nantong (EDZ) Logistics Park, situated at No. 20 Jiqing Rd, Nantong Economic and Technological Development Area, Nantong, Jiangsu	**RMB 246,300,000**	**RMB 123,150,000**
17.	Mapletree Tianjin Xiqing Logistics Park, situated at No.10 Chuying Road, Dasi Town, Xiqing District, Tianjin City, the PRC	**RMB 229,500,000**	**RMB 114,750,000**
18.	Mapletree Chengdu Qingbaijiang Logistics Park, situated at West of Dongfeng Road and North of Guoguang Road, Mimou Town, Qingbaijiang District, Chengdu, Sichuan Province, PRC	**RMB 440,400,000*** **The valuation remains unchanged if Real Estate Ownership Certificate No. 0007272 is not taken into account.*	**RMB 220,200,000**
19.	Mapletree (Cixi) Logistics Park, situated at Ningbo Cidong Binhai District, Ningbo, Zhejiang	**RMB 504,100,000**	**RMB 252,050,000**

No.	Property	Market Value in existing state of 100% interest as at 30 September 2020	Market Value in existing state of 50% Interest as at 30 September 2020
20.	Mapletree Huangdao Logistics Park, situated at North of Shugang Expressway, West of Dazhushan North Road, Huangdao District, Qingdao, Shandong Province, the PRC	**RMB 270,800,000**	**RMB 135,400,000**
21.	Mapletree Guizhou Longli Logistics Park, situated at Gujiao Town, Longli County, Guiyang, Guizhou	**RMB 216,900,000**	**RMB 108,450,000**
22.	Mapletree Changsha Airport Logistics Park, situated at South of Tianxiang Road and West of Shengxiang Road, Changsha County, Changsha, Hunan Province, PRC	**RMB 207,800,000**	**RMB 103,900,000**
	Total	***RMB 6,738,100,000***	***RMB 3,369,050,000***

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market Value in existing state of 100% interest as at 30 September 2020
1.	Mapletree Fengdong (Xi'an) Industrial Park, situated at North of No. 2 Fengchan Road, East of No.3 Jianzhang Road, Xi'an, Shaanxi Province, PRC	The Property comprises three single-storey warehouses and facility buildings with a total site area of 119,422.04 sq m. As advised by the Company, the Property was completed in 2016. As advised, the building has a total gross floor area of approximately 64,009.79 sq m. According to State-owned Land Use Right Certificate, the land use rights of the Property has been granted for land use term expiring on 9 December 2063 for industrial land use.	According to the information provided by the company, as at the date of valuation, the Property was fully occupied. A total leased area of approximately 63,558.10 sq m was subject to various tenants with the latest term expiring on 31 October 2026.	**RMB381,000,000** **Market Value of 50% Interest as at 30 September 2020** **RMB190,500,000**

Notes:

(1) In course of our valuation, the key parameters are summarized as below:

Income Capitalization Approach

	Gross Rental Income	Gross Yield
Term	Passing monthly gross income (Inclusive of management fee and exclusive of VAT)	6.25%
Reversion	Estimated total gross market income (Inclusive of management fee and exclusive of VAT)	6.75%

Discounted Cash Flow Approach

Variables	Valuation Parameters
Rental Growth Rate	+4.0% p.a. (Year 2 to Year 10) +3.0% p.a. (after Year 10)
Discount Rate	8.50%
Terminal Capitalization Rate	5.50%

(2) We have relied on the information provided by the Company and prepared our valuation on the following assumptions:

(i) Fenghang Logistics Development (Xi'an) Co., Ltd. (沣航仓储开发（西安）有限公司) is in possession of a proper legal title to the Property and is entitled to transfer the property together with the residual term of its land use rights at no extra land premium or other onerous payments payable to the government;

(ii) All land premium and public utilities costs have been fully settled;

(iii) The design and construction of the Property are in compliance with the local planning regulations and have been approved by the relevant authorities;

(iv) The Property may be disposed of or lease out freely to third parties.

(3) The status of title and grant of major approvals and licenses in accordance with the information provided by the Company are as follows:

Certificate for State-owned Land Use Rights	Yes
Construction Completion Certificate	Yes
Business License	Yes

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market Value in existing state of 100% interest as at 30 September 2020
2.	Mapletree Tianjin Wuqing Logistics Park, Situated at No.20 Quanxiu Road, Wuqing Development District, Tianjin New-Tech Industrial Park, Wuqing District, Tianjin, PRC	The Property comprises two blocks of single-storey warehouses erected on a site with a total site area of 47,100.7 sq m. It was completed in 2016. According to the documents provided by the company, the property has a total gross floor area of approximately 29,056.76 sq m. According to the Certificate of Real Estate Ownership, the land use rights of the Property has been granted for land use term expiring on 12 February 2065 for industrial use.	According to the information provided by the Company, as at the date of valuation, the Property was fully occupied. A total leased area of approximately 29,148.02 sq m was subject to various tenants with the latest lease term expiring on 15 July 2023.	**RMB 126,700,000** **Market Value of 50% Interest as at 30 September 2020** **RMB 63,350,000**

Notes:

(1) In course of our valuation, the key parameters are summarized as below:

Income Capitalization Approach

	Gross Rental Income	Gross Yield
Term	Passing monthly gross income (Inclusive of management fee and exclusive of VAT)	6.00%
Reversion	Estimated total gross market income (Inclusive of management fee and exclusive of VAT)	6.50%

Discounted Cash Flow Approach

Variables	Valuation Parameters
Rental Growth Rate	+3% p.a. (Year 2 to Year 10) +3% p.a. (after Year 10)
Discount Rate	8.25%
Terminal Capitalization Rate	5.25%

(2) We have relied on the information provided by the Company and prepared our valuation on the following assumptions:

- (i) Fengquan Warehouse (Tianjin) Co., Ltd (丰泉仓储（天津）有限公司) is in possession of a proper legal title to the Property and is entitled to transfer the property together with the residual term of its land use rights at no extra land premium or other onerous payments payable to the government;
- (ii) All land premium and public utilities costs have been fully settled;
- (iii) The design and construction of the Property are in compliance with the local planning regulations and have been approved by the relevant authorities;
- (iv) The Property may be disposed of or lease out freely to third parties.

(3) The status of title and grant of major approvals and licenses in accordance with the information provided by the Company are as follows:

Certificate of Real Estate Ownership	Yes
Business License	Yes

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market Value in existing state of 100% interest as at 30 September 2020
3.	Mapletree Hangzhou Logistics Park, situated at No. 1717 Weiqi Road, Dajiangdong Industrial Cluster Zone, Hangzhou, Zhejiang Province, PRC	The Property comprises three blocks of 2-storey warehouse building and facility buildings erected on a site with a total site area of 83,593 sq m. It was completed in 2016. According to the documents provided by the company, the property has a total gross floor area of approximately 94,590.36 sq m. According to Certificates of Real Estate Ownership, the land use rights of the Property has been granted for land use term expiring on 5 September 2064 for industrial use.	According to the information provided by the company, as at the date of valuation, the Property was subject to various tenancies with the total leased area of 104,687.09 sq m with the latest term expiring on 31 August 2021.	**RMB465,200,000** **Market Value of 50% Interest as at 30 September 2020** **RMB232,600,000**

Notes:

(1) In course of our valuation, the key parameters are summarized as below:

Income Capitalization Approach

	Gross Rental Income	Gross Yield
Term	Passing monthly gross income (Inclusive of management fee and exclusive of VAT)	6.75%
Reversion	Estimated total gross market income (Inclusive of management fee and exclusive of VAT)	7.25%

Discounted Cash Flow Approach

Variables	Valuation Parameters
Rental Growth Rate	+3% p.a. (Year 2 to Year 10) +3% p.a. (after Year 10)
Discount Rate	8.75%
Terminal Capitalization Rate	5.75%

(2) We have relied on the information provided by the Company and prepared our valuation on the following assumptions:

- (i) Fengzhou Warehouse (Hangzhou) Co., Ltd (丰舟仓储（杭州）有限公司) is in possession of a proper legal title to the Property and is entitled to transfer the property together with the residual term of its land use rights at no extra land premium or other onerous payments payable to the government;
- (ii) All land premium and public utilities costs have been fully settled;
- (iii) The design and construction of the Property are in compliance with the local planning regulations and have been approved by the relevant authorities;
- (iv) The Property may be disposed of or lease out freely to third parties.

(3) The status of title and grant of major approvals and licenses in accordance with the information provided by the Company are as follows:

Certificate of Real Estate Ownership	Yes
Business License	Yes

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market Value in existing state of 100% interest as at 30 September 2020
4.	Mapletree Wuhan Yangluo Logistics Park, situated at Dongyue Village, Cangbu Street and Qiuli Village, Yangluo Street, Yangluo Economic and Development Zone, Xinzhou District, Wuhan, Hubei Province, PRC	The Property comprises 4 blocks of single storey (partly two-storey) warehouses and 2 guardhouses erected on a site with a total site area of 116,467.46 sq m. It was completed in 2017. According to the documents provided by the company, the property has a total gross floor area of approximately 68,126.22 sq m. According to the Certificate of Real Estate Ownership, the land use rights of the Property has been granted for land use term expiring on 10 June 2065 for industrial use.	According to the information provided by the Company, as at the date of valuation, the Property was fully occupied. A total leased area of approximately 69,983.90 sq m was subject to one tenant with the latest lease term expiring on 31 December 2022.	**RMB282,000,000** **Market Value of 50% Interest as at 30 September 2020** **RMB141,000,000**

Notes:

(1) In course of our valuation, the key parameters are summarized as below:

Income Capitalization Approach

	Gross Rental Income	Gross Yield
Term	Passing monthly gross income (Inclusive of management fee and exclusive of VAT)	6.25%
Reversion	Estimated total gross market income (Inclusive of management fee and exclusive of VAT)	6.75%

Discounted Cash Flow Approach

Variables	Valuation Parameters
Rental Growth Rate	+4% p.a. (Year 2 to Year 10) +3% p.a. (after Year 10)
Discount Rate	8.50%
Terminal Capitalization Rate	5.50%

(2) We have relied on the information provided by the Company and prepared our valuation on the following assumptions:

- (i) Fengying Logistics (Wuhan) Co., Ltd. (丰赢仓储（武汉）有限公司) is in possession of a proper legal title to the Property and is entitled to transfer the property together with the residual term of its land use rights at no extra land premium or other onerous payments payable to the government;
- (ii) All land premium and public utilities costs have been fully settled;
- (iii) The design and construction of the Property are in compliance with the local planning regulations and have been approved by the relevant authorities;
- (iv) The Property may be disposed of or lease out freely to third parties.

(3) The status of title and grant of major approvals and licenses in accordance with the information provided by the Company are as follows:

Certificate of Real Estate Ownership	Yes
Business License	Yes

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market Value in existing state of 100% interest as at 30 September 2020
5.	Mapletree Changsha Logistics Park Phase 1, situated at 101, No. 1-4 Buildings and No. 1-2 Gatehouses, No. 77 Jinqiao Road, Yuelu District, Changsha, Hunan Province, PRC	The Property comprises four blocks of single-storey warehouses and two guardrooms with a total site area of approximately 125,333.34 sq m. The Property was completed in 2016. According to the documents provided by the company, the property has a total gross floor area of approximately 76,862.33 sq m. According to 6 Certificates of Real Estate Ownership, the land use rights of the Property has been granted for land use term expiring on 20 June 2064 for warehouse use.	According to the information provided by the Company, as at the date of valuation, the Property was fully occupied. A total leased area of approximately 79,252.71 sq m was subject to various tenants with the latest lease term expiring on 21 July 2023.	**RMB356,300,000** **Market Value of 50% Interest as at 30 September 2020** **RMB178,150,000**

Notes:

(1) In course of our valuation, the key parameters are summarized as below:

Income Capitalization Approach

	Gross Rental Income	Gross Yield
Term	Passing monthly gross income (Inclusive of management fee and exclusive of VAT)	6.25%
Reversion	Estimated total gross market income (Inclusive of management fee and exclusive of VAT)	6.75%

Discounted Cash Flow Approach

Variables	Valuation Parameters
Rental Growth Rate	+4% p.a. (Year 2 to Year 10) +3% p.a. (after Year 10)
Discount Rate	8.50%
Terminal Capitalization Rate	5.50%

(2) We have relied on the information provided by the Company and prepared our valuation on the following assumptions:

(i) Fengshun Logistics Development (Changsha) Co., Ltd. (丰顺仓储开发(长沙)有限公司) is in possession of a proper legal title to the Property and is entitled to transfer the property together with the residual term of its land use rights at no extra land premium or other onerous payments payable to the government;

(ii) All land premium and public utilities costs have been fully settled;

(iii) The design and construction of the Property are in compliance with the local planning regulations and have been approved by the relevant authorities;

(iv) The Property may be disposed of or lease out freely to third parties.

(3) The status of title and grant of major approvals and licenses in accordance with the information provided by the Company are as follows:

Certificate of Real Estate Ownership	Yes
Business License	Yes

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market Value in existing state of 100% interest as at 30 September 2020
6.	Mapletree Wuxi New District Logistics Park, situated at No.1 Qiangzhai Road, Wuxi, Jiangsu Province, the PRC	The Property comprises 4 blocks of 2-storey warehouses with mezzanine office and facility buildings erected on a site with a total site area of 99,958.3sq m. The Property is completed in 2015. According to the documents provided by the company, the property has a total gross floor area of approximately 119,599.26 sq m. According to the Certificate of Real Estate Ownership, the land use rights of the Property has been granted for land use term expiring on 16 March 2064 for warehouse use.	According to the information provided by the Company, as at the date of valuation, the Property was fully leased. Advised by the Company, the total lettable floor area of the property is approximately 122,403.33 sq m with the latest lease term expiring on 31 March 2027.	**RMB529,100,000** **Market Value of 50% Interest as at 30 September 2020** **RMB264,550,000**

Notes:

(1) In course of our valuation, the key parameters are summarized as below:

Income Capitalization Approach

	Gross Rental Income	Gross Yield
Term	Passing monthly gross income (Inclusive of management fee and exclusive of VAT)	6.25%
Reversion	Estimated total gross market income (Inclusive of management fee and exclusive of VAT)	6.75%

Discounted Cash Flow Approach

Variables	Valuation Parameters
Rental Growth Rate	+4% p.a. (Year 2 to Year 10) +3% p.a. (after Year 10)
Discount Rate	8.50%
Terminal Capitalization Rate	5.50%

(2) We have relied on the information provided by the Company and prepared our valuation on the following assumptions:

(i) Fengshuo Warehouse Development (Wuxi) Co., Ltd (丰硕仓储开发（无锡）有限公司) is in possession of a proper legal title to the Property and is entitled to transfer the property together with the residual term of its land use rights at no extra land premium or other onerous payments payable to the government;

(ii) All land premium and public utilities costs have been fully settled;

(iii) The design and construction of the Property are in compliance with the local planning regulations and have been approved by the relevant authorities;

(iv) The Property may be disposed of or lease out freely to third parties.

(3) The status of title and grant of major approvals and licenses in accordance with the information provided by the Company are as follows:

Real Estate Title Certificate	Yes
Business License	Yes

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market Value in existing state of 100% interest as at 30 September 2020
7.	Mapletree Nantong Chongchuan Logistics Park, situated at No. 75-76 East Kuaisu Road, Nantong, Jiangsu Province, PRC	The Property comprises two phases including east and west sites. The east site comprising 3 single-storey (partly 2-storey) workshops and ancillary buildings erected on a site with a total site area of 89,969.85 sq m. The west site comprising a single-storey (partly 2-storey) workshop and ancillary buildings erected on a site with a total site area of 45,765.34 sq m. The east portion was completed in 2016 and the west portion was completed in 2017. According to the documents provided by the company, the property has a total gross floor area of approximately 75,544.75 sq m including 49,843.50 sq m on the east site and 25,701.25 sq m on the west site. According to 2 Certificates of Real Estate Ownership, the land use rights of east portion of the Property has been granted for land use term expiring on 19 October 2064 for workshop use. The land use rights of west portion of the Property has been granted for land use term expiring on 29 January 2065 for workshop use.	According to the information provided by the company, as at the date of valuation, the Property was partly occupied with the total leased area of 65,011.00 sq m was subject to various tenancies with the latest lease term expiring on 30 November 2027.	**RMB295,600,000** **Market Value of 50% Interest as at 30 September 2020** **RMB147,800,000**

Notes:

(1) In course of our valuation, the key parameters are summarized as below:

Income Capitalization Approach

	Gross Rental Income	Gross Yield
Term	Passing monthly gross income (Inclusive of management fee and exclusive of VAT)	7.00%
Reversion	Estimated total gross market income (Inclusive of management fee and exclusive of VAT)	7.50%

Discounted Cash Flow Approach

Variables	Valuation Parameters
Rental Growth Rate	+4% p.a. (Year 2 to Year 10) +3% p.a. (after Year 10)
Discount Rate	9.00%
Terminal Capitalization Rate	6.00%

(2) We have relied on the information provided by the Company and prepared our valuation on the following assumptions:

(3) Fengrui Logistics (Nantong) Co., Ltd. (丰锐仓储（南通）有限公司) is in possession of a proper legal title to the Property and is entitled to transfer the property together with the residual term of its land use rights at no extra land premium or other onerous payments payable to the government;

(i) All land premium and public utilities costs have been fully settled;

(ii) The design and construction of the Property are in compliance with the local planning regulations and have been approved by the relevant authorities; and

(iii) The Property may be disposed of or lease out freely to third parties.

(4) The status of title and grant of major approvals and licenses in accordance with the information provided by the Company are as follows:

Certificate of Real Estate Ownership	Yes
Business License	Yes

VALUATION CERTIFICATE

No.	**Property**	**Description and tenure**	**Particulars of occupancy**	**Market Value in existing state of 100% interest as at 30 September 2020**
8.	Mapletree Changshu Logistics Park, situated at No. 37 Dongnan Avenue, High-Tech Industrial Development Zone, Changshu, Jiangsu Province, PRC	The Property comprises four blocks of single-storey warehouses and facility buildings erected on a site with a total site area of 100,672.00 sq m. It was completed in 2016. According to the documents provided by the company, the property has a total gross floor area of approximately 59,537.99 sq m. According to 1 certificate of Real Estate Ownership, the land use right of the Property has been granted for land use term expiring on 14 February 2065 for warehouse use.	According to the information provided by the Company, as at the date of valuation, the Property was partly occupied. A total leased area of approximately 56,811.80 sq m was subject to various tenants with the latest lease term expiring on 30 April 2022.	**RMB221,100,000** **Market Value of 50% Interest as at 30 September 2020** **RMB 110,550,000**

Notes:

(1) In course of our valuation, the key parameters are summarized as below:

Income Capitalization Approach

	Gross Rental Income	**Gross Yield**
Term	Passing monthly gross income (Inclusive of management fee and exclusive of VAT)	7.25%
Reversion	Estimated total gross market income (Inclusive of management fee and exclusive of VAT)	7.75%

Discounted Cash Flow Approach

Variables	**Valuation Parameters**
Rental Growth Rate	+4% p.a. (Year 2 to Year 10) +3% p.a. (after Year 10)
Discount Rate	9.25%
Terminal Capitalization Rate	6.25%

(2) We have relied on the information provided by the Company and prepared our valuation on the following assumptions:

- (i) Changshu Fengjia Warehouse Co., Ltd (常熟丰佳仓储有限公司) is in possession of a proper legal title to the Property and is entitled to transfer the property together with the residual term of its land use rights at no extra land premium or other onerous payments payable to the government;
- (ii) All land premium and public utilities costs have been fully settled;
- (iii) The design and construction of the Property are in compliance with the local planning regulations and have been approved by the relevant authorities;
- (iv) The Property may be disposed of or lease out freely to third parties.

(3) The status of title and grant of major approvals and licenses in accordance with the information provided by the Company are as follows:

Certificate of Real Estate Ownership	Yes
Business License	Yes

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market Value in existing state of 100% interest as at 30 September 2020
9.	Mapletree Jiaxing Logistics Park, situated at No. 406 Yantang Road, Wangdian Town, Xiuzhou District, Jiaxing, Zhejiang Province, PRC	The Property comprises two blocks of single-storey warehouses and facility buildings erected on a site with a total site area of 62,346 sq m. It was completed in 2017. According to the documents provided by the company, the property has a total gross floor area of approximately 35,734.76 sq m. According to the Certificate of Real Estate Ownership, the land use right of the Property has been granted for land use term expiring on 26 January 2066 for warehouse use.	According to the information provided by the Company, as at the date of valuation, the Property was fully occupied. A total leased area of approximately 35,683.43 sq m was subject to one tenant with the expiring date on 30 June 2027.	**RMB183,100,000** **Market Value of 50% Interest as at 30 September 2020** **RMB91,550,000**

Notes:

(1) In course of our valuation, the key parameters are summarized as below:

Income Capitalization Approach

	Gross Rental Income	Gross Yield
Term	Passing monthly gross income (Inclusive of management fee and exclusive of VAT)	6.50%
Reversion	Estimated total gross market income (Inclusive of management fee and exclusive of VAT)	7.00%

Discounted Cash Flow Approach

Variables	Valuation Parameters
Rental Growth Rate	+4% p.a. (Year 2 to Year 10) +3% p.a. (after Year 10)
Discount Rate	8.75%
Terminal Capitalization Rate	5.75%

(2) We have relied on the information provided by the Company and prepared our valuation on the following assumptions:

(i) Jiaxing Fengyue Warehouse Co. Ltd (嘉兴丰跃仓储有限公司) is in possession of a proper legal title to the Property and is entitled to transfer the property together with the residual term of its land use rights at no extra land premium or other onerous payments payable to the government;

(ii) All land premium and public utilities costs have been fully settled;

(iii) The design and construction of the Property are in compliance with the local planning regulations and have been approved by the relevant authorities;

(iv) The Property may be disposed of or lease out freely to third parties.

(3) The status of title and grant of major approvals and licenses in accordance with the information provided by the Company are as follows:

Certificate of Real Estate Ownership	Yes
Business License	Yes

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market Value in existing state of 100% interest as at 30 September 2020
10.	Mapletree Nanchang Logistics Park, situated No.3688 Jingkai Avenue, Economic and Technological Development Zone, Qingshanhu District, Nanchang, Jiangxi Province, PRC	The Property comprises three blocks of single-storey warehouse building with mezzanine office and ancillary buildings erected on a site with a total site area of 121,134.00 sq m. It was completed in 2017. According to the documents provided by the company, the property has a total gross floor area of approximately 71,481.71 sq m. According to the Certificate of Real Estate Ownership, the land use rights of the Property has been granted for land use term expiring on 14 January 2066 for warehouse use.	According to the information provided by the Company, as at the date of valuation, a total leased area of approximately 57,000.60 sq m was subject to various tenants with the latest lease term expiring on 31 May 2024.	**RMB249,100,000** **Market Value of 50% Interest as at 30 September 2020** **RMB124,550,000**

Notes:

(1) In course of our valuation, the key parameters are summarized as below:

Income Capitalization Approach

	Gross Rental Income	Gross Yield
Term	Passing monthly gross income (Inclusive of management fee and exclusive of VAT)	7.50%
Reversion	Estimated total gross market income (Inclusive of management fee and exclusive of VAT)	8.00%

Discounted Cash Flow Approach

Variables	Valuation Parameters
Rental Growth Rate	+4% p.a. (Year 2 to Year 10) +3% p.a. (after Year 10)
Discount Rate	9.25%
Terminal Capitalization Rate	6.25%

(2) We have relied on the information provided by the Company and prepared our valuation on the following assumptions:

- (i) Fengqi Warehouse (Nanchang) Co., Ltd (丰骐仓储（南昌）有限公司) is in possession of a proper legal title to the Property and is entitled to transfer the property together with the residual term of its land use rights at no extra land premium or other onerous payments payable to the government;
- (ii) All land premium and public utilities costs have been fully settled;
- (iii) The design and construction of the Property are in compliance with the local planning regulations and have been approved by the relevant authorities;
- (iv) The Property may be disposed of or lease out freely to third parties.

(3) The status of title and grant of major approvals and licenses in accordance with the information provided by the Company are as follows:

Real Estate Title Certificate	Yes
Business License	Yes

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market Value in existing state of 100% interest as at 30 September 2020
11.	Mapletree Zhenjiang Logistics Park, situated at East of Huamao Road, West of Hengda Road, Guozhuang Town, Jurong, Jiangsu Province, PRC	The Property comprises 7 single-storey warehouses and facility buildings with a total site area of 172,106 sq m. As advised by the Company, the Property was completed in 2018. According to the documents provided by the company, the building has a total gross floor area of approximately 98,553.14 sq m. According to Real Estate Title Certificate, the land use rights of the Property has been granted for land use term expiring on 1 October 2066 for warehouse use.	According to the information provided by the company, as at the date of valuation, the Property was fully let and subject to various tenancies with the total leased area of 101,615.73 sq m with the latest term expiring on 30 September 2024.	**RMB 472,100,000** **Market Value of 50% Interest as at 30 September 2020** **RMB 236,050,000**

Notes:

(1) In course of our valuation, the key parameters are summarized as below:

Income Capitalization Approach

	Gross Rental Income	Gross Yield
Term	Passing monthly gross income (Inclusive of management fee and exclusive of VAT)	6.75%
Reversion	Estimated total gross market income (Inclusive of management fee and exclusive of VAT)	7.25%

Discounted Cash Flow Approach

Variables	Valuation Parameters
Rental Growth Rate	+4% p.a. (Year 2 to Year 10) +3% p.a. (after Year 10)
Discount Rate	8.75%
Terminal Capitalization Rate	5.75%

(2) We have relied on the information provided by the Company and prepared our valuation on the following assumptions:

(i) Fengzhen Logistics (Zhenjiang) Co., Ltd. (丰镇物流（镇江）有限公司) is in possession of a proper legal title to the Property and is entitled to transfer the property together with the residual term of its land use rights at no extra land premium or other onerous payments payable to the government;

(ii) All land premium and public utilities costs have been fully settled;

(iii) The design and construction of the Property are in compliance with the local planning regulations and have been approved by the relevant authorities; and

(iv) The Property may be disposed of or lease out freely to third parties.

(3) The status of title and grant of major approvals and licenses in accordance with the information provided by the Company are as follows:

Real Estate Title Certificate	Yes
Business License	Yes

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market Value in existing state of 100% interest as at 30 September 2020
12.	Mapletree Jinan International Logistics Park, situated at Unit 3153, Lingang Road, Gaoxin District, Jinan, Shandong Province, PRC	The Property is a logistics park comprising 4 single-storey (partly 2-storey) warehouses and facility buildings erected on a site with a total site area of 126,770.00 sq m. It was completed in 2016. According to the documents provided by the company, the property has a total gross floor area of approximately 78,920.87 sq m. According to 7 Certificates of Real Estate Ownership, the land use rights of the Property has been granted for land use term expiring on 15 March 2065 for warehouse use.	According to the information provided by the company, as at the date of valuation, the Property was partly occupied. The total lettable area of 64,919.79 sq m was subject to various tenancies with the latest lease term expiring on 31 August 2027.	**RMB 377,900,000** **Market Value of 50% Interest as at 30 September 2020** **RMB 188,950,000**

Notes:

(1) In course of our valuation, the key parameters are summarized as below:

Income Capitalization Approach

	Gross Rental Income	Gross Yield
Term	Passing monthly gross income (Inclusive of management fee and exclusive of VAT)	6.25%
Reversion	Estimated total gross market income (Inclusive of management fee and exclusive of VAT)	6.75%

Discounted Cash Flow Approach

Variables	Valuation Parameters
Rental Growth Rate	+4% p.a. (Year 2 to Year 10) +3% p.a. (after Year 10)
Discount Rate	8.50%
Terminal Capitalization Rate	5.50%

(2) We have relied on the information provided by the Company and prepared our valuation on the following assumptions:

- (i) Fengcheng Logistics Development (Jinan) Co., Ltd (丰成仓储开发（济南）有限公司) is in possession of a proper legal title to the Property and is entitled to transfer the property together with the residual term of its land use rights at no extra land premium or other onerous payments payable to the government;
- (ii) All land premium and public utilities costs have been fully settled;
- (iii) The design and construction of the Property are in compliance with the local planning regulations and have been approved by the relevant authorities; and
- (iv) The Property may be disposed of or lease out freely to third parties.

(3) The status of title and grant of major approvals and licenses in accordance with the information provided by the Company are as follows:

Certificate of Real Estate Ownership	Yes
Business License	Yes

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market Value in existing state of 100% interest as at 30 September 2020
13.	Mapletree Changsha Industrial Park (Phase 2), situated at No. 20 Jinqiao Road, Yuelu District, Fengyi Changsha Logistics Park, Changsha, Hunan Province, PRC	The Property comprises four blocks of single-storey, one block of double-storey steel framed warehouse and two guardhouses erected on a site with a total site area of 140,207.21sq m. It was completed in 2018. According to the documents provided by the company, the property has a total gross floor area of approximately 99,842.41 sq m. According to 7 Certificates of Real Estate Ownership, the land use rights of the Property has been granted for land use term expiring on 26 December 2064 for warehouse use.	According to the information provided by the Company, as at the date of valuation, the Property was fully occupied. A total leased area of approximately 84,948.58 sq m was subject to various tenants with the latest lease term expiring on 30 April 2024.	**RMB 419,700,000** **Market Value of 50% Interest as at 30 September 2020** **RMB 209,850,000**

Notes:

(1) In course of our valuation, the key parameters are summarized as below:

Income Capitalization Approach

	Gross Rental Income	Gross Yield
Term	Passing monthly gross income (Inclusive of management fee and exclusive of VAT)	6.25%
Reversion	Estimated total gross market income (Inclusive of management fee and exclusive of VAT)	6.75%

Discounted Cash Flow Approach

Variables	Valuation Parameters
Rental Growth Rate	+4% p.a. (Year 2 to Year 10) +3% p.a. (after Year 10)
Discount Rate	8.50%
Terminal Capitalization Rate	5.50%

(2) We have relied on the information provided by the Company and prepared our valuation on the following assumptions:

- (i) Fengyi Warehouse (Changsha) Co., Ltd (丰宜仓储(长沙)有限公司) is in possession of a proper legal title to the Property and is entitled to transfer the property together with the residual term of its land use rights at no extra land premium or other onerous payments payable to the government;
- (ii) All land premium and public utilities costs have been fully settled;
- (iii) The design and construction of the Property are in compliance with the local planning regulations and have been approved by the relevant authorities;
- (iv) The Property may be disposed of or lease out freely to third parties.

(3) The status of title and grant of major approvals and licenses in accordance with the information provided by the Company are as follows:

Certificate of Real Estate Ownership	Yes
Business License	Yes

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market Value in existing state of 100% interest as at 30 September 2020
14.	Chengdu DC Logistics Park, situated at South of No. 2 Hangshu Road, Shuangliu District, Chengdu, Sichuan Province	The Property comprises a single-storey warehouse and facility buildings with a total site area of 32,331.55 sq m. As advised by the Company, the Property was completed in 2018. As advised, the building has a total gross floor area of approximately 20,769.30 sq m. According to State-owned Land Use Certificate No. (2016) 9381 and, the land use rights of the Property has been granted for land use term expiring on 27 October 2065 for warehouse use.	According to the information provided by the company, as at the date of valuation, the Property was fully let and subject to various tenancies with the total leased area of 20,137.69 sq m with the latest term expiring on 31 March 2034.	**RMB114,100,000** **Market Value of 50% Interest as at 30 September 2020** **RMB 57,050,000**

Notes:

(1) In course of our valuation, the key parameters are summarized as below:

Income Capitalization Approach

	Gross Rental Income	Gross Yield
Term	Passing monthly gross income (Inclusive of management fee and exclusive of VAT)	6.25%
Reversion	Estimated total gross market income (Inclusive of management fee and exclusive of VAT)	6.75%

Discounted Cash Flow Approach

Variables	Valuation Parameters
Rental Growth Rate	+4% p.a. (Year 2 to Year 10) +3% p.a. (after Year 10)
Discount Rate	8.50%
Terminal Capitalization Rate	5.50%

(2) We have relied on the information provided by the Company and prepared our valuation on the following assumptions:

  (i) Digital China (Chengdu) Science Park Co., Ltd. (神州数码（成都）科技园有限公司) is in possession of a proper legal title to the Property and is entitled to transfer the property together with the residual term of its land use rights at no extra land premium or other onerous payments payable to the government;

  (ii) All land premium and public utilities costs have been fully settled;

  (iii) The design and construction of the Property are in compliance with the local planning regulations and have been approved by the relevant authorities; and

  (iv) The Property may be disposed of or lease out freely to third parties.

(3) The status of title and grant of major approvals and licenses in accordance with the information provided by the Company are as follows:

Grant Contract for State-owned Land Use Rights	Yes
Certificate for State-owned Land Use Rights	Yes
Planning Permit for Construction Land	Yes
Planning Permit for Construction Works	Yes
Permit for Commencement of Construction Works	Yes
Construction Completion Certificate	Yes
Business License	Yes

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market Value in existing state of 100% interest as at 30 September 2020
15.	Mapletree Shenyang Logistics Park, situated at 4A, 4A1, 4A2, 4A3, Hunhe Shiba Street, Economic Technology Development Zone, Shenyang, Liaoning Province, PRC	The Property comprises two single-storey (partly 2-storey) warehouses and facility buildings with a total site area of 71,360.58 sq m. As advised by the Company, the Property was completed in 2018. As advised, the building has a total gross floor area of approximately 41,845.63 sq m. According to 4 Certificates of Real Estate Ownership, the land use right of the Property has been granted for land use term expiring on 28 September 2066 for warehouse use.	According to the information provided by the company, as at the date of valuation, the Property was subject to various tenancies with the total leased area of 38,433.00 sq m with the latest term expiring on 29 February 2024. The remaining portion was vacant.	**RMB 149,300,000** **Market Value in existing state of 50% Interest as at 30 September 2020** **RMB74,650,000**

Notes:

(1) In course of our valuation, the key parameters are summarized as below:

Income Capitalization Approach

	Gross Rental Income	Gross Yield
Term	Passing monthly gross income (Inclusive of management fee and exclusive of VAT)	7.00%
Reversion	Estimated total gross market income (Inclusive of management fee and exclusive of VAT)	7.50%

Discounted Cash Flow Approach

Variables	Valuation Parameters
Rental Growth Rate	+4% p.a. (Year 2 to Year 10) +3% p.a. (after Year 10)
Discount Rate	9.00%
Terminal Capitalization Rate	6.00%

(2) We have relied on the information provided by the Company and prepared our valuation on the following assumptions:

- (i) Fengda Warehouse (Shenyang) Co., Ltd (丰达仓储（沈阳）有限公司) is in possession of a proper legal title to the Property and is entitled to transfer the property together with the residual term of its land use rights at no extra land premium or other onerous payments payable to the government;
- (ii) All land premium and public utilities costs have been fully settled;
- (iii) The design and construction of the Property are in compliance with the local planning regulations and have been approved by the relevant authorities; and
- (iv) The Property may be disposed of or lease out freely to third parties.

(3) The status of title and grant of major approvals and licenses in accordance with the information provided by the Company are as follows:

The Certificates of Real Estate Ownership	Yes
Business License	Yes

VALUATION CERTIFICATE

No.	**Property**	**Description and tenure**	**Particulars of occupancy**	**Market Value in existing state of 100% interest as at 30 September 2020**
16.	Mapletree Nantong (EDZ) Logistics Park, situated at No. 20 Jiqing Rd, Nantong Economic and Technological Development Area, Nantong, Jiangsu	The Property comprises four blocks of single-storey (partly two-storey) warehouses and ancillary buildings erected on a site with a total site area of 108,782.22 sq m. It was completed in 2016. According to the documents provided by the company, the property has a total gross floor area of approximately 67,894.92 q m. According to the Certificate of Real Estate Ownership, the land use rights of the Property has been granted for land use term expiring on 9 June 2065 for warehouse use.	According to the information provided by the Company, as at the date of valuation, the Property was fully occupied with total leased area of approximately 67,504.00 sq m was subject to various tenants with the latest lease term expiring on 31 August 2024.	**RMB246,300,000** **Market Value of 50% Interest as at 30 September 2020** **RMB123,150,000**

Notes:

(1) In course of our valuation, the key parameters are summarized as below:

Income Capitalization Approach

	Gross Rental Income	Gross Yield
Term	Passing monthly gross income (Inclusive of management fee and exclusive of VAT)	7.00%
Reversion	Estimated total gross market income (Inclusive of management fee and exclusive of VAT)	7.50%

Discounted Cash Flow Approach

Variables	Valuation Parameters
Rental Growth Rate	+4% p.a. (Year 2 to Year 10) +3% p.a. (after Year 10)
Discount Rate	9.00%
Terminal Capitalization Rate	6.00%

(2) We have relied on the information provided by the Company and prepared our valuation on the following assumptions:

- (i) Fengchi Logistics (Nantong) Co., Ltd (丰驰仓储(南通)有限公司) is in possession of a proper legal title to the Property and is entitled to transfer the property together with the residual term of its land use rights at no extra land premium or other onerous payments payable to the government;
- (ii) All land premium and public utilities costs have been fully settled;
- (iii) The design and construction of the Property are in compliance with the local planning regulations and have been approved by the relevant authorities;
- (iv) The Property may be disposed of or lease out freely to third parties.

(3) The status of title and grant of major approvals and licenses in accordance with the information provided by the Company are as follows:

Certificate of Real Estate Ownership	Yes
Business License	Yes

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market Value in existing state of 100% interest as at 30 September 2020
17.	Mapletree Tianjin Xiqing Logistics Park, situated at No.10, Chuying Road, Dasi Town, Xiqing District, Tianjin	The Property comprises two blocks of single-storey warehouses and one guardhouse erected on a site with a total site area of 66,668.00 sq m. It was completed in 2019. According to the documents provided by the company, the property has a total gross floor area of approximately 37,115.05 sq m. According to the Certificate of Real Estate Ownership, the land use rights of the Property has been granted for land use term expiring on 7 October 2066 for industrial use.	According to the information provided by the Company, as at the date of valuation, the Property was fully occupied. A total leased area of approximately 37,689.33 sq m was subject to various tenants with the latest lease term expiring on 31 January 2025.	**RMB229,500,000** **Market Value of 50% Interest as at 30 September 2020** **RMB114,750,000**

Notes:

(1) In course of our valuation, the key parameters are summarized as below:

Income Capitalization Approach

	Gross Rental Income	Gross Yield
Term	Passing monthly gross income (Inclusive of management fee and exclusive of VAT)	6.00%
Reversion	Estimated total gross market income (Inclusive of management fee and exclusive of VAT)	6.50%

Discounted Cash Flow Approach

Variables	Valuation Parameters
Rental Growth Rate	+4% p.a. (Year 2 to Year 10) +3% p.a. (after Year 10)
Discount Rate	8.25%
Terminal Capitalization Rate	5.25%

(2) We have relied on the information provided by the Company and prepared our valuation on the following assumptions:

(i) Fengwei Warehouse (Tianjin) Co., Ltd (丰卫仓储(天津)有限公司) is in possession of a proper legal title to the Property and is entitled to transfer the property together with the residual term of its land use rights at no extra land premium or other onerous payments payable to the government;

(ii) All land premium and public utilities costs have been fully settled;

(iii) The design and construction of the Property are in compliance with the local planning regulations and have been approved by the relevant authorities;

(iv) The Property may be disposed of or lease out freely to third parties.

(3) The status of title and grant of major approvals and licenses in accordance with the information provided by the Company are as follows:

Certificate of Real Estate Ownership	Yes
Business License	Yes

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market Value in existing state of 100% interest as at 30 September 2020
18.	Mapletree Chengdu Qingbaijiang Logistics Park, situated at West of Dongfeng Road and North of Guoguang Road, Mimou Town, Qingbaijiang District, Chengdu, Sichuan Province, PRC	The Property comprises 6 single-storey warehouses and 2 two-storey warehouses with ancillary buildings with a total site area of 153,951.26 sq m. As advised by the Company, the Property was completed in 2019. As advised, the building has a total gross floor area of approximately 109,090.91 sq m. According to Real Estate Ownership Certificate the land use rights of the Property has been granted for land use term expiring on 11 December 2066 for warehouse use.	According to the information provided by the company, as at the date of valuation, the property has been partly leased and subject to various tenancies with the total leased area of 90,449.15 sq m (including two pre-lease tenants with 22,344.48 sq m) with the latest term expiring on 31 January 2024.	**RMB440,400,000*** **The valuation remains unchanged if Real Estate Ownership Certificate No. 0007272 is not taken into account.* **Market Value of 50% Interest as at 30 September 2020** **RMB220,200,000**

Notes:

(1) In course of our valuation, the key parameters are summarized as below:

Income Capitalization Approach

	Gross Rental Income	Gross Yield
Term	Passing monthly gross income (Inclusive of management fee and exclusive of VAT)	6.25%
Reversion	Estimated total gross market income (Inclusive of management fee and exclusive of VAT)	6.75%

Discounted Cash Flow Approach

Variables	Valuation Parameters
Rental Growth Rate	+4% p.a. (Year 2 to Year 10) +3% p.a. (after Year 10)
Discount Rate	8.50%
Terminal Capitalization Rate	5.50%

(2) We have relied on the information provided by the Company and prepared our valuation on the following assumptions:

(i) Fengqing Warehouse (Chengdu) Co., Ltd (丰青仓储（成都）有限公司) is in possession of a proper legal title to the Property and is entitled to transfer the property together with the residual term of its land use rights at no extra land premium or other onerous payments payable to the government;

(ii) All land premium and public utilities costs have been fully settled;

(iii) The design and construction of the Property are in compliance with the local planning regulations and have been approved by the relevant authorities;

(iv) The Property may be disposed of or lease out freely to third parties.

(3) The status of title and grant of major approvals and licenses in accordance with the information provided by the Company are as follows:

Grant Contract for State-owned Land Use Rights	Yes
Certificate of Real Estate Ownership	Yes
Planning Permit for Construction Land	Yes
Planning Permit for Construction Works	Yes
Permit for Commencement of Construction Works	Yes
Construction Completion Certificate	Yes
Business License	Yes

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market Value in existing state of 100% interest as at 30 September 2020
19.	Mapletree (Cixi) Logistics Park, situated at Ningbo Cidong Binhai District, Ningbo, Zhejiang	The Property comprises eight blocks of single storey (partly two-storey) warehouses, one dormitory buildings and facility buildings erected on a site with a total site area of 238,292.00 sq m. It was completed in 2018. According to the documents provided by the company, the property has a total gross floor area of approximately 132,904.82 sq m. According to 2 state-owned land use certificates, the land use rights of the Property has been granted for land use term expiring on 30 December 2064 for indsutrial use.	According to the information provided by the Company, as at the date of valuation, the Property was fully occupied. A total leased area of approximately 138,588.00 sq m was subject to various tenants with the latest lease term expiring on 30 November 2023.	**RMB504,100,000** **Market Value of 50% Interest as at 30 September 2020** **RMB252,050,000**

Notes:

(1) In course of our valuation, the key parameters are summarized as below:

Income Capitalization Approach

	Gross Rental Income	Gross Yield
Term	Passing monthly gross income (Inclusive of management fee and exclusive of VAT)	7.00%
Reversion	Estimated total gross market income (Inclusive of management fee and exclusive of VAT)	7.50%

Discounted Cash Flow Approach

Variables	Valuation Parameters
Rental Growth Rate	+4% p.a. (Year 2 to Year 10) +3% p.a. (after Year 10)
Discount Rate	9.00%
Terminal Capitalization Rate	6.00%

(2) We have relied on the information provided by the Company and prepared our valuation on the following assumptions:

(i) Fengkang Logistics (Cixi) Co., Ltd. (慈溪丰康仓储有限公司) is in possession of a proper legal title to the Property and is entitled to transfer the property together with the residual term of its land use rights at no extra land premium or other onerous payments payable to the government;

(ii) All land premium and public utilities costs have been fully settled;

(iii) The design and construction of the Property are in compliance with the local planning regulations and have been approved by the relevant authorities;

(iv) The Property may be disposed of or lease out freely to third parties.

(3) The status of title and grant of major approvals and licenses in accordance with the information provided by the Company are as follows:

State-owned Land Use Certificate	Yes
Certificate of Real Estate Ownership	Yes
Construction Completion Certificate	Yes
Business License	Yes

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market Value in existing state of 100% interest as at 30 September 2020
20.	Mapletree Huangdao Logistics Park, situated at North of Shugang Expressway, West of Dazhushan North Road, Huangdao District, Qingdao, Shandong Province, the PRC	The Property comprises two blocks of single-storey warehouses, one block of double-storey, non-bonded warehouses and two guardhouses erected on a site with a total site area of 100,000.00 sq m. It was completed in 2019. According to the documents provided by the company, the Property has a total gross floor area of approximately 73,010.05 sq m. According to Real Estate Ownership, the land use rights of the Property has been granted for land use term expiring on 17 May 2067 for warehouse use.	According to the information provided by the Company, as at the date of valuation, the Property was fully occupied. A total leased area of approximately 74,192.00 sq m was subject to various tenants with the latest lease term expiring on 9 February 2023.	**RMB270,800,000** **Market Value of 50% Interest as at 30 September 2020** **RMB135,400,000**

Notes:

(1) In course of our valuation, the key parameters are summarized as below:

Income Capitalization Approach

	Gross Rental Income	Gross Yield
Term	Passing monthly gross income (Inclusive of management fee and exclusive of VAT)	7.00%
Reversion	Estimated total gross market income (Inclusive of management fee and exclusive of VAT)	7.50%

Discounted Cash Flow Approach

Variables	Valuation Parameters
Rental Growth Rate	+4% p.a. (Year 2 to Year 10) +3% p.a. (after Year 10)
Discount Rate	9.00%
Terminal Capitalization Rate	6.00%

(2) We have relied on the information provided by the Company and prepared our valuation on the following assumptions:

(i) Fenglu Warehouse (Qingdao) Co., Ltd (丰鹭仓储(青岛)有限公司) is in possession of a proper legal title to the Property and is entitled to transfer the property together with the residual term of its land use rights at no extra land premium or other onerous payments payable to the government;

(ii) All land premium and public utilities costs have been fully settled;

(iii) The design and construction of the Property are in compliance with the local planning regulations and have been approved by the relevant authorities;

(iv) The Property may be disposed of or lease out freely to third parties.

(3) The status of title and grant of major approvals and licenses in accordance with the information provided by the Company are as follows:

Certificate of Real Estate Ownership	Yes
Business License	Yes

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market Value in existing state of 100% interest as at 30 September 2020
21.	Mapletree Guizhou Longli Logistics Park, situated at Gujiao Community, Gujiao Town, Longli County, Guiyang, Guizhou Province, the PRC	The Property comprises three blocks of single-storey (partly two-storey) warehouses and facility buildings, one Guardhouse and one Bicycle shed erected on a site with a total site area of 102,332.89sq m. It was completed in 2019. According to the documents provided by the company, the property has a total gross floor area of approximately 52,498.91 sq m. According to 5 Certificates of Real Estate Ownership, the land use rights of the Property has been granted for land use term expiring on 4 July 2068 for warehouse use.	According to the information provided by the Company, as at the date of valuation, the Property was fully leased. A total leased area of approximately 51,656.26 sq m was subject to various tenants with the latest lease term expiring on 31 August 2025.	**RMB216,900,000** **Market Value in existing state of 50% interest as at 30 September 2020** **RMB108,450,000**

Notes:

(1) In course of our valuation, the key parameters are summarized as below:

Income Capitalization Approach

	Gross Rental Income	Gross Yield
Term	Passing monthly gross income (Inclusive of management fee and exclusive of VAT)	7.00%
Reversion	Estimated total gross market income (Inclusive of management fee and exclusive of VAT)	7.50%

Discounted Cash Flow Approach

Variables	Valuation Parameters
Rental Growth Rate	+4% p.a. (Year 2 to Year 10) +3% p.a. (after Year 10)
Discount Rate	9.00%
Terminal Capitalization Rate	6.00%

(2) We have relied on the information provided by the Company and prepared our valuation on the following assumptions:

- (i) Fenglong Warehouse (Guizhou) Co., Ltd (丰龙仓储（贵州）有限公司) is in possession of a proper legal title to the Property and is entitled to transfer the property together with the residual term of its land use rights at no extra land premium or other onerous payments payable to the government;
- (ii) All land premium and public utilities costs have been fully settled;
- (iii) The design and construction of the Property are in compliance with the local planning regulations and have been approved by the relevant authorities;
- (iv) The Property may be disposed of or lease out freely to third parties.

(3) The status of title and grant of major approvals and licenses in accordance with the information provided by the Company are as follows:

Certificate of Real Estate Ownership	Yes
Business License	Yes

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market Value in existing state of 100% interest as at 30 September 2020
22.	Mapletree Changsha Airport Logistics Park, situated at South of Tianxiang Road and West of Shengxiang Road, Changsha County, Changsha, Hunan Province, PRC	The property comprises two blocks of single-storey warehouses, a multiple use building, a guardhouse and a bike shed erected on a site with a total site area of 62,903.01 sq m. The Property was completed in 2019. According to the documents provided by the company, the property has a total gross floor area of approximately 35,843.00 sq m. According to the Certificate of Real Estate Ownership, the land use rights of the Property has been granted for land use term expiring on 30 September 2067 for warehouse use.	According to the information provided by the Company, as at the date of valuation, the Property was partly occupied. A total leased area of approximately 35,108.1 sq m was subject to various tenants with the latest lease term expiring on 18 October 2025.	**RMB 207,800,000** **Market Value of 50% Interest as at 30 September 2020** **RMB 103,900,000**

Notes:

(1) In course of our valuation, the key parameters are summarized as below:

Income Capitalization Approach

	Gross Rental Income	Gross Yield
Term	Passing monthly gross income (Inclusive of management fee and exclusive of VAT)	6.25%
Reversion	Estimated total gross market income (Inclusive of management fee and exclusive of VAT)	6.75%

Discounted Cash Flow Approach

Variables	Valuation Parameters
Rental Growth Rate	+4% p.a. (Year 2 to Year 10) +3% p.a. (after Year 10)
Discount Rate	8.50%
Terminal Capitalization Rate	5.50%

(2) We have relied on the information provided by the Company and prepared our valuation on the following assumptions:

(i) Fengchuang Warehouse (Changsha) Co., Ltd (丰创仓储(长沙)有限公司) is in possession of a proper legal title to the Property and is entitled to transfer the property together with the residual term of its land use rights at no extra land premium or other onerous payments payable to the government;

(ii) All land premium and public utilities costs have been fully settled;

(iii) The design and construction of the Property are in compliance with the local planning regulations and have been approved by the relevant authorities;

(iv) The Property may be disposed of or lease out freely to third parties.

(3) The status of title and grant of major approvals and licenses in accordance with the information provided by the Company are as follows:

State-owned Land Use Rights Certificate	Yes
Construction Completion Certificate	Yes
Business License	Yes

FIRST PACIFIC
FIRST PACIFIC VALUERS
PROPERTY CONSULTANTS SDN BHD
(682491-M)
Directors
Sr. Hj. Mohamad Sarip Saleh Diploma in Estate Management (Kingston) UK
V117 E1174
Sr. P.L. Lee B App Sc Property Resource Management (Valuation) Aust. FRISM, APEPS
V596 E565

Our Ref : VC20/0175/09/NAD
Date : 14 October 2020

MAPLETREE LOGISTICS TRUST MANAGEMENT LTD.
10 PASIR PANJANG ROAD, #13-01 MAPLETREE BUSINESS CITY
SINGAPORE 117438

Dear Sirs,

CERTIFICATE OF VALUATION OF PROPERTY

We refer to your instructions to assess the Market Value of the following property for internal management purposes. We have inspected the property and investigated available data related and relevant to the matter. The date of valuation is taken as at **30 September 2020**.

We are pleased to furnish our opinion of value for the property as follows:-

Subject Property	**Market Value**
Plot D40 & D44 of Distripark B, Pelepas Free Zone, Master Title No. HSD 303949, Mukim of Tanjung Kupang, District of Johor Bahru, State of Johor Postal Address : Mapletree Logistic Hub–Tanjung Pelepas, Plot D40 & D44, Jalan DPB/8, Zone B, Pelabuhan Tanjung Pelepas, 81560 Gelang Patah, Johor	**RM409,000,000.00**

This valuation is in accordance with the guidelines of the Malaysian Valuation Standards (MVS), Royal Institution of Chartered Surveyors (RICS) Valuation – Global Standards 2017 and International Valuation Standards (IVS). As such, this letter must be read in conjunction with the full valuation report.

Yours faithfully
For and on behalf of
FIRST PACIFIC VALUERS PROPERTY CONSULTANTS SDN BHD

Sr P.L. Lee *FRISM, MPEPS, MMIPFM*
Managing Director
B.App.Sc. Property Resource Management (Valuation) Aust
Registered Valuer (V596) & Estate Agent (E565)

SUMMARY OF FACTS AND OPINION

Type of Property	:	A single storey warehouse with mezzanine floor offices and two (2) detached blocks of double storey ramp-up warehouse with mezzanine floor offices referred to as Block A, B & C together with ancillary buildings
Address	:	Mapletree Logistic Hub–Tanjung Pelepas, Plot D40 & D44, Jalan DPB/8, Zone B, Pelabuhan Tanjung Pelepas, 81560 Gelang Patah, Johor
Master Title No.	:	HSD 303949
Parent Lot No.	:	PTD 2426
Mukim	:	Tanjung Kupang
District	:	Johor Bahru
State	:	Johor
Tenure	:	99 years lease expiring on 22 May 2099
Land Area	:	469.082 hectares
Annual Rent	:	RM82,250.00
Registered Proprietor	:	LEMBAGA PELABUHAN JOHOR
Category of Land Use	:	Perusahaan/Perindustrian
Express Conditions	:	i) Tanah ini hendaklah digunakan untuk Pelabuhan dibina mengikut pelan yang diluluskan oleh Pihak Tempatan yang berkenaan. ii) Segala kekotoran dan pencemaran akibat daripada aktiviti ini hendaklah disalurkan/dibuang ke tempat-tempat yang telah ditentukan oleh Pihak Berkuasa Berkenaan. iii) Segala dasar dan syarat yang telah ditetapkan dan dikuatkuasakan dari semasa ke semasa oleh Pihak Berkuasa Berkenaan hendaklah dipatuhi.
Restriction-in-interest	:	Tanah yang dikurniakan ini tidak boleh dijual atau dipindahmilik dengan apa cara sekalipun termasuk dengan menggunakan segala surat perjanjian yang bertujuan untuk melepaskan/menjual tanah ini tanpa kebenaran Penguasa Negeri.

Encumbrances	:	1) Lease of whole land to Pelabuhan Tanjung Pelepas Sdn. Bhd. for 60 years from 24 March 1995 to 23 March 2055 registered vide Persn. No. 77243/2002 on 25 November 2002 2) Numerous subleases lodged on the land *(Refer to Appendix A)*
Endorsement	:	Charged lease by PUBLIC BANK BERHAD registered vide Persn. No. 83089/2017 dated 30 November 2017

Subsequently, vide Sublease Agreement dated 12 July 2016 and Supplemental Agreement to Sub-Lease dated 31 January 2017, the Lessee, Pelabuhan Tanjung Pelepas Sdn. Bhd. have sublease Plot D40 & Plot D44 which details as follows :-

Subject Property	:	Plot D40 & D44, Distripark B, Pelepas Free Zone
Land Area	:	1,216,195.2 square feet (27.92 acres)
Parent Lot	:	PTD 2426
Master Title	:	HSD 303949
Commencement Date	:	7 April 2015
Expiry of First Term	:	23 March 2045
Further Term Commencement Date	:	24 March 2045
Further Term Expiry Date	:	23 March 2055
Sublessor	:	Pelabuhan Tanjung Pelepas Sdn. Bhd.
Sublessee	:	Trinity Bliss Sdn. Bhd.
Gross Floor Area (Excluding Ramp)	:	1,439,337.94 square feet (133,719 square metres)
Gross Floor Area (Including Ramp)	:	1,603,702.69 square feet (148,989 square metres)
Net Lettable Area	:	1,420,682.17 square feet (131,986 square metres)

THE SUMMARY STATED ABOVE MUST BE READ IN THE CONTEXT OF THE WHOLE REPORT AND VALUATION

OPINION OF VALUE

METHOD OF VALUATION : Direct Capitalization Method and Cost Method

PARAMETERS :

Direct Capitalization Method

Yield for Initial Term	6.50%
Yield for Reversion	6.75%

Cost Method

Land Value psf	RM65.00 per square feet
Average GCRCN	RM215.00 per square feet
Depreciation Rate	9%

MARKET VALUE : **RM409,000,000.00**

DATE OF VALUATION : **30 September 2020**

Sr. PL Lee
REGISTERED VALUER (V596)
ESTATE AGENT (E565)

THE SUMMARY STATED ABOVE MUST BE READ IN THE CONTEXT OF THE WHOLE REPORT AND VALUATION

PRIVATE & CONFIDENTIAL

HSBC Institutional Trust Services (Singapore) Limited
(As Trustee of Mapletree Logistics Trust)
10 Marina Boulevard
Marina Bay Financial Centre Tower 2 #45-01
Singapore 018983

Date: 14th October 2020

Reference: V/JB/20/069/tlr

Dear Sir / Madam,

VALUATION CERTIFICATE FOR MAPLETREE LOGISTICS HUB – TANJUNG PELEPAS, D40 & D44, JALAN DPB/8, ZONE B, PELABUHAN TANJUNG PELEPAS, 81560 GELANG PATAH, JOHOR DARUL TAKZIM
(HEREINAFTER REFERRED TO AS THE SUBJECT PROPERTY)

We were instructed by HSBC Institutional Trust Services (Singapore) Limited (as Trustee of Mapletree Logistics Trust) (hereinafter referred to as the "Client") to ascertain the Market Value of the legal interest of the Subject Property.

This Valuation Certificate is prepared for **inclusion in the Circular to be issued by Mapletree Logistics Trust Management Ltd in connection with the acquisition**.

The Valuation has been undertaken in accordance with the Malaysian Valuation Standards published by the Board of Valuers, Appraisers, Estate Agents and Property Managers, Malaysia and other established valuation manuals and standards such as the International Valuation Standards (IVS) and the Royal Institution of Chartered Surveyors (RICS) Appraisal and Valuation Manual (where applicable).

This Valuation Certificate is prepared in accordance with the general principles adopted and limiting conditions as enclosed at the end of our formal Valuation Report. For all intents and purposes, this Valuation Certificate should be read in conjunction with our formal Valuation Report.

The basis of valuation adopted is the **Market Value** which is defined as "the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion".

Accordingly, we have conducted the site inspection on various occasions; being the latest on **30th September 2020**. As such, we have adopted **30th September 2020** as the material date of valuation.

Brief description of the Subject Property is as attached overleaf.

IDENTIFICATION OF PROPERTY

Interest Valued / Type of Property	The unexpired sub-lease interest held by Trinity Bliss Sdn Bhd along with its contractual rights entailed within the Sub-Lease Agreement dated 12th July 2016 together with its Supplemental Agreement dated 31st January 2017 made between Pelabuhan Tanjung Pelepas Sdn Bhd (the Sub-Lessor) and Trinity Bliss Sdn Bhd (the Sub-Lessee) for a period of 30 years ("First Term") expiring on 23rd March 2045; with option to renew for a further term of 10 years commencing on the date immediately after the expiry of the first term to 23rd March 2055 ("Further Term") for the said Land (identified as D40 & D44) measuring approximately 27.92 acres with all the building(s), facilities and amenities constructed thereon (an industrial logistics hub comprising two (2) detached blocks of double-storey ramp-up logistics and warehousing facilities with mezzanine office area, a detached block of single-storey logistics and warehousing facilities with mezzanine office area together with other supporting facilities + amenities and ancillary buildings attached thereto) held under part of Parent Lot PTD 2426, Mukim of Tanjung Kupang, District of Johor Bahru, Johor Darul Takzim.
Address	Mapletree Logistics Hub – Tanjung Pelepas, D40 & D44, Jalan DPB/8, Zone B, Pelabuhan Tanjung Pelepas, 81560 Gelang Patah, Johor Darul Takzim.
Master Title Particulars	The following table outlines the master title particulars of the Subject Property.

Summary of Master Title Particulars

Lot No.	: PTD 2426 held under Title No. HSD 303949, Mukim of Tanjung Kupang, District of Johor Bahru, Johor Darul Takzim.
Land Area	: 469.082 hectares.
Tenure	: Leasehold interest for a term of 99 years, expiring on 22nd May 2099.
Registered Proprietor	: Lembaga Pelabuhan Johor.
Category of Land Use	: "Perusahaan / Perindustrian".
Express Condition	: i) "Tanah ini hendaklah digunakan untuk Pelabuhan dibina mengikut pelan yang diluluskan oleh Pihak Tempatan yang berkenaan". ii) "Segala kekotoran dan pencemaran akibat daripada aktiviti ini hendaklah disalurkan / dibuang ke tempat-tempat yang telah ditentukan oleh Pihak Berkuasa Berkenaan". iii) "Segala dasar dan syarat yang telah ditetapkan dan dikuatkuasakan dari semasa ke semasa oleh Pihak Berkenaan hendaklah dipatuhi".
Restriction-In-Interest	: "Tanah yang dikurniakan ini tidak boleh dijual atau dipindahmilik dengan apa cara sekalipun termasuk dengan menggunakan segala surat perjanjian yang bertujuan untuk melepaskan / menjual tanah ini tanpa kebenaran Penguasa Negeri".
Encumbrance	: Nil.
Endorsements	: Lease of the whole of the land to Pelabuhan Tanjung Pelepas Sdn Bhd (Master Lessee / Sub-Lessor) for a term of 60 years, commencing on 24th March 1995 and expiring on 23rd March 2055, vide Presentation No. 77243/2002, registered on 25th November 2002.

Summary of Master Title Particulars (Cont'd)	
Endorsements (Cont'd)	: Lease of the whole of the land to Pelabuhan Tanjung Pelepas Sdn Bhd (Master Lessee / Sub-Lessor) for a term of 60 years, commencing on 24th March 1995 and expiring on 23rd March 2055, vide Presentation No. 77243/2002, registered on 25th November 2002. **There are numerous endorsements registered on the Master Title. For the purpose of this valuation, we were specifically instructed to value the interest of the Sub-Lessee; which was registered as follows:-** **"Pajakan Kecil Sebahagian Tanah ke atas Pajakan Seluruh Tanah kepada Trinity Bliss Sdn Bhd sebahagian 11.2988 hektar bagi tempoh masa selama 29 tahun 351 hari mulai dari 7 April 2015 dan berakhir pada 23 Mac 2045"; vide Presentation No. 41326/2017, registered on 20th June 2017. The details of the Sub-Lease Agreement(s) are described hereinafter**. "Gadaian Pajakan Kecil ke atas Pajakan Kecil Sebahagian Tanah oleh Trinity Bliss Sdn Bhd kepada Public Bank Berhad" vide Presentation No. 83089/2017, registered on 30th November 2017.

Sub-Lease Agreement(s)

Pursuant to the Sub-Lease Agreement dated 12th July 2016 along with its Supplemental to the Agreement to Sub-Lease dated 31st January 2017 made between Pelabuhan Tanjung Pelepas Sdn Bhd (Sub-Lessor) and Trinity Bliss Sdn Bhd (Sub-Lessee), we note that the Subject Property is sub-leased to Trinity Bliss Sdn Bhd; subject to the salient terms and conditions stated below.

Term	: A term of 40 years from Date of Commencement and expires on Date of Expiry which is broken into two (2) lease periods by which the 1st term is from the Date of Commencement to 23rd March 2045 ("First Term") and subject to the option to extend the First Term pursuant to Clause 32 in Sub-Lease Agreement being exercised, continue effect from 24th March 2045 to 23rd March 2055 ("Further Term").
Date of Commencement	: 7th April 2015 (the date on which JPA gives it approval to the sub-lease the Demised Premises to Sub-Lessee).
Date of Expiry	: 23rd March 2055 (provided that the option to extend the First Term pursuant to Clause 32 has been exercised).
Permitted Use	: The Demised Premises is solely for the purpose of warehousing and logistics, distribution, trading and ancillary office or such other activities as may be permitted in writing by the Sub-Lessor and / or relevant authorises only.
Rent	: <u>First Term</u> RM37,702,051.20. (The Sub-Lessee had since settled in full the abovementioned consideration for this Sub-Lease). Further Term The Sub-Lessor hereby agrees that subject to the payment of RM1.00 by the Sub-Lessee to the Sub-Lessor before the expiration of the First Term (as defined under Section 4(c(of the Schedule hereto), the Said Lot (together with all building(s), facilities and amenities erected thereon) shall be sub-leased to the Sub-Lessee for a further term commencing on the date immediately after the expiry of the Term from 24th March 2045 to 23rd March 2055 ("Further Term"). The terms and conditions contained herein shall wherever appropriate be applicable to the sub-lease of the Said Lot (together with all building(s), facilities and amenities erected thereon) for the Further Term.

PROPERTY DESCRIPTION

Property Description	Located within the Free Zone – Distripark B of Pelabuhan Tanjung Pelepas, also known as Port of Tanjung Pelepas (PTP), Gelang Patah, Mapletree Logistics Hub Tanjung Pelepas is an industrial logistics hub accommodating two (2) detached blocks of double-storey ramp-up logistics and warehousing facilities with mezzanine office area, a detached block of single-storey logistics and warehousing facilities with mezzanine office area together with other supporting facilities + amenities and ancillary buildings attached thereto including a single-storey office and cafeteria, two (2) TNB Sub-Stations, a bin centre and two (2) guard houses; all constructed on a 27.92-acre near triangular shaped of industrial land.
Gross Floor Area	133,719 square metres (1,439,337.94 square feet). Notes: i. Based on conversion rate of 1 square metre: 10.7639 square feet ii. Excluding the elevated driveway / ramp (15,270 square metres)
Net Lettable Area	131,986 square metres (1,420,682.17 square feet). Note: Based on conversion rate of 1 square metre: 10.7639 square feet
Occupancy Status	About 84.57% (including committed, commenced and yet to commence tenancies).
Planning	Designated for industrial use; and was issued with a Certificates of Completion and Compliance by Lembaga Jurutera Malaysia (LJM) vide Serial No. LJM/J/1527 dated 24th July 2017.

MARKET VALUE

Valuation Methodology

In arriving at our opinion of Market Value for the Subject Property, we have adopted the **Income Approach by Discounted Cash Flow (DCF) Method** as the primary approach and supported by **Comparison Approach**.

The COVID-19 pandemic has caused market uncertainty, with no guiding evidence to reflect the current market circumstances. Despite the pandemic affecting all sectors, the industrial sector (in particular logistics and distribution / warehousing hubs) are likely to be less impacted by current market conditions. The nationwide imposition of MCO, conditional MCO and the current RMCO as well as the global travel restrictions in many other countries have further accelerate the growth of e-commerce and as a result, logistics facilities supplying e-commerce retailers and third-party logistics companies look likely to remain resilient in the face of increased warehousing demand for essential food and goods, medical supplies and the delivery of online purchases.

Key drivers to property values typically reflect long term outlook perspective and, in our opinion, the impact of the outbreak to the real estate market itself to be transitory. It will take time for the empirical data to be available to more accurately measure the overall impact. With no evidence to the contrary, our valuation approach is to retain the core Market Value drivers indicated by the pre-March 2020 market evidences and make necessary adjustments (not in perpetuity) (if any) to reflect the anticipated circumstances.

As a result, any valuation reported during this period will need to be reassessed closely from time to time.

a) Income Approach by Discounted Cash Flow (DCF) Method

DCF incorporates the estimation of future annual cash flows over an investment horizon (5 to 10-year) from the valuation date by reference to expected revenue growth rates, operating expenses and terminal value. The present value of future cash flow is then determined by the application of an appropriate discount rate to derive a net present value of the property as at the valuation date. We have assumed that the property is sold at the commencement of the terminal year of the cash flow at the expected rate of return of similar asset classes.

Summary of Parameters – Income Approach by DCF Method	
Terminal Yield / Capitalisation Rate	6.50%.
Discount Rate (Present Value)	7.75%.
Discount Period	10 years.

b) Comparison Approach

This approach considers the sales of similar or substitute properties and related market data, and establishes a value estimate by adjustments made for differences in factors that affect value. In general, a property being valued (Subject Property) is compared with sales of similar properties that have been transacted in the open market. Listings and offers may also be considered.

Using the Comparison Approach, the following sale evidences, amongst others, were noted:-

Summary of Selected Sales Comparsion of Industrial Premises

Address	Tenure	GFA (sq ft)	Date of Transaction / Annoucement	Consideration (Analysis)
Plot D37c, Jalan DPB 3, Distripark B, Pelabuhan Tanjung Pelepas, 81560 Gelang Patah, Johor Darul Takzim	A fixed period of 35 years and 5 months	230,272.65	14th October 2019	RM65,000,000 (RM282 psf)
Nos. 1, 3 & 5, Jalan Teknologi Perintis 1, Taman Teknologi Nusajaya, 79200 Iskandar Puteri, Johor Darul Takzim	Interest in perpetuity	105,303.00	13th August 2019	RM42,000,000 (RM399 psf)
Plot D20 & D20A, Jalan Tanjung A/3, Distripark A, Pelabuhan Tanjung Pelepas, 81560 Gelang Patah, Johor Darul Takzim	Unexpired sub-lease interest of about 36.20 years	140,760.00	10th January 2019	RM22,500,000 (RM160 psf)

MARKET VALUE (CONT'D)

Having regards to the foregoing, our opinion of the **Market Value** of the **unexpired sub-lease interest (remaining unexpired term of 34.50 years) held by Trinity Bliss Sdn Bhd along with its contractual rights entailed within the Sub-Lease Agreement dated 12th July 2016 together with its Supplemental Agreement dated 31st January 2017 made between Pelabuhan Tanjung Pelepas Sdn Bhd (the Sub-Lessor) and Trinity Bliss Sdn Bhd (the Sub-Lessee) for a period of 30 years ("First Term") expiring on 23rd March 2045; with option to renew for a further term of 10 years commencing on the date immediately after the expiry of the first term to 23rd March 2055 ("Further Term") for the said Land (identified as D40 & D44) measuring approximately 27.92 acres with all the building(s), facilities and amenities constructed thereon (an industrial logistics hub comprising two (2) detached blocks of double-storey ramp-up logistics and warehousing facilities with mezzanine office area, a detached block of single-storey logistics and warehousing facilities with mezzanine office area together with other supporting facilities + amenities and ancillary buildings attached thereto) held under part of Parent Lot PTD 2426, Mukim of Tanjung Kupang, District of Johor Bahru, Johor Darul Takzim; bearing postal address Mapletree Logistics Hub – Tanjung Pelepas, D40 & D44, Jalan DPB/8, Zone B, Pelabuhan Tanjung Pelepas, 81560 Gelang Patah, Johor Darul Takzim**; with Certificate of Completion and Compliance issued and subject to existing tenancies, as at 30th September 2020 is **RM405,000,000 (Ringgit Malaysia Four Hundred And Five Million Only)**.

For and on behalf of
KNIGHT FRANK MALAYSIA SDN BHD
(signed and sealed by)

585479-A

OOI HSIEN YU
Registered Valuer, V-692
MRISM, MRICS, MPEPS

Date: 14th October 2020

Note:-
Please note that this certificate shall only be valid provided always that a signature of our authorised signatory and an official seal have been affixed hereto.

Colliers
INTERNATIONAL

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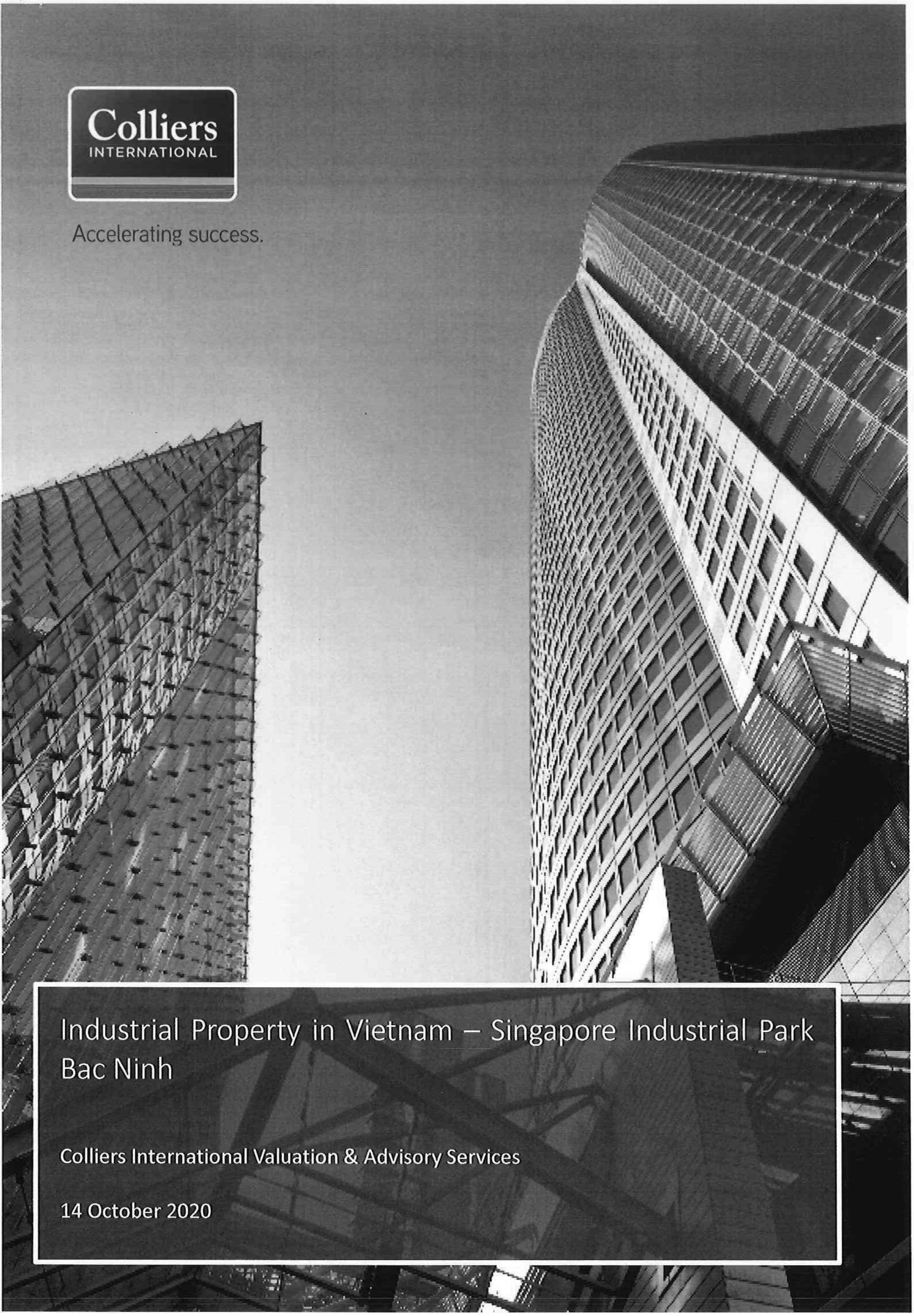

Industrial Property in Vietnam – Singapore Industrial Park Bac Ninh

Colliers International Valuation & Advisory Services

14 October 2020

1 EXECUTIVE SUMMARY

Property Address	*No.03, Street No 06, Vietnam – Singapore Industrial Park Bac Ninh, Phu Chan Commune, Tu Son Town, Bac Ninh Province, Vietnam*
Description	*The Property is industrial land with total area of 83,148 sqm in Vietnam – Singapore Industrial Park Bac Ninh, on which there are 3 blocks of single-storey warehouse with mezzanine office and other facilities such as Substation, Fire pump room, Guard house and Bin center. The total Gross Floor Area of project is of 47,812.9 sqm, providing 47,682 NLA sqm for lease.* *As at the date of inspection 3 warehouses are leased to ITL, MAERSK and KUEHNE+ NAGEL*
Ownership particulars of the property	*Certificate of land use right, ownership of houses and other land-attached assets No. CT 695385/Registered: CT36536 dated on 16 September 2020 by Department of Natural Resources and Environment of Bac Ninh Province.*
Interest Valued	*Expiring on 30 November 2057*
Purpose of Valuation	*For acquisition purposes*
Valuation Approach	*Market Approach & Cost Approach (Depreciated Replacement Cost)* *Income Approach – Discounted Cash Flow Method*
Valuation Date	*30 September 2020*
Inspection Date	*9 September 2020*
Basis of Valuation	*Our valuation is made on the basis of Market Value, which we define as "The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion (see IVS 104 paragraph 30.1)"*
Valuation Standards Adopted	*This valuation has been carried out in accordance with the Royal Institution of Chartered Surveyors (RICS) Global Valuation Professional Standards, incorporating the International Valuation Standards of the International Valuation Standards Council (IVSC).*

This valuation confirm letter is an integral part of the valuation report number HCMC_2031_Mapletree_2 properties in Binh Duong and Bac Ninh.

2 VALUATION ASSUMPTIONS

We have conducted the valuation of the Property using the following assumptions:

a) We have assumed that the Property is free from and clear of any and all charges, liens and encumbrances of an onerous nature likely to affect value, whether existing or otherwise, unless otherwise stated;

b) It is assumed that any land premium or other relevant fees payable for the acquisition, transfer, sale, letting or mortgage of the properties have been fully paid and settled;

c) We are not aware of any easements or rights-of-way affecting the Property and our valuation assumes that none exists;

d) We have assumed that, for any use of the Property upon which this valuation report is based, any and all required licenses, permits, certificates, and authorizations have been obtained, and are capable of renewal without difficulty, except only where otherwise stated;

e) We have assumed the Property can be freely transferred, mortgaged and let in the market without any additional fee;

f) We have assumed the Property is free from all encumbrances and fees and all compensation has been fully settled;

g) We have assumed that the information, estimates and opinions furnished to us and contained in this report have been obtained from sources considered reliable and believed to be true and correct, but we can assume no responsibility for their accuracy;

h) We have assumed the property [s] is free of contamination and any other environmental problem and can be developed in accordance with the plans, and to the construction quality as stated in the supplied information;

i) Without access to appropriate information, we have valued the property on the assumption that there are no abnormal site conditions that would result in an abnormal increase in development costs;

j) We have assumed that the Property was physically identical to the state in which it was inspected at the survey date;

k) We have not been provided by the Client the total construction cost nor the building insurance cost, thus we have calculated building insurance cost to be 0.05% of remaining asset value. In calculating the remaining asset value, we applied a different depreciation rate for different components on land, as each component has a different depreciation period. In addition we have based our estimate of asset value on our professional experience regarding general construction price. Should there be any difference between the actual construction cost and actual remaining asset value and those adopted we reserve the right to review our valuation.

l) We have assumed that the Property has access to all major utility services, including electricity, water, telecoms, sewerage and drainage.

3 VALUATION

a) Income Approach - Discounted Cash Flow Analysis

We have adopted a discount rate of 11% and a terminal rate of 8%. We are of the opinion that the Market Value of the Property in its existing state and subject to the assumptions, comments, terms and conditions contained within and annexed to our report, assessed by Discounted Cash Flow Analysis, as at 9/30/2020, is USD 21,853,156.

b) Market Approach

We have adopted a rate of USD146 per square metre for the site area, which results in a total land value of the Property as at 9/30/2020 of USD12,139,608.

c) Reconcile of value

Both Discounted Cash Flow Analysis and Market Approach have their own applicability and drawbacks and they each do not fully reflect the value of the Property. Thus, we have calculated the average of these two values and adopted this figure as the Market value of Property.

We have made reference to the approaches above and have therefore summarized our reconciliation of the values as follows:

Table 1: Reconcile of value

Market Value			
Approach	Value (USD)	Weighting	Weighted Value (USD)
Discounted Cash Flow	22,285,900	50%	11,142,950
DRC and Market Approach	21,853,156	50%	10,926,578
Total market value			22,069,528
Total market value (rounded)			22,070,000

VALUATION CONCLUSION

Based on the above methodologies and assumptions, we are of the opinion that Market Value of the Property in its existing state and subject to the assumptions, comments, terms and conditions contained within and annexed to our report, as at 30 September 2020, is in the sum of

USD22,070,000

(TWENTY TWO MILLION AND SEVENTY THOUSAND UNITED STATES DOLLARS)

For and on behalf of
Colliers International

M.S.D.N: 0312929917
CÔNG TY TRÁCH NHIỆM HỮU HẠN DỊCH VỤ BẤT ĐỘNG SẢN D&P

David Maurice Jackson
BSc (Hons) MScSurv
General Director
Colliers International

Colliers International
Valuation & Advisory Services

3rd Floor, Deutsches Haus HCMC
33 Le Duan Street, District 1, Ho Chi Minh City, Vietnam

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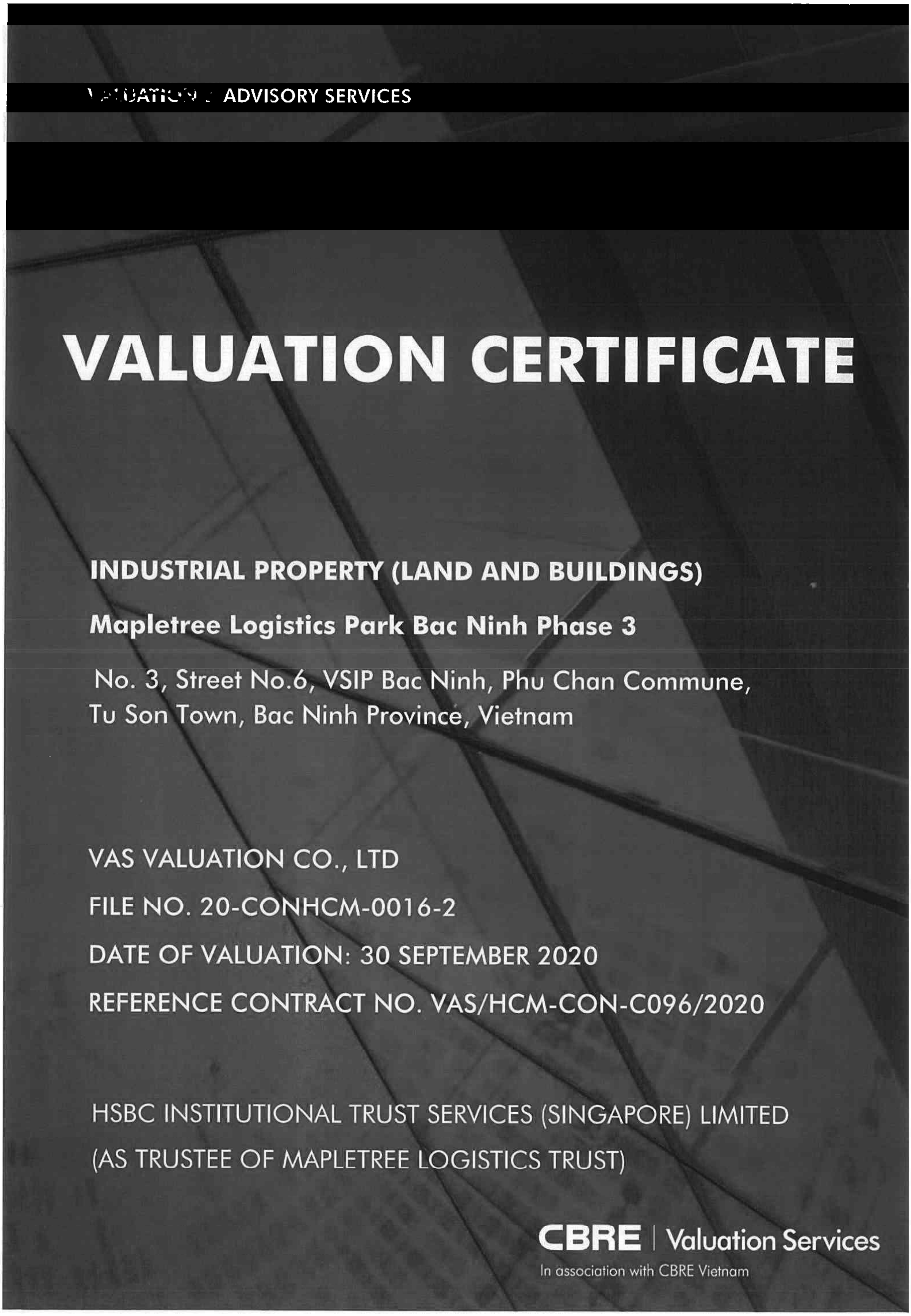

VALUATION & ADVISORY SERVICES

[redacted]

VALUATION CERTIFICATE

INDUSTRIAL PROPERTY (LAND AND BUILDINGS)

Mapletree Logistics Park Bac Ninh Phase 3

No. 3, Street No.6, VSIP Bac Ninh, Phu Chan Commune,
Tu Son Town, Bac Ninh Province, Vietnam

VAS VALUATION CO., LTD

FILE NO. 20-CONHCM-0016-2

DATE OF VALUATION: 30 SEPTEMBER 2020

REFERENCE CONTRACT NO. VAS/HCM-CON-C096/2020

HSBC INSTITUTIONAL TRUST SERVICES (SINGAPORE) LIMITED
(AS TRUSTEE OF MAPLETREE LOGISTICS TRUST)

CBRE | Valuation Services
In association with CBRE Vietnam

Executive Summary

Property: **MAPLETREE LOGISTICS PARK BAC NINH PHASE 3**

No.03, Street No.6, VSIP Bac Ninh, Phu Chan Commune,
Tu Son Town, Bac Ninh Province, Vietnam

Instructing Party: **HSBC INSTITUTIONAL TRUST SERVICES (SINGAPORE) LIMITED (AS TRUSTEE OF MAPLETREE LOGISTICS TRUST)**

Attention: Mr/Ms Valenie Shook Mun Chwee & Christine Png

10 Marina Boulevard, #45-01 Marina Bay Financial Centre Tower 2
Singapore 018983

Purpose of Valuation: Private and confidential use of HSBC Institutional Trust Services (Singapore) Limited (As Trustee of Mapletree Logistics Trust) for potential acquisition and public circulation purpose only. This report will be included in a circular to be issued by Mapletree Logistics Trust Management Ltd to the unitholders of Mapletree Logistics Trust in connection with the acquisition.

Basis of Valuation: Market Value subject to existing Land Use Right Certificates, building and existing improvements and critical assumptions.

Interest Valued: Industrial use, Leasehold (Annual paid land use fee) – expiring on 30 November 2057.

Remaining Land Lease Term – 37.2 years approx.

Registered Beneficial Owner: Mapletree Logistics Park Bac Ninh Phase 3 (Vietnam) Company Limited

Land Areas/ Gross Floor Area (GFA): Based on the Land Use Right, House Ownership and Other Assets Attached on Land Certificate issued on 16 September 2020 by Bac Ninh province's Department of Natural Resources and Environment for Mapletree Logistics Park Bac Ninh Phase 3 (Vietnam) Company Limited, we have summarized details as follows:

No	Plot	Land size (sqm)	GFA (sqm)	Land use purpose
1	Plot No. 02, map No. 26	83,148	47,812.9	Industrial use
	Total	83,148	47,812.9	

Net Leasable Area: 47,682sqm.

Zoning: As per Land Use Right, House Ownership and Other Assets Attached on Land Certificate provided, the Subject Property are located within the entire area approved for industrial use.

Site Description: The Subject Property comprises industrial land with improvements located at No.03, VSIP Street No.6, VSIP Bac Ninh. The property is situated about 3km southeast of the National Road No.1 which connects Vietnam Singapore Industrial Park to Central Business District (CBD) of Hanoi City. The subject property is approximately 19km southwest of the centre of Bac Ninh City, 21km northeast of the CBD of Hanoi and 36km southeast of Noi Bai International Airport. Surrounding development of the vicinity comprises mainly industrial land allotments and existing factories/warehouses.

VSIP Bac Ninh has a strategic location in the boundary between Hanoi City and Bac

	Ninh Province. VSIP Bac Ninh is an integrated industrial and township development covering a total land area of approx. 700ha. Started construction in 2007, VSIP Bac Ninh is now fully occupied with many multi-national and good quality factories/warehouses namely Mapletree Logistics Park, Pepsico Vietnam, Fujita Vietnam, etc.
Existing Improvements Description:	The Subject Property consists of three warehouse blocks with total Gross Floor Area (GFA) of approximately 47,812.9sqm (as provided by the Instructing Party). Every block is improved with warehouse, office, car park area, separated female and male restrooms. The warehouse area is equipped with firefighting system and back-up power generator. The Subject Property was completed in 2019. As provided by the Instructing Party, the Subject Property achieved at 100% occupancy.
Market Comment:	Please refer to Section 3: Market Commentary.
Valuation Comment:	Our valuation is our best estimate, using our professional judgment, as to the approximate value that might be attributed to a parcel of land with the assumed characteristics as at the valuation date. If any of our assumptions are found to be inaccurate our valuation is void and all reliance is revoked. We reserve the right to review and, if necessary, vary the valuation if there are changes to the assumptions made herein.
Valuation Approaches:	Capitalization Approach: • Capitalisation rate: 8.0%; Discounted Cash Flow Analysis: • Discount rate: 12.0%. • Terminal Yield: 8.25% Depreciated Replacement Cost Approach: • Construction cost: US$195/sqm GFA for warehouse.
Date of Inspection:	24 September 2020
Date of Valuation:	30 September 2020 *The inspection for this valuation was conduct prior to the valuation date. We have assumed that no material change to the subject property has occurred between the inspection date and valuation date.*
Market Value (100% interest)	US$22,036,000 Twenty Two Million and Thirty-Six Thousand United States Dollars Only. *This valuation is exclusive of VAT.*
Currency Equivalent Value:	VND 512,800,000,000 Five Hundred and Twelve Billion Eight Hundred Million Viet Nam Dong Dong Only. *Applied selling exchange rate published by Vietcombank the valuation date (30 September 2020). US$1 = VND23,270*
Market Uncertainty from Novel Coronavirus:	The outbreak of the Novel Coronavirus (COVID-19), declared by the World Health Organization as a "Global Pandemic" on the 11th March 2020, is causing heightened uncertainty in both local and global market conditions. Global financial

markets have seen steep declines since late February largely on the back of the pandemic over concerns of trade disruptions and falling demand. Many countries globally have implemented strict travel restrictions and a range of quarantine and "social distancing" measures.

Market activity is being impacted in most sectors. As at the valuation date, we consider that we can attach less weight to previous market evidence for comparison purposes, to inform opinions of value. Indeed, the current response to COVID-19 means that we are faced with an unprecedented set of circumstances on which to base a judgement.

Our valuation is therefore reported on the basis of 'material valuation uncertainty'. Consequently, less certainty – and a higher degree of caution – should be attached to our valuation than would normally be the case. Values may change more rapidly and significantly than during standard market conditions. Given the unknown future impact that COVID-19 might have on the real estate market, we recommend that you keep the valuation of [this property] under frequent review.

For the avoidance of doubt, the inclusion of the 'material valuation uncertainty' declaration above does not mean that the valuation cannot be relied upon. Rather, the declaration has been included to ensure transparency of the fact that – in the current extraordinary circumstances – less certainty can be attached to the valuation than would otherwise be the case. The material uncertainty clause is to serve as a precaution and does not invalidate the valuation.

Assumptions, Disclaimers, Limitations & Qualifications:

This valuation report is provided subject to the critical assumptions, qualifications, limitations and disclaimers detailed throughout this report which are made in conjunction with those included within the Assumptions, Qualifications, Limitations & Disclaimers section located within this report. Reliance on this report and extension of our liability is conditional upon the reader's acknowledgement and understanding of these statements. Unless expressly permitted within the Letter of Engagement signed between the Instructing Party and VAS, reference to this report in any document or by any other party or for any other purpose apart from those specifically listed herein is strictly forbidden. This valuation is for the use only of the party to whom it is addressed and for no other purpose. No responsibility is accepted to any third party who may use or rely on the whole or any part of the content of this valuation. The valuer has no pecuniary or other conflict of interest that would conflict with the proper valuation of the property.

Legal Notice and Disclaimers:

This valuation report (the "Report") has been prepared by VAS Valuation Co. Ltd ("VAS") exclusively for HSBC Institutional Trust Services (Singapore) Limited (As Trustee of Mapletree Logistics Trust) (the "Instructing Party") in accordance with the Letter of Engagement No.VAS/HCM-CON-C096/2020 entered into between VAS and the client dated 17 September 2020 (the "LOE"). The Report is confidential to the Instructing Party and any other Addressees named herein and the Instructing Party and the Addressees may not disclose the Report unless expressly permitted to do so under the LOE.

Where VAS has expressly agreed that persons other than the Instructing Party or the Addressees can rely upon the Report (a "Reliant Party" or "Reliant Parties") then VAS shall have no greater liability to any Reliant Party than it would have if such party had been named as a joint client under the LOE.

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CBRE | Valuation Services

China Logistics Market Research.

17 Cities in The People's Republic of China

Prepared for
HSBC Institutional Trust Services (Singapore) Limited
(in its capacity as trustee of Mapletree Logistics Trust)
and

Mapletree Logistics Trust Management Limited
(in its capacity as manager of Mapletree Logistics Trust)

Report date: 14 October 2020

Important Notice to all readers of this report

Unless you are the Client named within this report, or have been explicitly identified by us as a party to whom we owe a duty of care and who is entitled to rely on this report, Knight Frank Petty Limited does not owe or assume any duty of care to you in respect of the contents of this report and you are not entitled to rely upon it.

Locally expert, globally connected.

Knight Frank 萊坊

HSBC Institutional Trust Services (Singapore) Limited
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and

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10 Pasir Panjang Road
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Singapore 117438

Our ref: GV/TL/CF/NW/JT/RC/06-0738/10687(7)

Date of issue: 14 October 2020

Dear Sirs

China Logistics Market Research Report – 17 Cities in The People's Republic of China

Further to your instructions, we are pleased to provide our market research report in respect of the above cities. Following the outbreak of the Coronavirus (COVID-19), declared by the World Health Organisation as a "Global Pandemic" on the 11 March 2020, this has impacted global financial markets. We bring to your attention the important comments within our market research report. If you have any queries regarding this report, please let us know as soon as possible.

Signed for and on behalf of Knight Frank Petty Limited

Natalie W.

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This report has been reviewed, but not undertaken, by:

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C P Property Management Limited
Knight Frank Asset Appraisal Limited
Knight Frank Project Design & Delivery Limited

Newmark Knight Frank

Contents

1. Terms of engagement

Engagement of Knight Frank Petty Limited

Instructions

1.1 We, Knight Frank Petty Limited (“Knight Frank”), refer to the instruction from Mapletree Logistics Trust Management Limited to us to prepare a report in regard to the market research for 17 cities in The People's Republic of China (“The PRC” or “China”).

Client

1.2 Our client for the instructions is HSBC Institutional Trust Services (Singapore) Limited (in its capacity as trustee of Mapletree Logistics Trust) and Mapletree Logistics Trust Management Limited (in its capacity as manager of Mapletree Logistics Trust) (the “Client”).

Independence and Expertise

Disclosure of any Conflicts of Interest

1.3 We confirm that we do not have any material connection or involvement giving rise to a conflict of interest and are providing an objective and unbiased study.

Use of this Study

Purpose of Study

1.4 You have confirmed that this market research report is required for public circular and may not be used for any other purpose without our express written consent.

Reliance

1.5 This market research report has been prepared for the Client only. No other person is entitled to rely on the market research report for any purpose. We accept no liability to anyone for any improper or unauthorised reliance on this market research report.

Disclosure & Publication

1.6 Neither the whole nor any part of this report nor any reference thereto may be included in any published document, circular or statement nor published in any way without our prior written approval of the form or context in which it may appear.

Limitations on Liability

1.7 Knight Frank Petty Limited’s total liability for any direct loss or damage (whether caused by negligence or breach of contract or otherwise) arising out of or in connection with this study is limited to HK$50 million. Knight Frank Petty Limited accepts no liability for any indirect or consequential loss or for loss of profits.

1.8 We confirm that we hold adequate and appropriate Professional Indemnity Insurance cover for this instruction.

1.9 No claim arising out of or in connection with this market research report may be brought against any employee, director, member, partner or consultant of Knight Frank Petty Limited. Those individuals will not have a personal duty of care to any party and any claim for losses must be brought against Knight Frank Petty Limited.

1.10 Nothing in this market research report shall exclude or limit our liability in respect of fraud or for death or personal injury caused by our negligence or for any other liability to the extent that such liability may not be excluded or limited as a matter of law.

1.11 For details of the limitations on liability and disclosure, please refer Limitations on the Report in Section 6.

Scope of Enquiries & Investigations

Inspection

1.12 We have carried out inspections in September 2020.

Information Source

1.13 In this report, we have been provided with information by the Client and other third parties. We have relied upon this information as being materially correct in all aspects.

1.14 No documents with respect to current title ownership have been provided to us.

1.15 In case of the absence of any documents or information provided, we have had to rely solely upon our own enquiries as outlined in this report. Any assumptions resulting from the lack of information are also set out in the relevant section of this report.

1.16 Whilst every care is given to ensure information accuracy and authenticity, Knight Frank does not warrant or represent that such information is free from errors. Whenever possible, the analysis is based on data available to us as at the date of this report.

Exclusions and Remarks

Key Exclusions

1.17 We have only carried out visual inspection and have not undertaken on-site measurement and have assumed that the property information available to us are up to date and accurate, or preliminary information released by developers, operators is up to date. They are subject to changes upon further investigation, if necessary, at a later stage.

Remarks

1.18 The findings at this stage are non-exhaustive and on high-level basis. They are intended to provide an overall picture of the logistics market in the relevant cities. As such the detailed information (such as floor area) is for reference only.

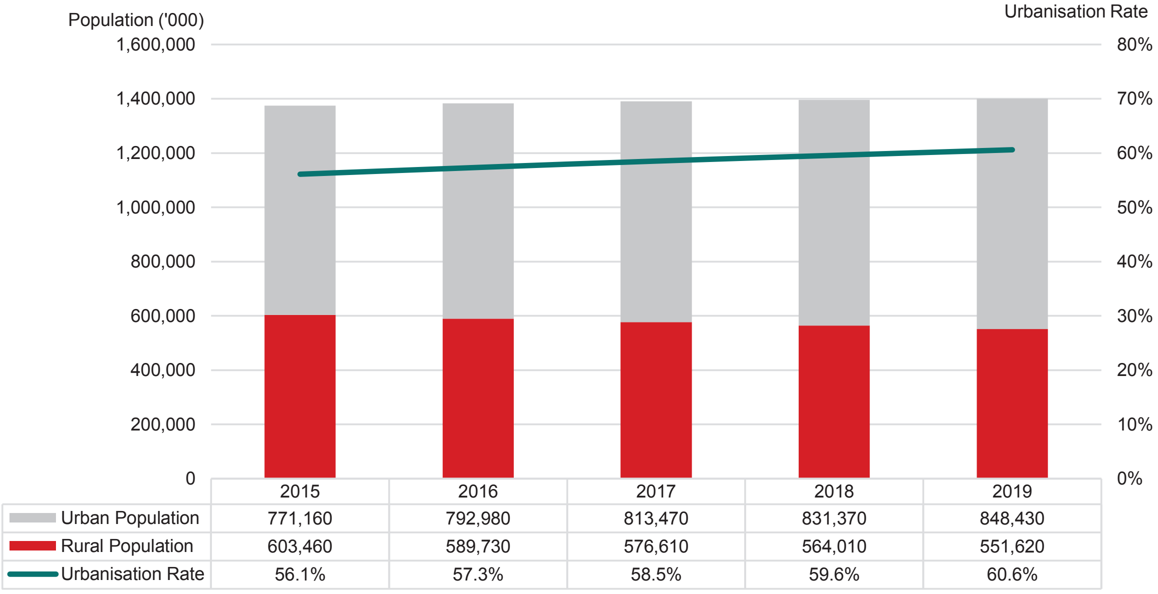
2. Macroeconomic Overview

Country Overview

2.1 In 2019, the population of The PRC stood at 1.400 billion, which made The PRC the most populous country in the world. Since the abolition of one-child policy in 2015, the population of The PRC had been growing steadily as evinced by the compound annual growth rate (“CAGR”) of 0.5% between 2015 and 2019.

2.2 As a result of rapid economic development and significant infrastructure improvements, the urbanisation rate grew from 60.6% in 2015 to 60.6% in 2019. It is expected to grow further by amid the continuous economic development in urban areas.

Exhibit 1 Population and Urbanisation Rate of The PRC

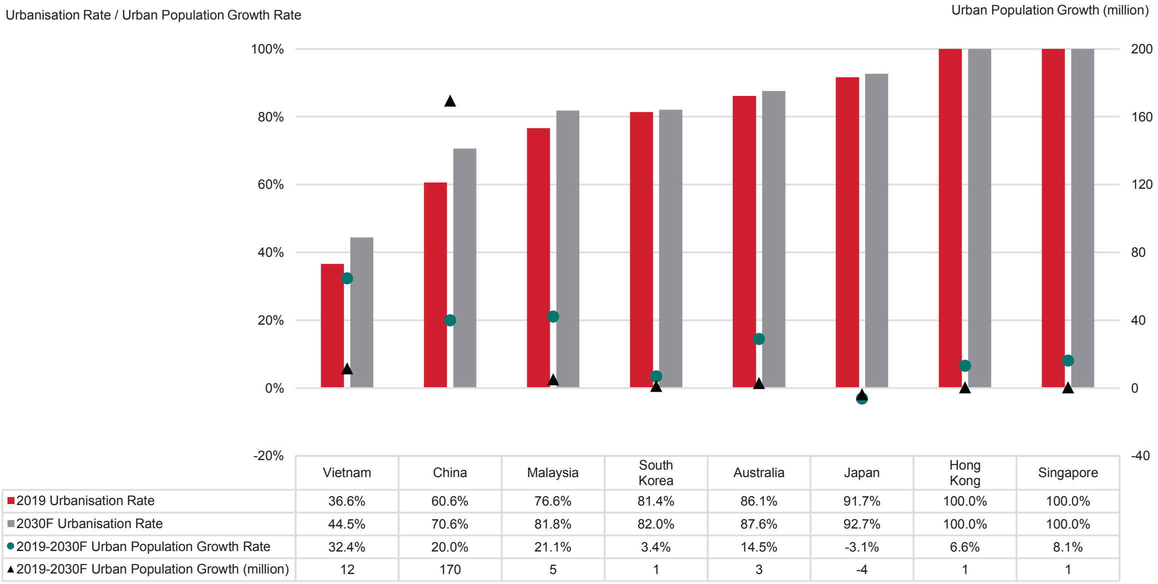


	2015	2016	2017	2018	2019
Urban Population	771,160	792,980	813,470	831,370	848,430
Rural Population	603,460	589,730	576,610	564,010	551,620
Urbanisation Rate	56.1%	57.3%	58.5%	59.6%	60.6%

Source: National Bureau of Statistics of China

2.3 China together with Vietnam and Malaysia are relatively less urbanised countries with urbanisation levels of 60.6%, 36.6% and 76.6% in 2019 respectively and they are projected to see a strong growth in their urban populations. According to the United Nations, between 2019 to 2030, Vietnam’s urban population is forecasted to increase by 12 million or 32.4% to 47 million, The PRC’s by 170 million or 20.0% to 1,018 million and Malaysia’s by 5 million or 21.1% to 30 million.

Exhibit 2 Urbanisation Rate in 2019 and Urban Population Growth by Countries



	Vietnam	China	Malaysia	South Korea	Australia	Japan	Hong Kong	Singapore
■ 2019 Urbanisation Rate	36.6%	60.6%	76.6%	81.4%	86.1%	91.7%	100.0%	100.0%
■ 2030F Urbanisation Rate	44.5%	70.6%	81.8%	82.0%	87.6%	92.7%	100.0%	100.0%
● 2019-2030F Urban Population Growth Rate	32.4%	20.0%	21.1%	3.4%	14.5%	-3.1%	6.6%	8.1%
▲ 2019-2030F Urban Population Growth (million)	12	170	5	1	3	-4	1	1

Source: United Nations and National Bureau of Statistics of China

2.4 In 2019, the urban disposable income and urban consumption expenditure of The PRC grew at a CAGR of 7.9% and 7.0% between 2015 and 2019 to record highs of RMB42,359 per capita and RMB28,063 per capita respectively. The unemployment rate stayed at a low level of 3.6% in 2019. The prominent growth of urban disposable income and urban consumption expenditure coupled with a low unemployment rate are positive signals of the economy of The PRC. In pursuit of sustainable long-term economic growth, The PRC's economic rebalancing in recent years has led to a shift from an export-led to a domestic-driven economy. As a result, domestic consumption has become a key growth engine for the country. In 2019, domestic consumption accounted for 57.8% of The PRC's economic growth, becoming the major driving force of economic growth for the sixth consecutive year, compared to that of 35.3% in 2008. In 2020H1, despite adverse impacts on the economy of the country due to the COVID-19 pandemic, the urban disposable income still grew by 1.5% year-on-year ("YOY") and the unemployment rate remained low at 3.8%, against the backdrop of 8.0% YOY contraction in the urban consumption expenditure. In 2015, The PRC's middle class[1] represented 12% of global consumption expenditure and this proportion is projected to reach 22% in 2030, driven by China's rapid urbanisation and its growing domestic consumption. With that, The PRC is expected to maintain its position as one of the fastest growing economies in the coming years.

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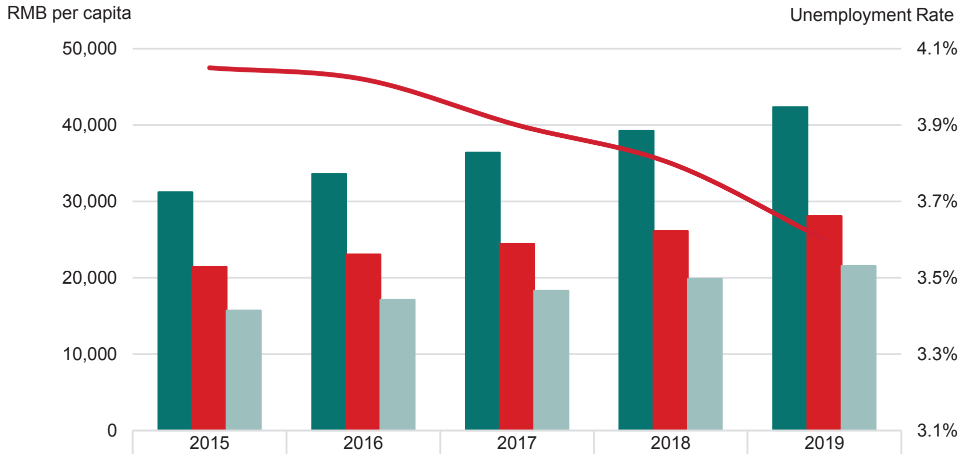
[1] It refers to households with incomes between USD11 and USD110 per capita per day in 2011 purchasing power parity terms

Exhibit 3 Urban Disposable Income, Urban Consumption Expenditure, Consumption Expenditure and Unemployment Rate of The PRC



	2015	2016	2017	2018	2019
🟩 Urban Disposable Income	31,195	33,616	36,396	39,251	42,359
🟥 Urban Consumption Expenditure	21,392	23,079	24,445	26,112	28,063
▨ Consumption Expenditure	15,712	17,111	18,322	19,853	21,559
— Unemployment Rate	4.1%	4.0%	3.9%	3.8%	3.6%

Source: National Bureau of Statistics of China

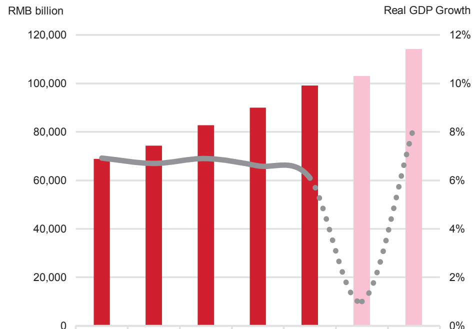
Economic Overview

Gross Domestic Product

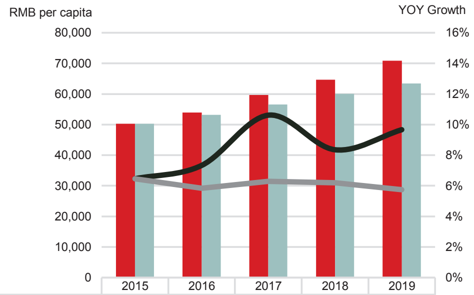
2.5 The PRC witnessed another year of economic expansion in 2019 amid the trade dispute with the United States of America (the “US”) with a 6.1% YOY real gross domestic product (“GDP”) growth to a record high of RMB99,087 billion, contributing about 16.4% of the world’s GDP according to The World Bank. Being the second largest economy in the world, The PRC was one of the most promising emerging markets, with GDP growing at a CAGR of 9.5% between 2015 and 2019. The GDP per capita rose from RMB50,251 per capita in 2015 to RMB70,892 per capita in 2019, recording a CAGR of 9.0% across the period. Due to its successful epidemic control alongside a series of economic stimulus measures and strong economic fundamentals, the economy of The PRC rebounded swiftly in the second quarter of 2020 with a real GDP growth of 3.2% YOY following a contraction of 6.8% YOY in the previous quarter in the face of COVID-19 global pandemic. Foreign direct investment (“FDI”) and outbound direct investment (“ODI”) of The PRC started showing positive signals in the second quarter of 2020, in which the monthly FDI in July 2020 recorded a double-digit growth of about 12.2% YOY. In 2020H1, the accumulative FDI was approximately 23.7% higher than the accumulative ODI, indicating that foreign investments in The PRC outstripped capital outflow in spite of the US-China trade dispute and COVID-19 pandemic.

2.6 China is set to lead economic recovery in the region, on the back of an established industrial ecosystem and enormous domestic consumption market. Should the COVID-19 pandemic fade in the second half of 2020, allowing containment efforts to be gradually scaled back and restoring consumer and investor confidence, the GDP of The PRC is expected to see a noticeable growth of 8.2% in 2021 following a slower growth of 1.0% expected for 2020 amid uncertainties brought by the US-China trade dispute and the pandemic. The economy of The PRC remains resilient ahead supported by the continued urbanisation and the rising middle class. The sustainable economic development plans laid out by the government will continue to stimulate domestic consumption and expansion of the tertiary industry.

Exhibit 4 GDP, Real GDP Growth, GDP per Capita, Real GDP per Capita, GDP per Capita Growth and Real GDP per Capita Growth of The PRC



	2015	2016	2017	2018	2019	2020 F	2021 F
GDP	68,905	74,359	82,712	90,031	99,087	103,050	114,179
Real GDP Growth	6.9%	6.7%	6.9%	6.6%	6.1%	1.0%	8.2%

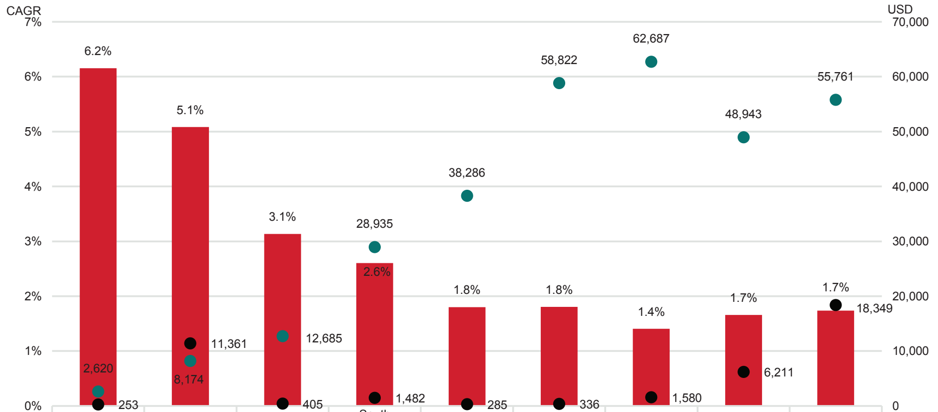


	2015	2016	2017	2018	2019
GDP per Capita	50,251	53,935	59,660	64,644	70,892
Real GDP per Capita	50,251	53,182	56,527	60,029	63,478
GDP per Capita Growth	6.5%	7.3%	10.6%	8.4%	9.7%
Real GDP per Capita Growth	6.5%	5.8%	6.3%	6.2%	5.7%

Source: National Bureau of Statistics of China
Remarks: The real GDP per capita is at 2015 prices.

2.7 In the coming years, it is expected that The PRC, alongside Vietnam and Malaysia, will continue to be one of the fastest growing developing countries. In terms of real GDP per capita, The PRC is forecasted to grow at a CAGR of 5.1% from 2021 to 2024; while in terms of the consumption expenditure per capita, The PRC is expected to increase at a CAGR of 7.3% over the same period.

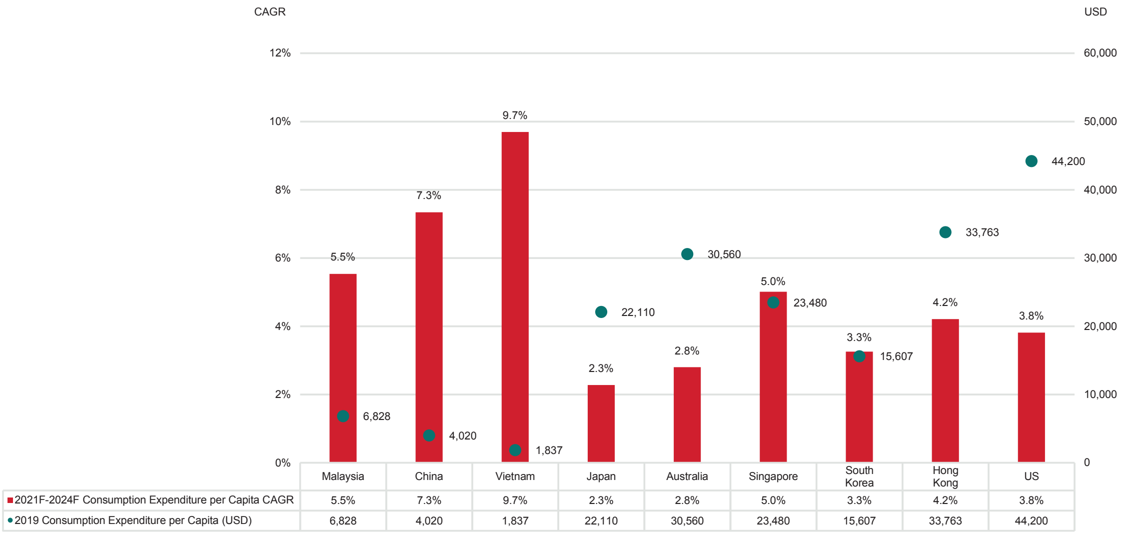
Exhibit 5 Real GDP, Real GDP per Capita in 2019 and Growth by Countries



	Vietnam	China	Malaysia	South Korea	Hong Kong	Singapore	Australia	Japan	US
🟥 2021F-2024F Real GDP per Capita CAGR	6.2%	5.1%	3.1%	2.6%	1.8%	1.8%	1.4%	1.7%	1.7%
● 2019 Real GDP (USD billion)	253	11,361	405	1,482	285	336	1,580	6,211	18,349
● 2019 Real GDP per Capita (USD)	2,620	8,174	12,685	28,935	38,286	58,822	62,687	48,943	55,761

Source: Economist Intelligence Unit
Remarks: The real GDP and real GDP per capita are at 2010 prices.

Exhibit 6 Consumption Expenditure per Capita in 2019 and Growth by Countries



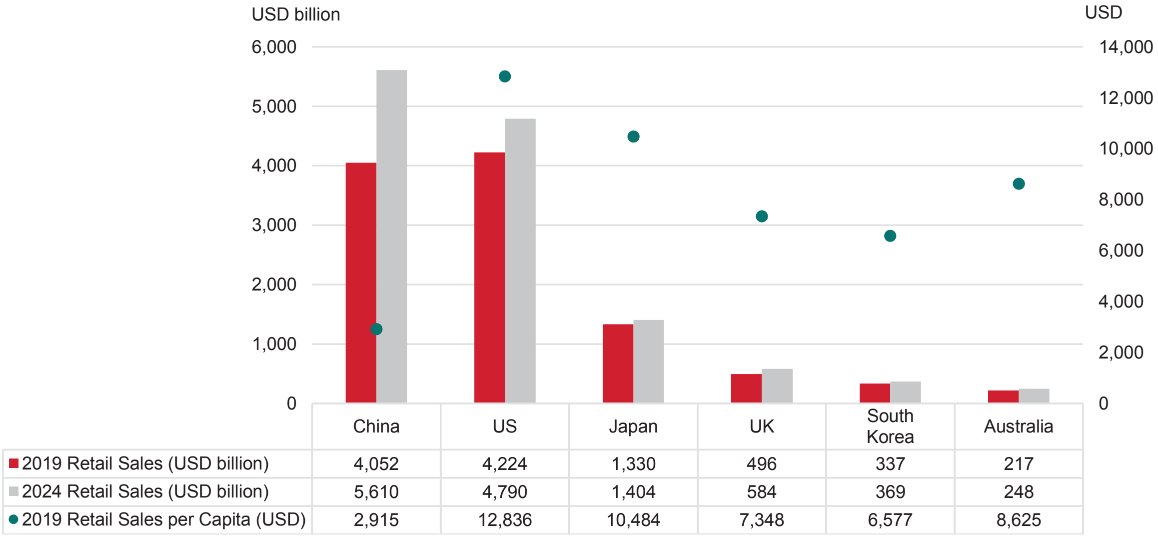
	Malaysia	China	Vietnam	Japan	Australia	Singapore	South Korea	Hong Kong	US
🟥 2021F-2024F Consumption Expenditure per Capita CAGR	5.5%	7.3%	9.7%	2.3%	2.8%	5.0%	3.3%	4.2%	3.8%
● 2019 Consumption Expenditure per Capita (USD)	6,828	4,020	1,837	22,110	30,560	23,480	15,607	33,763	44,200

Source: Economist Intelligence Unit

Retail Sales

2.8 In 2019, The PRC's retail sales per capita was USD2,915, significantly lower than the developed economies such as the US (USD12,836) and Japan (USD10,484), suggesting significant growth potential. Notably, The PRC is projected to overtake the US as the world's largest retail market by 2024 with retail sales of over USD5,610 billion, an increase of 38.5% from 2019.

Exhibit 7 Retail Sales in 2019 and Growth by Countries



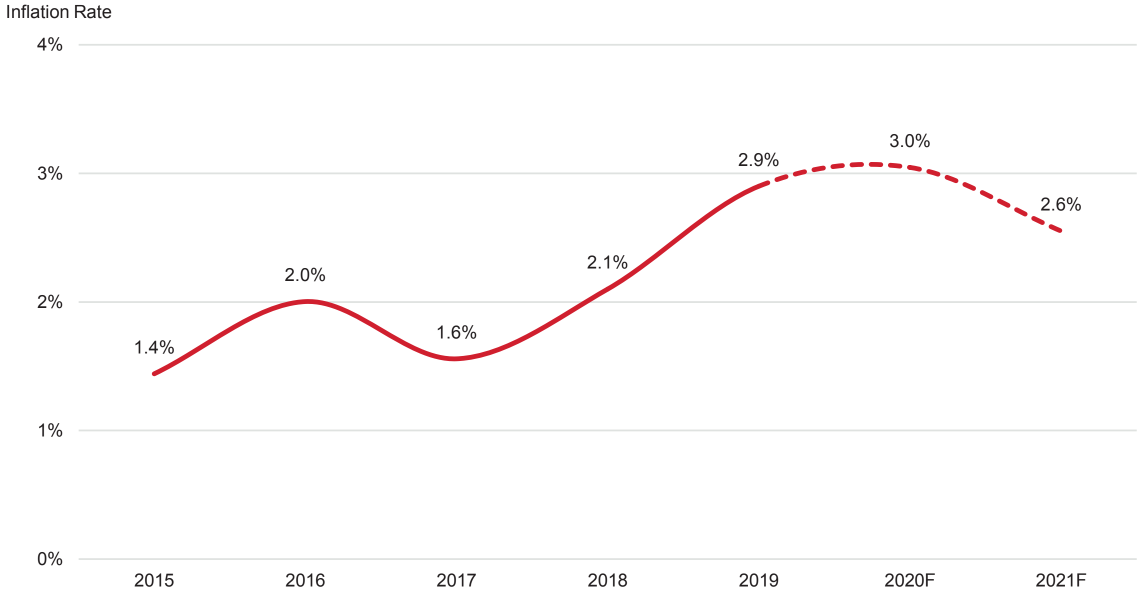
	China	US	Japan	UK	South Korea	Australia
🟥 2019 Retail Sales (USD billion)	4,052	4,224	1,330	496	337	217
▨ 2024 Retail Sales (USD billion)	5,610	4,790	1,404	584	369	248
● 2019 Retail Sales per Capita (USD)	2,915	12,836	10,484	7,348	6,577	8,625

Source: Economist Intelligence Unit

Consumer Price Index

2.9 The consumer price inflation of The PRC has been maintained at a moderate level since 2015, ranging within healthy levels of 1.4% to 2.9%, amid a rapid economic expansion. As of 2020H1, the inflation rate of The PRC went up to 3.8% mainly attributable to the rise in food prices, especially pork, which has been caused by the shortage of pig supply as a result of African swine fever since 2018 and flooding in East China in 2020H1. The inflation is forecasted to taper down to about 3.0% by the end of 2020 and about 2.6% in 2021, after taking into account the impact of the US-China trade dispute and COVID-19 global pandemic.

Exhibit 8 Inflation Rate of The PRC

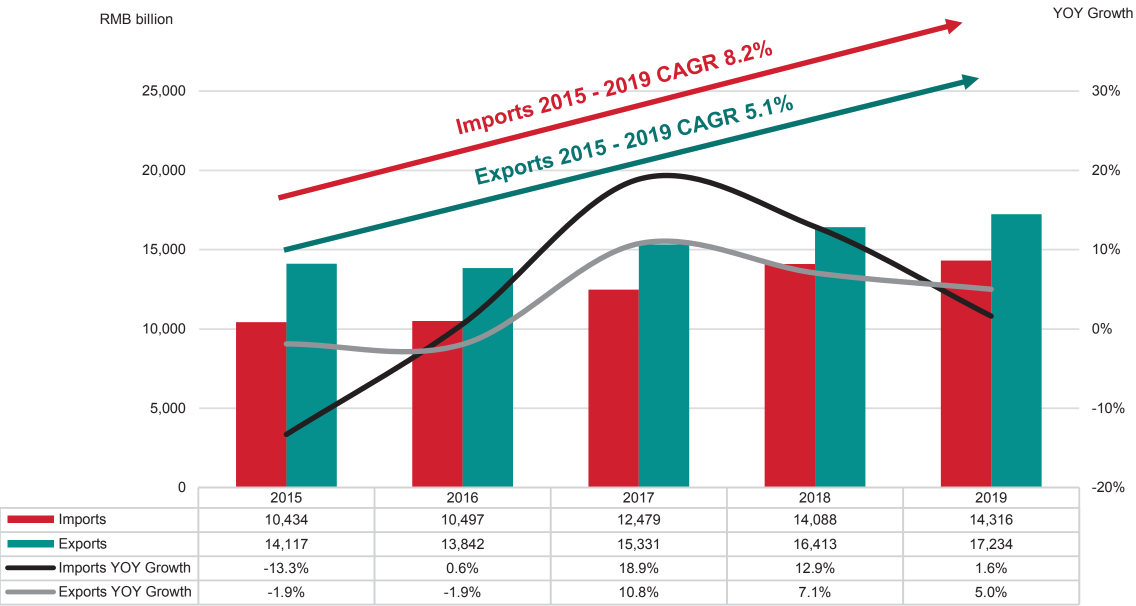


Source: National Bureau of Statistics of China

Imports and Exports

2.10 The import and export markets of The PRC have experienced steady growths between 2015 and 2019, at a CAGR of 8.2% and 5.1% respectively. In 2019, against the backdrop of the trade dispute with the US, the growth of imports and exports decelerated but continued to remain positive. In 2019, the imports and exports of The PRC grew by 1.6% YOY and 5.0% YOY to RMB14,316 billion and RMB17,234 billion respectively. Trade surplus reduced from RMB3,683 billion in 2015 to RMB2,918 billion in 2019 at a CAGR of -5.7%.

Exhibit 9 Imports and Exports of The PRC



	2015	2016	2017	2018	2019
🟥 Imports	10,434	10,497	12,479	14,088	14,316
🟩 Exports	14,117	13,842	15,331	16,413	17,234
▬ Imports YOY Growth	-13.3%	0.6%	18.9%	12.9%	1.6%
▬ Exports YOY Growth	-1.9%	-1.9%	10.8%	7.1%	5.0%

Source: National Bureau of Statistics of China

2.11 The US and Chinese governments signed the phase one agreement in relation to the trade dispute in January 2020. This forms part of an effort to resolve trade tensions that have been ongoing since March 2018. Part of the phase one agreement involves cutting some US tariffs on Chinese goods in exchange for Chinese pledges to purchase more of American farm, energy and manufactured goods.

2.12 Despite ongoing negotiations between the two governments, it is expected that a comprehensive agreement would not be reached in the short run and the US-China trade dispute would continue to impact the imports, exports, financial and monetary markets for a certain period of time. Nevertheless, having considered the current capital market changes, we notice that the market is factoring in the renewed US-China trade dispute impact. The corresponding market volatility against the US-China trade dispute will likely slow down. As such, looking forward, the market may be less affected by the news of US-China trade dispute.

2.13 The trade volume between The PRC and the US dropped by 6.6% YOY for 2020H1 amid the US-China trade dispute. The imports and exports of The PRC recorded YOY negative growth of 3.3% and 3.0% respectively in 2020H1 due to disruptions in global transport because of the COVID-19 pandemic. While the prolonged trade conflict casts a shadow over the trading activities with the US, the impact on the logistics market is expected to be limited as import and export destinations of The PRC has been diversifying. For instance, the trade volume of The PRC with the Association of Southeast Asian Nations ("ASEAN") countries grew by 5.6% YOY in 2020H1, which has helped to buffer against the weakness in US-China trade relations. The trading opportunities with other regions around the world, together with the rising domestic consumption, and supported by the continuous economic development and urbanisation will continue to create a keen demand for logistics facilities and services.

Government Planning and Policies

13th National People's Congress

2.14 The third annual session of the 13th National People's Congress was held in May 2020. Premier Li Keqiang reported that The PRC would not set a specific target for economic growth given the uncertainties arising from COVID-19 pandemic and the global economic and trade environment, but aims to generate 9 million jobs and keep the unemployment rate below 6%. Moreover, The PRC intends to establish more free trade zones and bonded areas in central and western regions, further shorten the negative lists for foreign investment, cut taxes, and continue to push the Belt and Road Initiative. These announcements signal China's effort in further opening up the economy and in improving its business environment, which will benefit the property market of The PRC.

New Forms of Consumption Policies

2.15 Domestic consumption has become a key growth engine for The PRC. Becoming the major driving force of economic growth for the sixth consecutive year in 2019, domestic consumption accounted for 57.8% of The PRC's economic growth, which is significantly higher compared to that of 35.3% in 2008. The PRC will continue deepening supply-side structural reform, focus efforts on improving people's wellbeing, and boost consumption, with priority given to new infrastructure and new urbanisation initiatives. In its latest efforts to boost domestic demand, the Chinese government will support the roll-out of e-commerce and express delivery services in rural areas to expand and spur new types of consumption.

Reform of Hukou System

2.16 The PRC has also been undertaking reforms of the hukou system by relaxing restrictions in small and medium-sized cities to improve labour mobility and boost domestic consumption. Relaxed restrictions would allow more flexibility to migrant workers to attain residency in urban cities, which is expected to accelerate urbanisation and further boost productivity and consumption in The PRC.

"Dual Circulation" Strategy

2.17 The PRC announced a "dual circulation" strategy to reduce dependence on overseas markets and technology in 2020. With an aim to foster self-sufficiency and resilience, the strategy is expected become a key priority in the government's 14th Five-Year Plan (2021-2025). The PRC will rely mainly on "internal circulation" for its development, which is the domestic cycle of production, distribution and consumption supported by innovation and upgrades in the economy. The authorities endeavour to boost tech innovation, push Chinese firms up the global value chain, boost household incomes, and in turn, further stimulate the domestic demand.

Infrastructure Developments

Significant Infrastructure Projects

2.18 Significant infrastructure projects are expected to be launched in the near future in The PRC, which include Beijing Daxing International Airport, Chengdu Tianfu International Airport and Jiangsu Province Intercity Railway.

Beijing Daxing International Airport

2.19 Opened on 25 September 2019, Beijing Daxing International Airport is planned to be one of the biggest and busiest airports in the world. With a total investment of approximately RMB80 billion, the 4-runway airport is positioned as a major airport in North China. After its opening in late September 2019, it handled about 3.1 million passengers and 7,400 tonnes of cargo in about three months by the end of 2019. According to the local government, it is expected to handle approximately 72 million passengers and 2 million tonnes of cargo annually by 2025. Together with Beijing Capital International Airport, the two airports in Beijing will become the key transportation and logistics hubs in North China and will be able to handle over 4 million tonnes of cargo annually.

Chengdu Tianfu International Airport

2.20 Chengdu Tianfu International Airport, the second international airport of Chengdu, is scheduled to be completed in 2021 with a total investment of approximately RMB70 billion. According to the 13th Five-Year Plan, the 3-runway airport is strategically positioned as the most important airport in the Silk Road Economic Belt under the Belt and Road Initiative. Upon completion, it is expected to handle approximately 40 million passengers and 0.7 million tonnes of cargo annually by 2025, easing the rising demand of freight in Midwest China.

Jiangsu Province Intercity Railway

2.21 The 980-kilometre railway network running along the metropolitan cluster along Yangtze River in Jiangsu Province is scheduled to be completed in 2025. With a total investment of approximately RMB230 billion, the railway network is expected to shorten the commuting time between metropolis in the region including Nanjing, Zhenjiang, Changzhou, Wuxi, Suzhou, Yangzhou, Taizhou and Nantong within 1.5 hours, serving a population of 50 million.

Belt and Road Initiative

2.22 The Belt and Road Initiative promulgated in 2013 consists of two routes, namely Silk Road Economic Belt linking The PRC to Europe via Central Asia, and 21st-Century Maritime Silk Road linking The PRC to Europe via South East Asia, the Middle East and East Africa. They generate an interlinked economic zone by exploiting the individual advantages of each country. The two routes at the same time originate six economic corridors, known as China-Mongolia-Russia Economic Corridor, New Eurasia Land Bridge Economic Corridor, China-Central Asia-West Asia Economic Corridor, China-Pakistan Economic Corridor, Bangladesh-China-India-Myanmar Economic Corridor and China-Indochina Peninsula Economic Corridor.

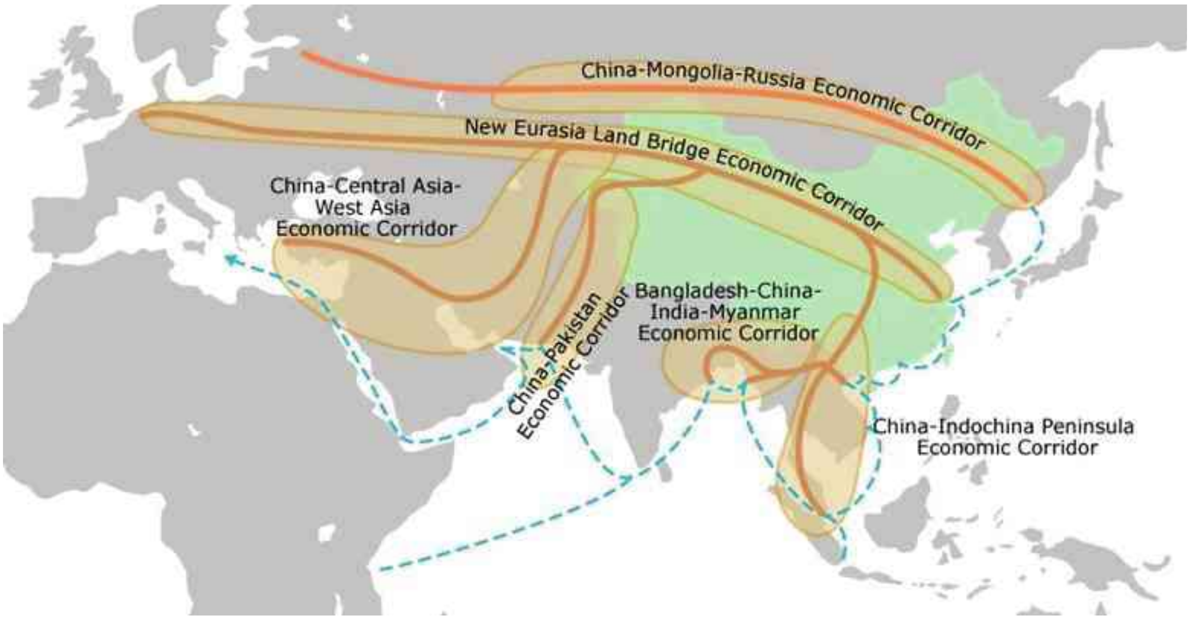
2.23 The development of the Belt and Road Initiative aims at growing the economy of the countries along the routes, which is primarily driven by executing strategic interaction plans and constructing major infrastructure projects that benefiting both parties. With the aid of the establishment of new infrastructure projects, more private sector investment opportunities are created. When it comes to the internal advancement of The PRC, the initiative reinforces the linkages between different regions within the country by connecting cities with the improved transportation medium. As a result, the logistics connectivity within The PRC will be significantly enhanced, which in turn adds value to logistics market.

2.24 In the Second Belt and Road Forum for International Cooperation held on 25 April 2019, President Xi Jinping defined the next step of the Belt and Road Initiative. The PRC will be reformed, and more opening-up measures will be implemented so as to increase her international collaboration with other countries that are currently not a member of the initiative.

Exhibit 10 Map of the Belt and Road Initiative

Source: NBC News / OBOR – initiatives form Hong Kong

Exhibit 11 Map of the Six Economic Corridors



Source: Hong Kong Trade Development Council

3. Logistics Market Overview

Key Logistics Hubs

3.1 Having considered the geographic attributes and levels of development of different cities in The PRC, the country is categorised into four key logistics hubs namely North China, East China, Midwest China and South China.

Exhibit 12 Key Logistics Hubs in The PRC

Source: Knight Frank

North China

3.2 North China is one of the most densely populated regions in The PRC with a highly developed transportation and logistics network. Riding on the wave of coordinated development of transportation networks in Beijing, Tianjin and Hefei, comprehensive logistics networks covering various means of transportation in these three cities are rapidly taking shape, creating incremental leasing demand for quality warehouses in this region.

East China

3.3 East China is one of the most urbanised and economically developed regions in The PRC, with a well-established infrastructure and transportation network. Its geographical location and economic strength have laid a solid foundation for the development of modern logistics industry in this region. Due to declining urban vacancies, favourable urban and demographic profile, relatively low rents and comparatively sufficient supplies, this region has enjoyed ample room for development of a modern logistics industry and witnessed growing leasing demand for high standard warehouses.

Midwest China

3.4 Midwest China will become prominent economic, transportation and logistics centres for The PRC with the implementation of the Belt and Road Initiative. Furthermore, factors such as The PRC's national policy, infrastructure development and economic rebalancing in favour of domestic demand have allowed Midwest China to benefit from the trends of rapid urbanisation, improved connectivity and manufacturing expansion, leading to sustainable growth. Midwest China has been the fastest growing region in The PRC since 2011 and is expected to grow at a faster rate than the national average.

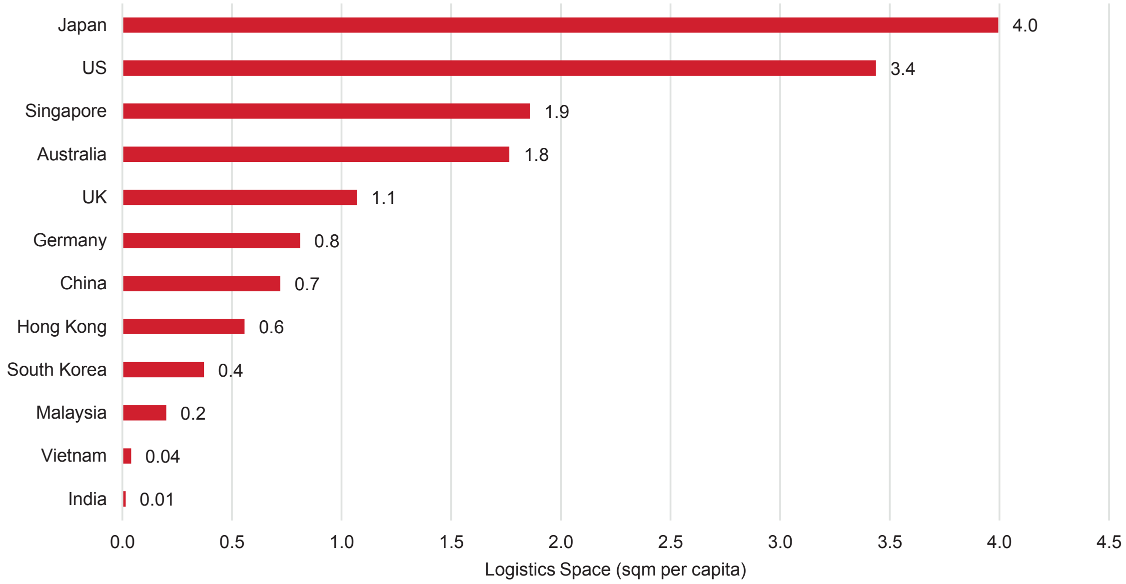
South China

3.5 South China is an economic driver in The PRC under the Guangdong-Hong Kong-Macau Greater Bay Area ("GBA") Initiative, which is an initiative put forward by the Chinese government with an aim to promote and deepen the cooperation between Hong Kong, Macau and nine cities in Guangdong Province, namely Shenzhen, Guangzhou, Dongguan, Foshan, Zhongshan, Zhuhai, Jiangmen, Huizhou and Zhaoqing, and to elevate the positions and roles of the aforesaid 11 cities in The PRC's economic development and opening up. Shenzhen and Guangzhou, two of the four 1st-tier cities of the country, are located within the region. It also benefits from its close proximity to Hong Kong, one of the global financial centres. Under the GBA Initiative, a strong logistics demand in the region is expected amid increasing cross-city and cross-border economic activities.

Market Landscape

3.6 The logistics market of The PRC is still developing compared to the developed logistics markets in Asia Pacific, such as Japan and Singapore. The logistics space per capita of The PRC was approximately 0.7 square metre ("sqm") per capita in 2019, which was only about a third of Singapore, which demonstrates its huge potential for growth. Given that The PRC has the largest population in the world, its logistics demand is expected to surge as the economy continues to develop.

Exhibit 13 Logistics Space per capita by Countries in 2019



Source: Oxford Economics

3.7 Amid the developing logistics market of The PRC, logistics space is leased or sold subject to the following market conventions.

Leasing Conventions

- Amid the robust demand for quality logistics space, landlords generally have a higher bargaining power over the terms and conditions of tenancies.
- Rents are usually agreed on a basis of excluding management fees and outgoings but including value-added taxes.

Sales Conventions

- Institutional investors have actively participated in the capital market of logistics space.
- Logistics space can be transferred either by the way of property deal or by the way of equity deal.
- Portfolio-scale disposal is commonly observed in the current market.
- When a developer or an investor is trying to enter into the developing logistics market of The PRC, the following market obstacles are commonly recognised.
    - Local governments have stringent requirements on capital investment and tax contribution.
    - Logistics land supply is relatively limited and correspondingly land prices are rising at a fast pace.

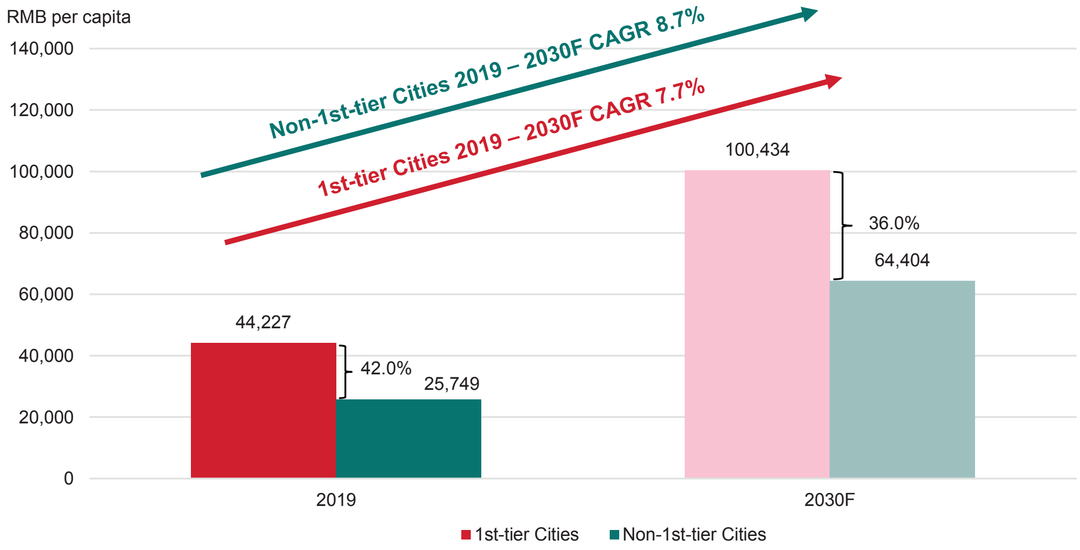
Demand Drivers

Surging Disposable Income and Consumption Expenditure

3.8 As mentioned in Paragraph 2.4, the urban disposable income of The PRC grew at a CAGR of 7.9% between 2015 and 2019. In line with the upward trend of disposable income, the urban consumption expenditure of The PRC was RMB28,063 per capita in 2019.

3.9 The increasing spending power of the general population is one of the key engines for growing logistics demand. Amid the ongoing economic development, the urban consumption expenditure of non-1st-tier cities is expected to grow at a faster rate with a CAGR of 8.7%, while that of 1st-tier cities is expected grow at a CAGR of 7.7% over the same period. Consequently, the gap of urban consumption expenditure of 1st-tier and non-1st-tier cities is expected to narrow from 42.0% in 2019 to 36.0% in 2030. Considering that 95.0% of the overall population of The PRC reside in non-1st-tier cities, logistics demand in these cities will remain strong in the medium term.

Exhibit 14 Urban Consumption Expenditure by Cities in The PRC



Source: National Bureau of Statistics of China

3.10 As mentioned in Paragraph 2.4, The PRC is one of the most promising emerging markets. However, in comparison with the developed economies, the consumption expenditure per capita of The PRC, which is only about one-tenth of that of the US or one-eighth of that of Australia, still has significant room for improvement. In view of the pace of economic growth, urbanisation and rising disposable income, the consumption expenditure per capita of The PRC has a high growing potential, and it will be one of the key drivers of logistics demand in the country. It is anticipated to grow at a CAGR of 7.3% between 2021 and 2024, outpacing other developed economies such as Japan, Australia, South Korea, the US and Hong Kong with an expected CAGR below 5.0% across the same period.

Exhibit 15 Consumption Expenditure per Capita in 2019 and Growth by Countries

	Malaysia	China	Vietnam	Japan	Australia	Singapore	South Korea	Hong Kong	US
🟥 2021F-2024F Consumption Expenditure per Capita CAGR	5.5%	7.3%	9.7%	2.3%	2.8%	5.0%	3.3%	4.2%	3.8%
● 2019 Consumption Expenditure per Capita (USD)	6,828	4,020	1,837	22,110	30,560	23,480	15,607	33,763	44,200

Source: Economist Intelligence Unit

Development of Inland Cities

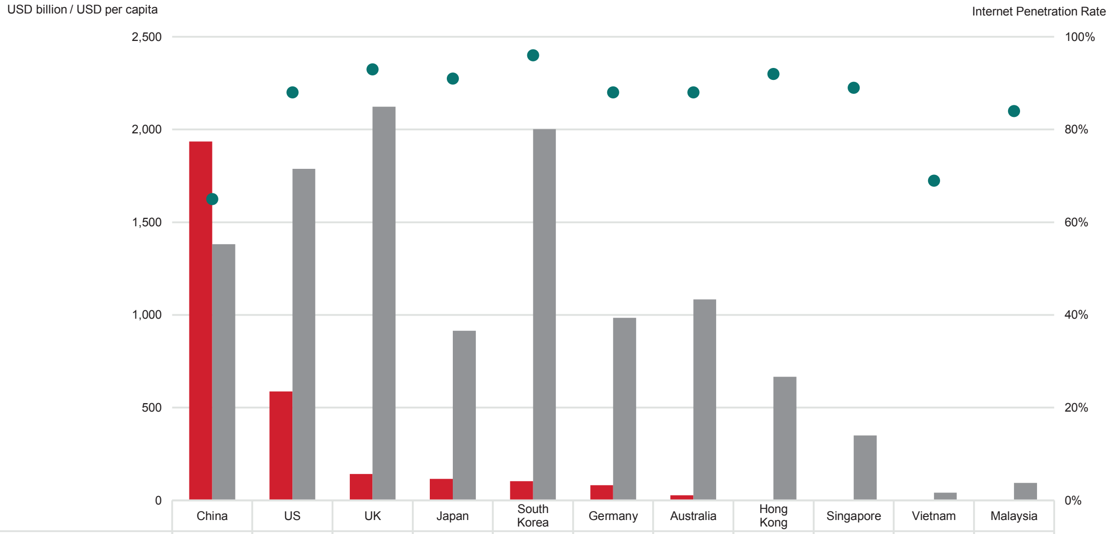
3.11 As mentioned above, the economies of non-1st-tier cities in The PRC have been rapidly developing. One of the reasons behind this is that the Chinese government has been implementing measures to foster the development of inland cities, especially in Midwest China, which were less urbanised traditionally. As the economic and employment prospects in inland cities improve, the consumption power in the region will grow and will consequently lead to a strong logistics demand.

E-commerce and Third-Party Logistics

Rapid Expansion of E-commerce

3.12 The rise of e-commerce is the consequence of a series of a few key factors including economic development, internet penetration, change in consumption patterns and technology advancements. The growth in e-commerce sales has been promising in The PRC. In 2019, The PRC was the largest e-commerce market in the world with total e-commerce sales of USD1,935 billion, approximately 3.3 times of that of the US. Despite the scale of e-commerce in The PRC, the e-commerce sales per capita in The PRC still has a high growing potential, due to a comparatively lower Internet penetration rate of merely 65.0% as of 2019, relative to those of the US, Japan and South Korea at about 88.0%, 91.0% and 96.0% respectively.

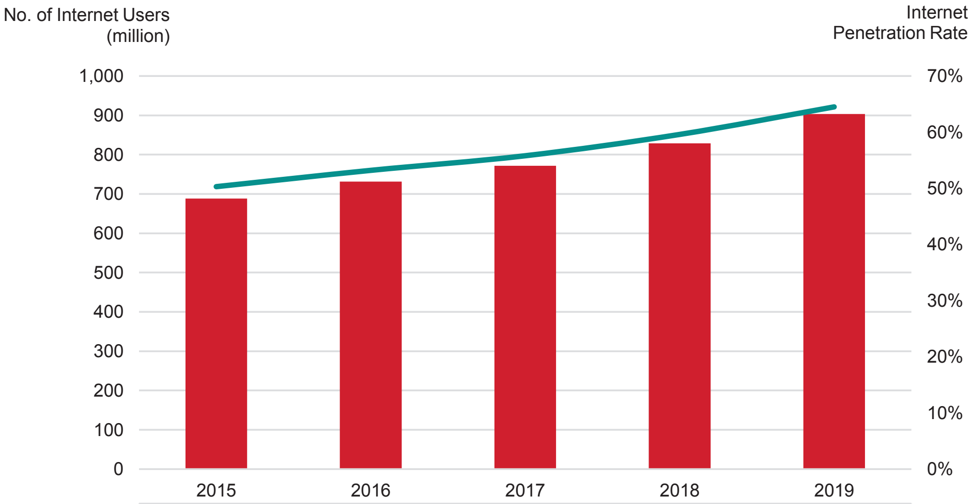
Exhibit 16 E-commerce Sales and Internet Penetration Rate by Countries in 2019



	China	US	UK	Japan	South Korea	Germany	Australia	Hong Kong	Singapore	Vietnam	Malaysia
■ E-commerce Sales (USD billion)	1,935	587	142	115	103	82	28	5	2	4	3
■ E-commerce Sales (USD per capita)	1,382	1,788	2,124	914	2,001	985	1,084	666	351	41	94
● Internet Penetration Rate	65%	88%	93%	91%	96%	88%	88%	92%	89%	69%	84%

Source: China E-business Research Centre, Statista and World Bank

Exhibit 17 Internet Penetration Rate in The PRC

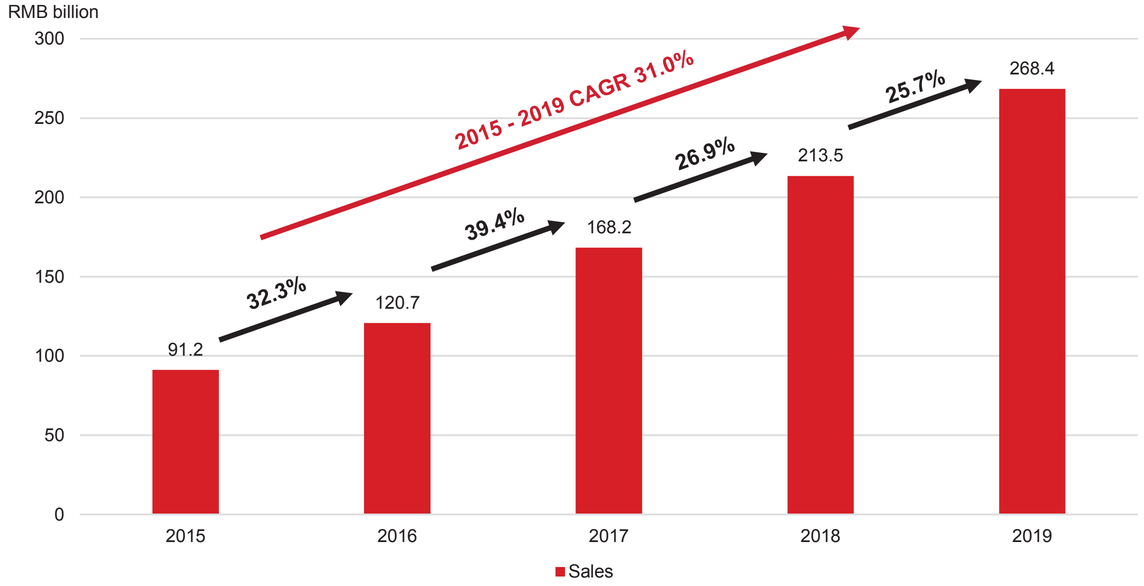


	2015	2016	2017	2018	2019
🟥 No. of Internet Users (million)	688	731	772	829	904
━ Internet Penetration Rate	50%	53%	56%	60%	65%

Source: China Internet Network Information Center

3.13 In particular, Double 11 Festival, the biggest online sales festival in The PRC, has always been one of the highlights of the e-commerce industry. The retail sales of Alibaba Group, the leading e-commerce firm in The PRC, at the festival grew tremendously at a CAGR of 31.0% from RMB91.2 billion in 2015 to RMB268.4 billion in 2019. Such growth benefits not only the e-commerce sector, but also the logistics industry, by generating a huge demand for logistics services.

Exhibit 18 Alibaba Group's Double 11 Sales

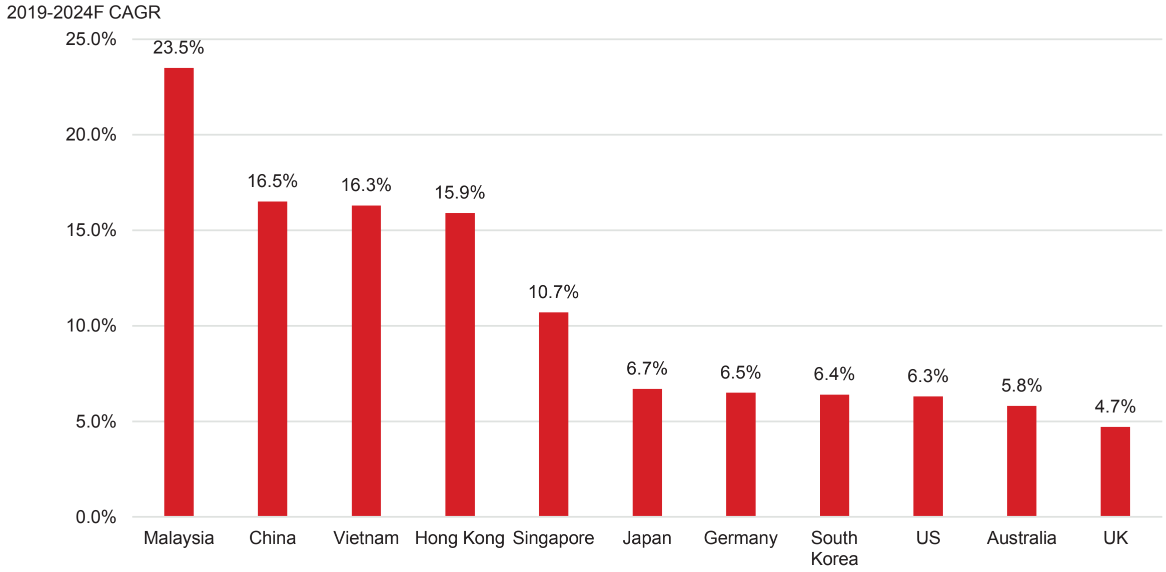


Source: Alibaba Group

3.14 Looking ahead, the e-commerce sales of The PRC are expected to grow at a CAGR of approximately 16.5% from 2019 to 2024, outpacing developed markets such as Japan, South Korea and the US. While the US-China trade dispute may not be eased in the short run, domestic e-commerce demand continues to be one of the key drivers for modern logistics properties and it is expected that domestic demand will be unaffected by the trade issue, which supports further growth of the e-commerce business.

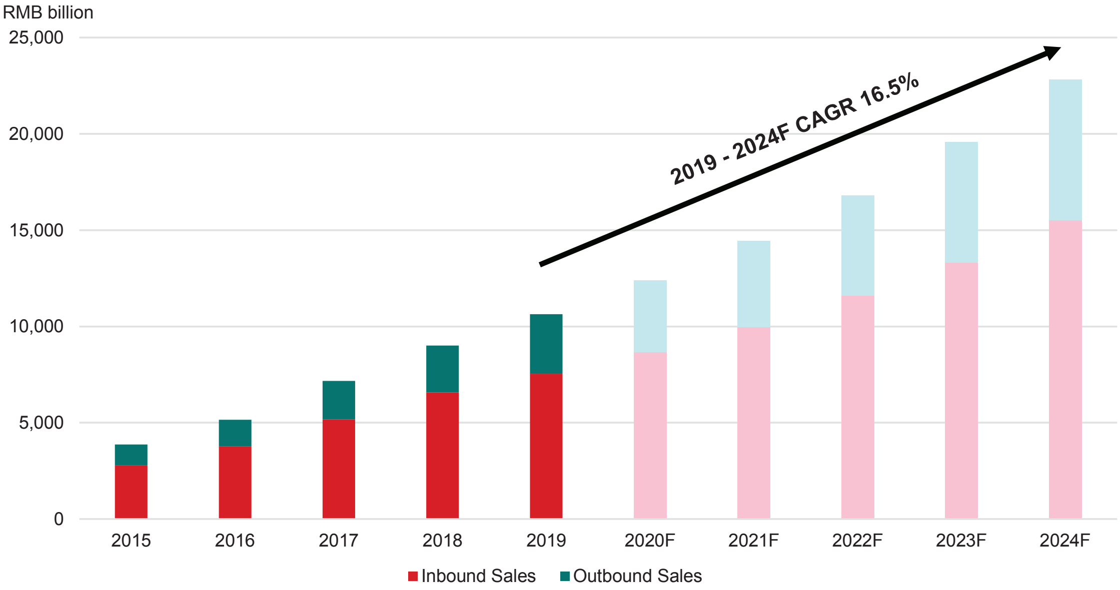
3.15 The e-commerce logistics cost, which include warehousing, fulfilment, outbound shipping and last-mile costs, of The PRC was about USD118,538 million in 2019, accounting for over three-fourths of the overall e-commerce logistics cost in Asia Pacific countries. Having considered the rapid development of e-commerce industry in The PRC, the e-commerce logistics market size of The PRC is expected to grow at a CAGR of 15.9% between 2019 and 2024, higher than the average growth rate of Asia Pacific countries over the same period. Such growth once again shows a huge demand for logistics services.

Exhibit 19 E-commerce Sales Growth by Countries



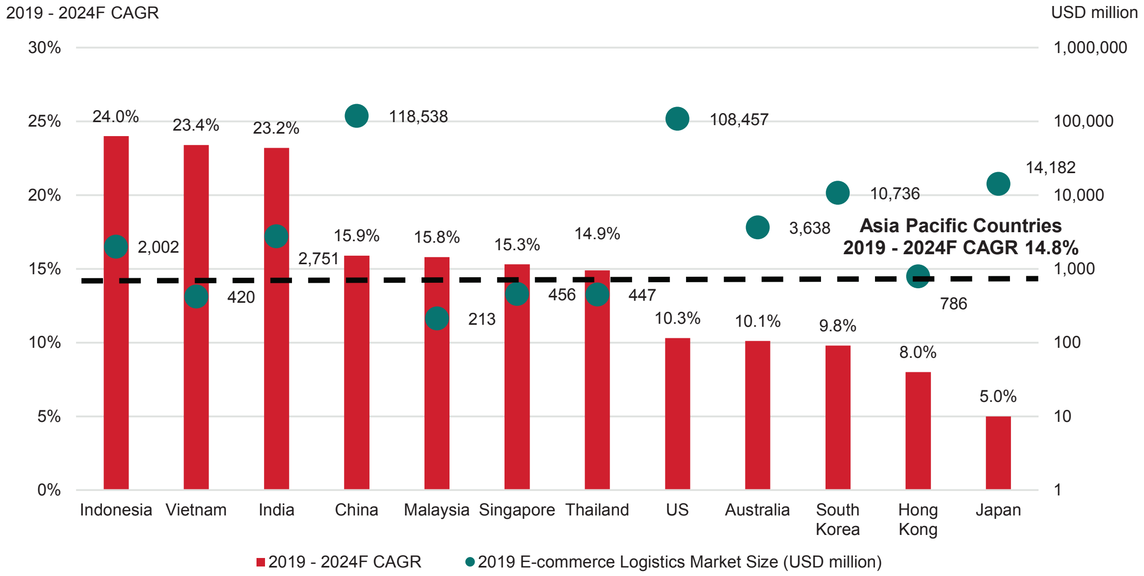
Source: China E-business Research Centre and Statista and Transport Intelligence

Exhibit 20 E-commerce Sales in The PRC



Source: China E-business Research Centre

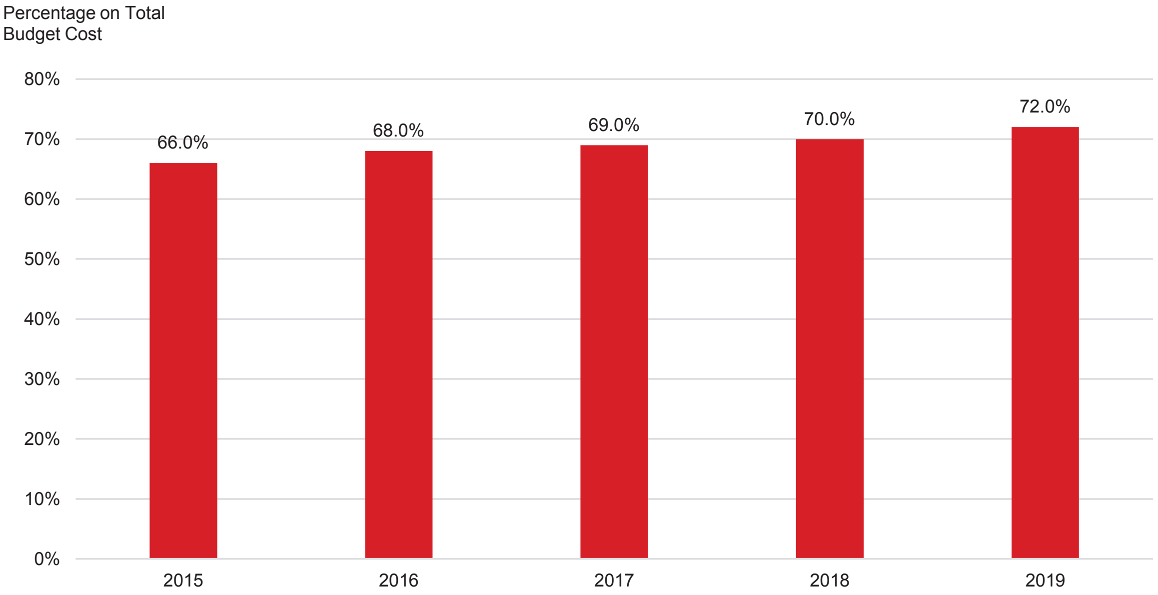
Exhibit 21 E-commerce Logistics Market Size in 2019 and Growth by Countries



Source: Transport Intelligence

Rise of 3rd-party Logistics

Exhibit 22 E-commerce Retailers' Budget for 3PL Services in The PRC

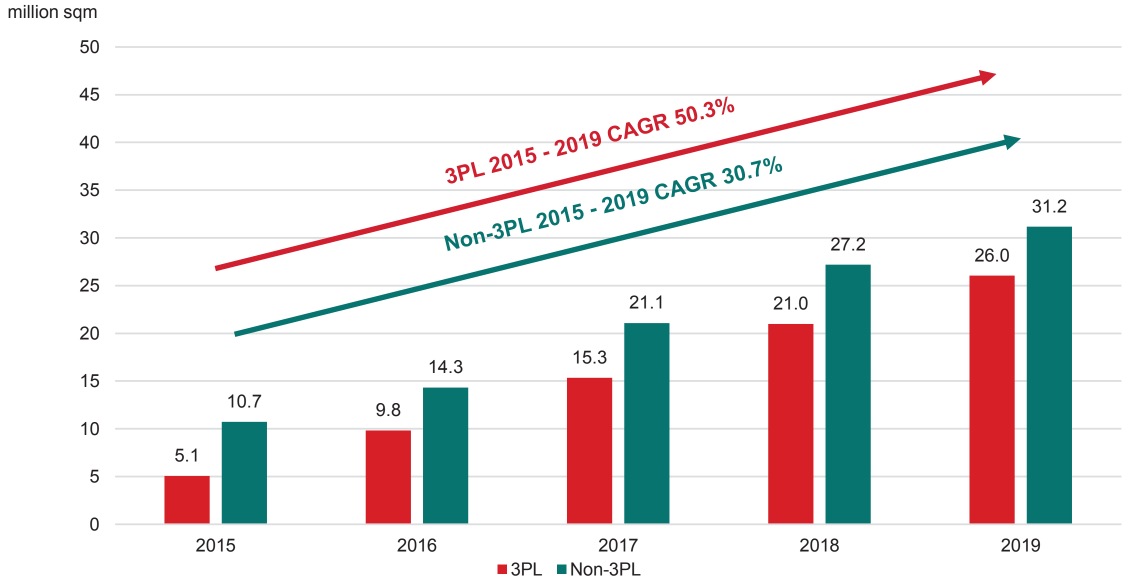


Source: Research and Markets - Third Party Logistics Market in China

3.16 While some e-commerce companies have their own logistics arms, the majority outsource logistics operations to 3rd party logistics ("3PL") service providers as it is more cost-effective. E-commerce retailers can therefore focus on their core businesses. The revenue of 3PL service providers has been growing as evidenced from the increasing proportion of budgets of e-commerce retailers attributable to 3PL services, which grew from 66.0% in 2015 to 72.0% in 2019.

3.17 The robust demand for 3PL services has led to a strong absorption of logistics space by 3PL service providers. In 2019, approximately 56.0% of the total net absorption of Grade A warehouses of The PRC were from 3PL service providers. The area occupied by 3PL service providers expanded from 5.1 million sqm in 2015 to 26.0 million sqm in 2019, representing a CAGR of approximately 50.3% between 2015 and 2019. The rapid expansion of e-commerce will continue to support the growth of 3PL, creating a strong demand for Grade A warehouses in the coming years.

Exhibit 23 Occupied Area of Grade A Warehouses by Tenant Types in The PRC



Source: Knight Frank

Impact of COVID-19 Pandemic

Economic Fluctuations and Resilience

3.18 The COVID-19 outbreak in The PRC in early 2020 unavoidably led to adverse impacts on the economy of the country as cities were placed under lockdown. While The PRC's economy had contracted by 6.8% YOY in the first quarter of 2020 in the face of COVID-19 global pandemic, the economy rebounded swiftly in the following quarter with a growth of 3.2% YOY due to its hugely successful epidemic control alongside a series of economic stimulus measures and strong economic fundamentals. Following the containment of the COVID-19 virus, the Chinese government announced a gradual resumption of works in February 2020 and all cities have since resumed most of its economic activities. While the

International Monetary Fund predicts the world economy to contract by 4.9% YOY in 2020 with negative growth forecasted for most economies, The PRC's economy is the only major economy still expected to experience economic growth this year at 1.0% YOY, followed by a strong rebound to 8.2% YOY in 2021, demonstrating its economic resilience.

Growth in E-commerce

3.19 Due to the COVID-19 outbreak, cities were placed under lockdown and the operation of most physical retail stores were suspended. As a result, this further accelerated the growing trend of online shopping. Amid the COVID-19 outbreak in The PRC, online retail sales rose by 15.8% YOY from RMB5,065 billion in the period of January to August 2019 to reach RMB5,865 billion in the period of January to August 2020, despite an 8.6% YOY drop in overall retail sales from RMB26,043 billion to RMB23,803 billion in the corresponding periods due to the pandemic. Consequently, online retail sales of physical goods as a proportion of overall retail sales has increased to 24.6%, from 19.1% last year. While physical stores gradually began to resume normal operations following the containment of the COVID-19 virus, it is expected that a relatively strong growth in e-commerce would still continue amid the rising emphasis on social distancing.

Growth in 3PLs

3.20 With the COVID-19 pandemic accelerating the adoption of e-commerce in The PRC and globally, 3PL firms have benefitted from a surge in demand for online shopping and medical goods, and witnessed a boost in revenues during this period. For instance, SF Express, one of the major 3PL providers in The PRC recorded revenue growth of about 40% YOY in the first quarter of 2020 amid the COVID-19 outbreak. Thus, leasing demand for Grade A warehouses is expected to benefit from such growth, as 3PL firms have been a dominant source of space take-up.

Change in High Inventory Strategies

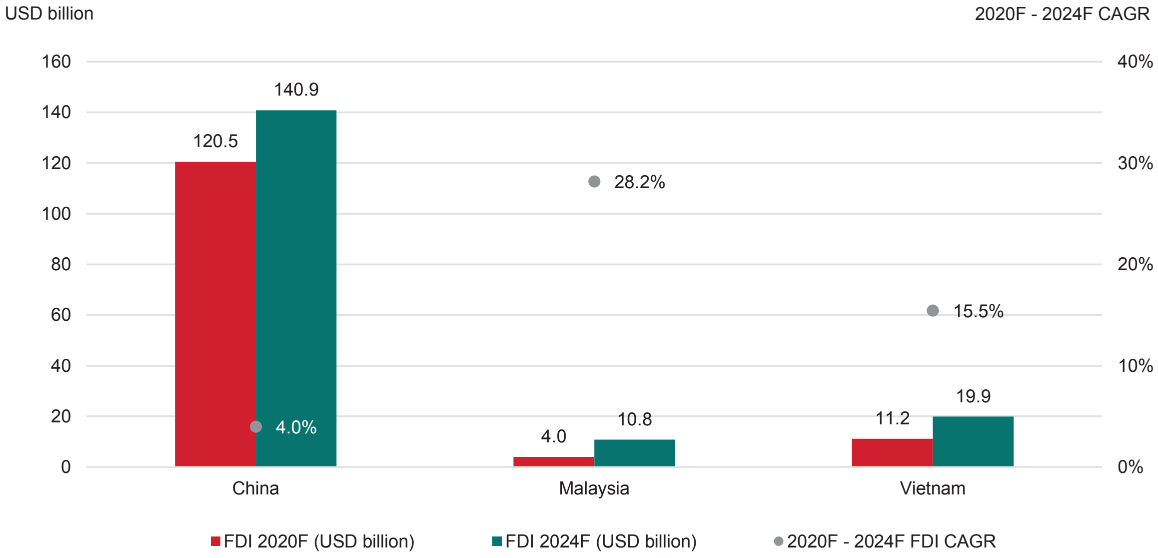
3.21 Travel restrictions in the battle against the COVID-19 pandemic had led to severe disruption to the supply chain in the beginning of 2020. Since then, many companies worldwide have started to revisit their inventory management strategies. In order to minimise disruption risk from geographical uncertainties, companies are considering a switch from the traditional just-in-time ("JIT") strategy, which strives to keep as little inventory as possible, to the just-in-case ("JIC") strategy, which relies on having of surplus inventory. For instance, Parkson Retail Group Limited, which manages a network of department stores and retail operations across 27 cities in The PRC, recorded an inventory growth of 16% YOY in 2020H1 during the COVID-19 pandemic. The inventory of retailers is anticipated to grow by 10% - 15% serving as a buffer in case of disruption to the supply chain. The warehouse market is expected to benefit from the increasing demand for storage space driven by this trend.

"China Plus" Strategy

3.22 In response to uncertainties arising from the US-China trade dispute, some manufacturers started adopting the "China Plus" Strategy, which refers to diversification of manufacturing location by having factory operations in both The PRC and another developing country in Southeast Asia.

3.23 The COVID-19 pandemic has accelerated the adoption of the "China Plus" Strategy as manufacturers are aware of the risks from potential disruption in their supply chains due to natural disasters and epidemics, and the importance of diversifying its supply chain, thus creating a huge demand for logistics services in lower cost countries such as Malaysia and Vietnam. FDI into Malaysia and Vietnam are projected to register strong CAGR of 15.5% and 28.2% respectively from 2020 to 2024. The "China Plus" Strategy minimizes the concerns of manufacturers on the geographical risks of operation in The PRC, as manufacturing activities have been diversified geographically. Looking ahead, backed by a huge domestic consumer market with a population of 1.4 billion, the significance of operating in The PRC remains undiminished to most companies with FDI into The PRC still projected to grow at a CAGR of 4.0% from 2020 to 2024.

Exhibit 24 FDI in 2020F and Growth by Countries



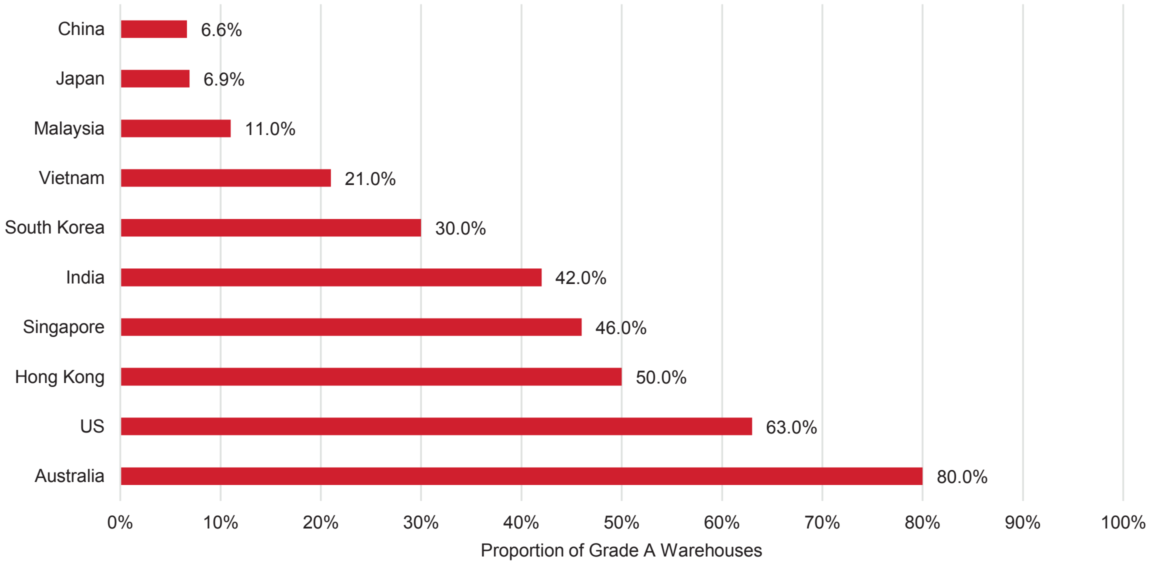
Source: Economist Intelligence Unit

4. Logistics Property Overview

Segmentation

4.1 In The PRC, there are mainly two kinds of logistics properties namely Grade A and Non-Grade A warehouses which can be clearly distinguished from each other by their building specifications. Previously, the logistics properties in The PRC, as well as Japan, were predominantly owner-occupied, in which owners had lower requirements on the building specifications of warehouses. The development of Grade A warehouses in the two countries therefore started later than other countries such as Australia and the US. The proportion of Grade A warehouses in The PRC is significantly low, which accounted for less than 7.0% of the total warehouse stock as of 2020H1. With the economic boom in China, logistics players will need to shift their focus towards constructing Grade A warehouses to cater for the enormous amount of logistics activities, especially the strong demand from 3PL providers and e-commerce firms which occupy more than half of the spaces of Grade A warehouses. Occupiers are exploring opportunities to upgrade from non-Grade A warehouses to Grade A warehouses to improve the operation efficiency, which is more commonly known as supply chain modernization. The proportion in The PRC is far lower than that of the US and Australia, showing that there is a need for development of Grade A warehouses in The PRC in the future.

Exhibit 25 Proportion of Grade A Warehouses by Countries in 2020H1



Source: Knight Frank / Various Sources

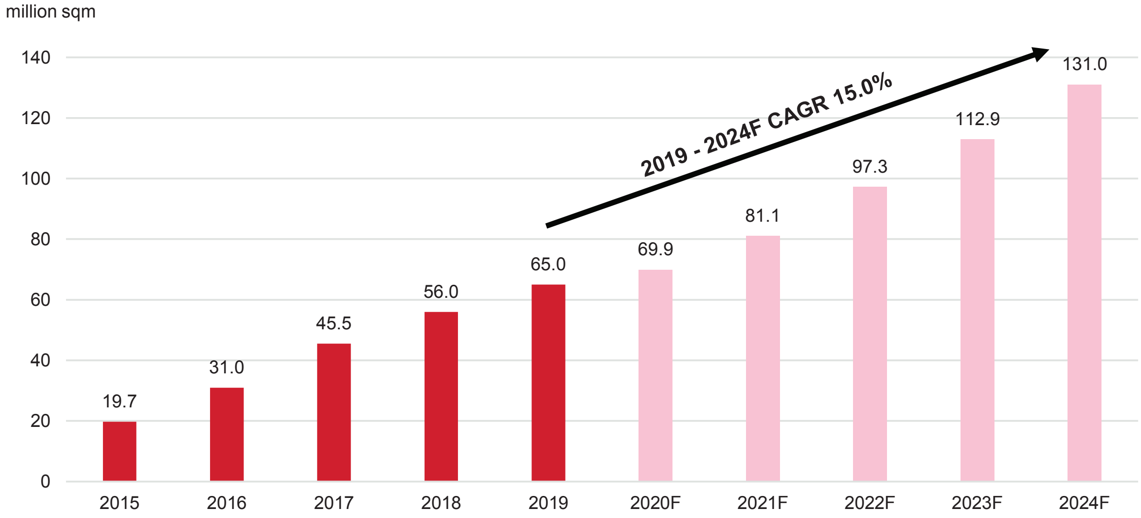
4.2 According to the major landlords and tenants, the building specifications of a Grade A and Non-Grade A warehouses in The PRC are summarised below: -

	Non-Grade A Specifications	Grade A Specifications
Clear Ceiling Height	6 metres ("m") – 8 m	More than 8 m
Floor Plate	Typically 5,000 – 10,000 sqm	More than 10,000 sqm
Floor Load	Less than 2 tonnes per sqm	2 tonnes – 4 tonnes per sqm
Structure	Concrete and/or steel structure	Concrete and/or steel structure
Upper Floor Access	Cargo lift	Ramp-up
Fire Fighting	Sprinklers, fire hydrants and fire alarm system	Sprinklers, fire hydrants and fire alarm system
Sky Lighting	Available	Available

Supply Situation

4.3 The development of Grade A warehouses in The PRC started in 2000s. The market has been rapidly developing ever since then with a double-digit annual growth in supply. In 2019, the total stock of Grade A warehouses in The PRC stood at approximately 65.0 million sqm with a CAGR of 34.7% between 2015 and 2019. An additional of 4.9 million sqm of Grade A warehouses will enter into the market in 2020, totalling at approximately 69.9 million sqm. Looking ahead, an average new supply of approximately 13 million sqm per year is expected from 2019 to 2024 with a CAGR of 15.0% over the period. The new supply is expected to be quickly absorbed once entering the market to narrow the gap with the existing strong demand.

Exhibit 26 Supply of Grade A Warehouses in The PRC

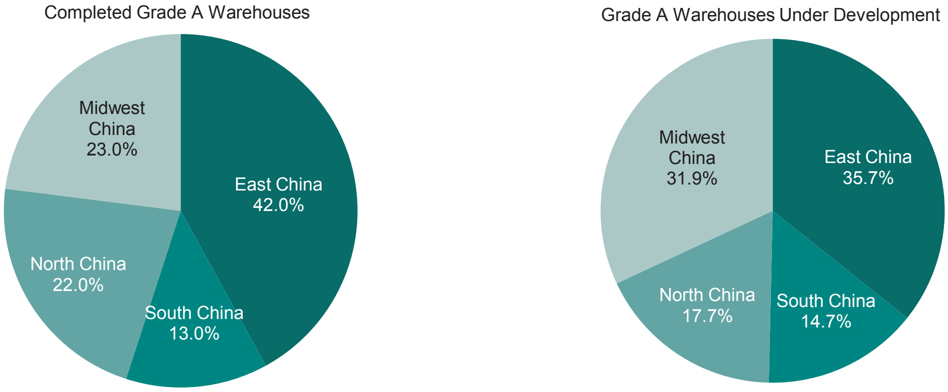


Source: Knight Frank

4.4 Among the four key logistics hubs, the majority of the Grade A warehouses is in East China, accounting for approximately 42.0% of the total stock in The PRC in 2019, followed by Midwest China with 23.0%, North China with 22.0% and South China with 13.0%.

4.5 Although East China will still be the biggest source of Grade A warehouse future supply in 2020, accounting for approximately 35.7% of the total future supply in The PRC, logistics land supply in the region has been decreasing in recent years. Meanwhile, the Grade A warehouse market in other three key logistics hubs has been rapidly developing, especially Midwest China, which ranked the second after East China and accounted for approximately 31.9% of the total future supply in The PRC as of 2020. Midwest China is expected to take a larger market share in the coming years considering the pipeline in the region.

Exhibit 27 Distribution of Grade A Warehouses by Regions in The PRC



Source: Knight Frank

Requirements and Trends

4.6 As mentioned in Paragraphs 3.12 – 3.17, the demand for Grade A warehouses from 3PL and e-commerce has been surging and they are the key tenant groups. Companies from these sectors are highly sensitive to transportation cost and operational efficiency, and as a result, they have the following requirements: -

Location

4.7 Grade A warehouses are ideally located in or close to major urban areas where the logistics demand comes from. In order to improve efficiency, it is of great importance for them to be situated close to highways, train stations, ports or airports. For multi-city and regional distribution, Grade A warehouses located out of primary cities would also be welcomed given that they are within a similar distance from other cities in the region. Such locations, which are usually satellite cities, would be able to ease the excess demand in primary cities.

Floor Space

4.8 The business of 3PL and e-commerce companies may grow rapidly. Flexibility of floor space is therefore essential as they may modify the existing space configuration to suit their expansion and operations. Also, to cater their possible expansion plans, it is attractive for them if they would be able to take up space adjacent to their existing leased areas. Thus, large contiguous space is highly attractive.

Ceiling Height

4.9 To ensure operational efficiency, a high ceiling height is strongly preferable by occupiers. A Grade A warehouse generally has a minimum ceiling height of 9 m.

Ancillary Office

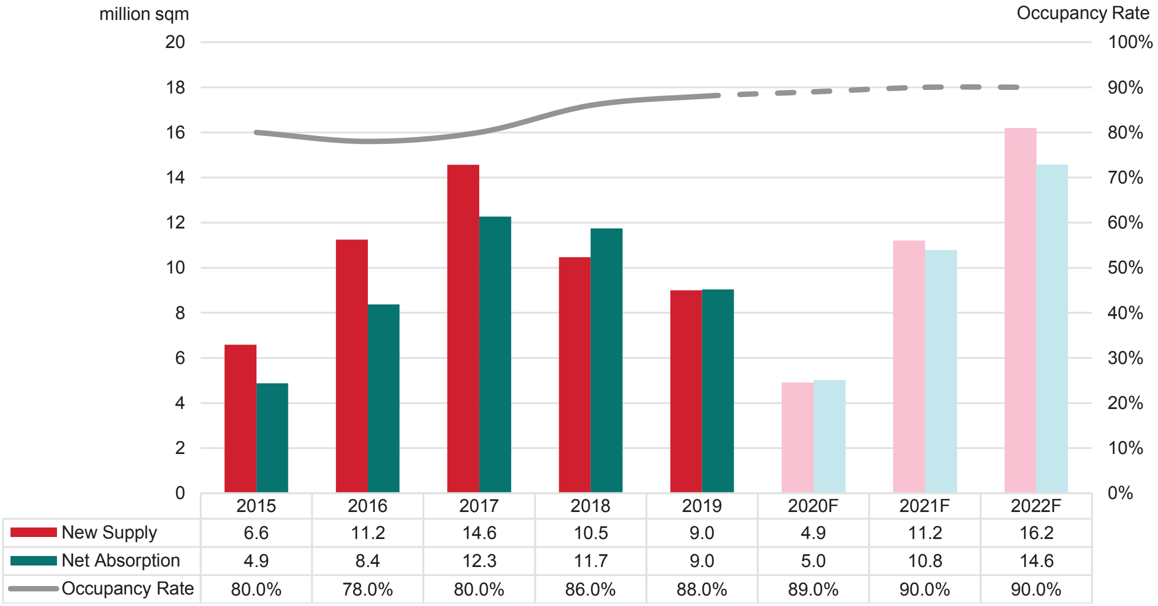
4.10 Ancillary office spaces may be necessary as some occupiers would send staff to work on-site to manage the operations.

Technology

4.11 Demand for automated warehouses and advanced logistics equipment has been rising amid high labour costs and shortage of labour. Automated picking system is one of the examples of new technology applicable to the logistics industry.

Performance and Outlook

Exhibit 28 New Supply, Net Absorption and Occupancy Rate of Grade A Warehouses in The PRC



	2015	2016	2017	2018	2019	2020F	2021F	2022F
🟥 New Supply	6.6	11.2	14.6	10.5	9.0	4.9	11.2	16.2
🟩 Net Absorption	4.9	8.4	12.3	11.7	9.0	5.0	10.8	14.6
— Occupancy Rate	80.0%	78.0%	80.0%	86.0%	88.0%	89.0%	90.0%	90.0%

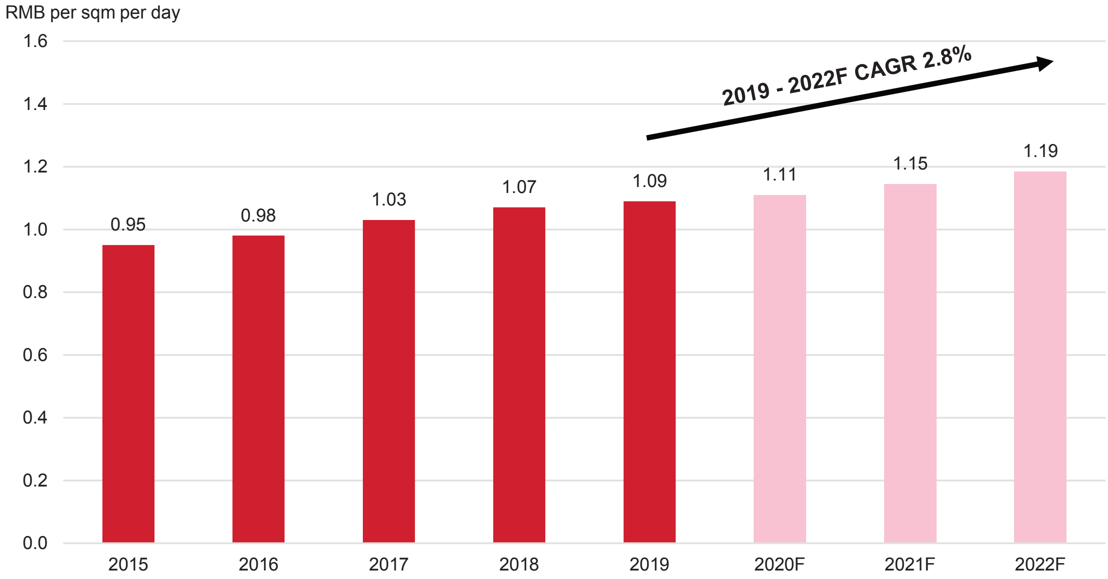
Source: Knight Frank

4.12 As mentioned in Paragraphs 3.8 – 3.17, the demand for Grade A warehouse of The PRC has been driven up for various reasons, supporting a strong net absorption in the past few years. In 2019, the net absorption of Grade A warehouses in The PRC was recorded at approximately 9.0 million sqm, which further pushed up the occupancy rate from 80.0% in 2015 to 88.0% in 2019.

4.13 With a sustainable demand from 3PL and e-commerce sectors, a strong net absorption is expected in the coming few years. While new supply will enter into the market steadily, the occupancy rates are expected to remain at high levels going forward.

4.14 In general, Grade A warehouses have a rental premium of 25% to 30% in 2019 compared to Non-Grade A stock. The average rent of Grade A warehouses in The PRC rose by 1.9% YOY to RMB1.09 per sqm per day in 2019 with a CAGR of 3.5% between 2015 and 2019. Going forward, the rental level is anticipated to grow by 9.2% over the next three years and reach RMB1.19 per sqm per day in 2022.

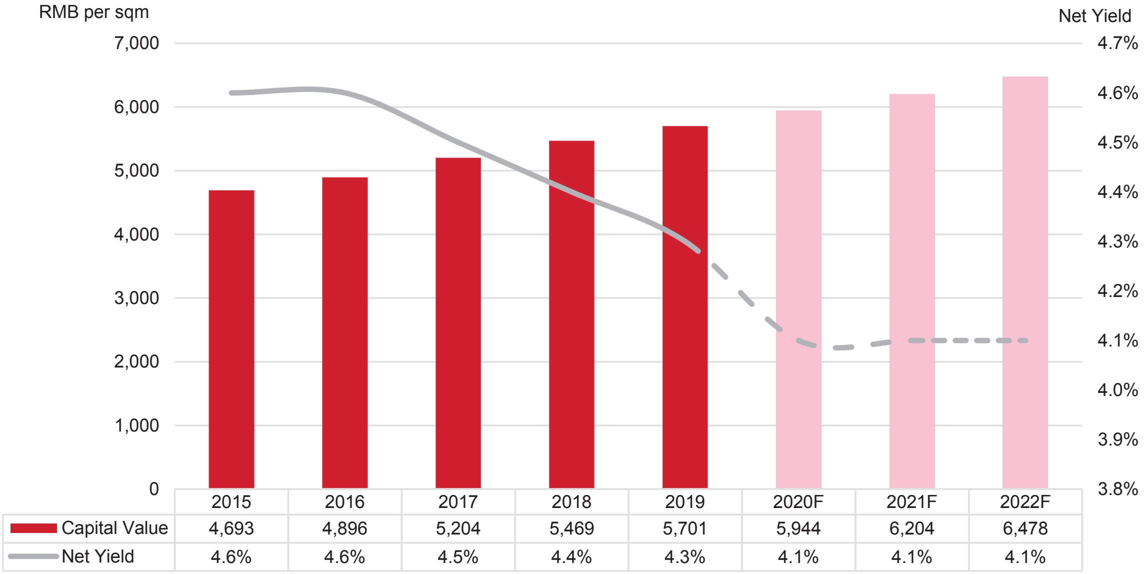
Exhibit 29 Rental Level of Grade A Warehouses in The PRC



Source: Knight Frank

4.15 The average capital value of Grade A warehouses in The PRC was recorded at RMB5,701 per sqm in 2019, reflecting a YOY growth of 4.3% and a CAGR of 5.0% between 2015 and 2019. The overall net yield of Grade A warehouses in The PRC compressed from 4.6% in 2015 to 4.3% in 2019. Looking ahead, the average capital value is expected to gradually increase to RMB6,478 per sqm by 2022, while the overall net yield would be further compressed to 4.1%.

Exhibit 30 Capital Value and Yield of Grade A Warehouses in The PRC



	2015	2016	2017	2018	2019	2020F	2021F	2022F
🟥 Capital Value	4,693	4,896	5,204	5,469	5,701	5,944	6,204	6,478
— Net Yield	4.6%	4.6%	4.5%	4.4%	4.3%	4.1%	4.1%	4.1%

Source: Knight Frank

4.16 The improving economic environment and the development of 3PL and e-commerce are the fundamental drivers of logistics demand in The PRC. With the government planning, policies and infrastructure projects, the development of logistics market is optimistic. A strong net absorption, and a gradual increase in occupancy rate, average rent and capital value of Grade A warehouses in The PRC are expected in the medium term.

Providers and Players

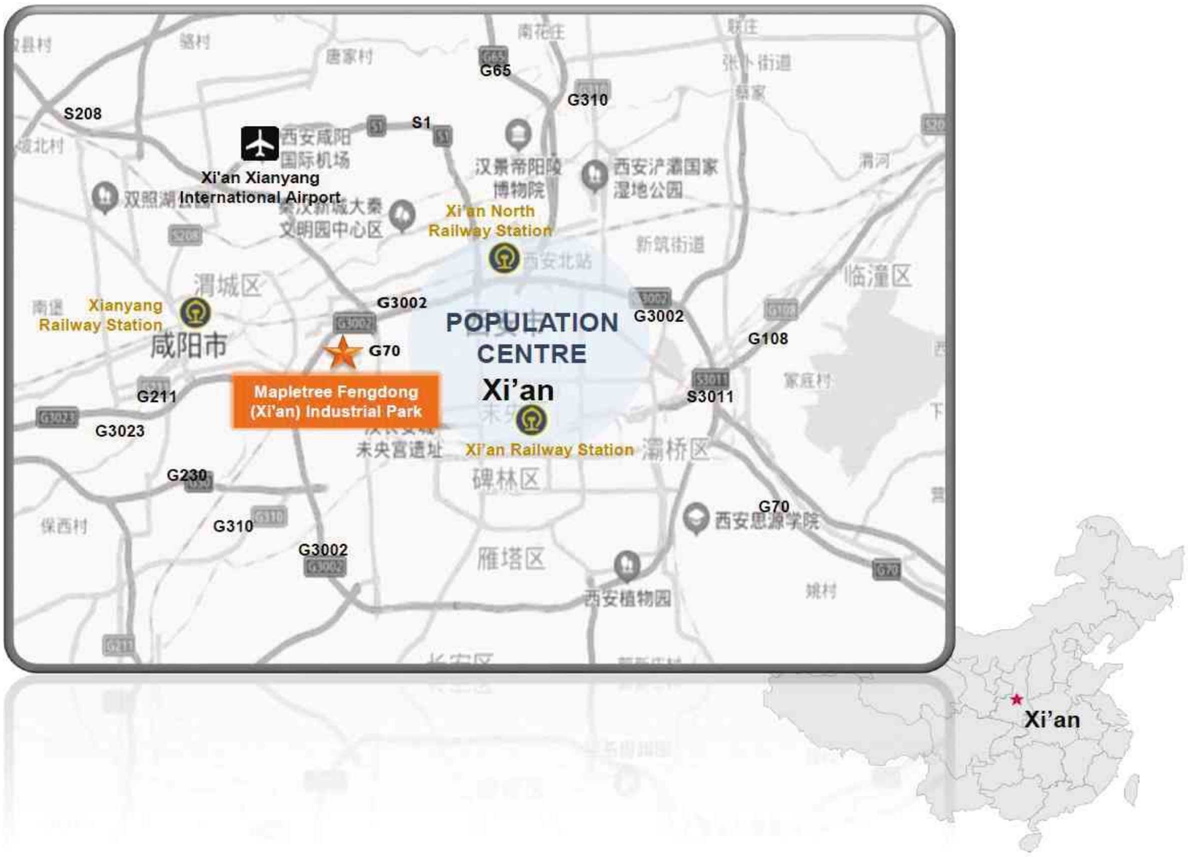
4.17 The Grade A warehouse market in The PRC is dominated by overseas developers and investors. Singapore-based Mapletree, Australian-based Goodman and LOGOS, and US-based Prologis are key overseas players in the market.

4.18 Since the last decade, the presence of domestic developers in the Grade A warehouse market has been increasing. As of 2019, ESR was the biggest domestic developer in the market, followed by other key players, for example, Blogis, Ping'an, VX, China Logistics Property and Vailog. As the Grade A warehouse market continues to develop, the market share of domestic developers is expected to further increase.

5. City-level Market Overview

Xi’an Market Overview

Exhibit 31 Location of Xi’an



Source: Knight Frank

Economic Overview

5.1 Xi’an is the capital city of Shaanxi Province located in Midwest China. Its area spans over 10,000 square kilometres (“sqkm”). Xi’an is a major business hub with growing IT and high-tech manufacturing industries.

5.2 The population of Xi’an reached 10.2 million in 2019, representing a CAGR of 4.1% between 2015 and 2019. The GDP of Xi’an grew to RMB932 billion in 2019 with an average growth of 7.9% over the same period. The inflation rate increased from 0.7% in 2015 to 2.7% in 2019. The imports and exports surged at a CAGR of 12.1% and 20.0% respectively between 2015 and 2019. The urban disposable income in 2019 grew to RMB41,850 per capita with a CAGR of 6.0%, while the FDI recorded a CAGR of 15.4% over the same period.

Exhibit 32 Macroeconomic Indicators of Xi'an

RMB billion (unless otherwise stated)	2015	2016	2017	2018	2019
GDP	580	628	747	835	932
Real GDP Growth	8.2%	8.6%	7.7%	8.2%	7.0%
GDP per Capita (RMB per capita)	66,938	71,647	78,368	85,114	92,256
FDI (USD billion)	4.0	4.5	5.3	6.4	7.1
FDI Growth	8.2%	14.0%	17.8%	14.9%	11.1%
Imports (USD billion)	13.9	13.0	15.0	19.5	22.0
Imports Growth	18.1%	-6.4%	12.5%	35.0%	12.4%
Exports (USD billion)	12.1	14.0	23.5	28.4	25.1
Exports Growth	11.6%	15.5%	63.9%	26.1%	-11.6%
Inflation Rate	0.7%	0.9%	2.0%	1.9%	2.7%
Population (million)	8.7	8.8	9.6	10.0	10.2
Population Growth	0.9%	1.5%	8.9%	4.0%	2.0%
Urban Disposable Income (RMB per capita)	33,188	35,630	35,837	38,729	41,850
Urban Disposable Income Growth	8.1%	7.4%	0.6%	8.1%	8.1%
Urban Consumption Expenditure (RMB per capita)	22,415	23,799	25,374	25,962	N/A
Urban Consumption Expenditure Growth	7.3%	6.2%	6.6%	2.3%	N/A

Source: Xi'an Statistics Bureau

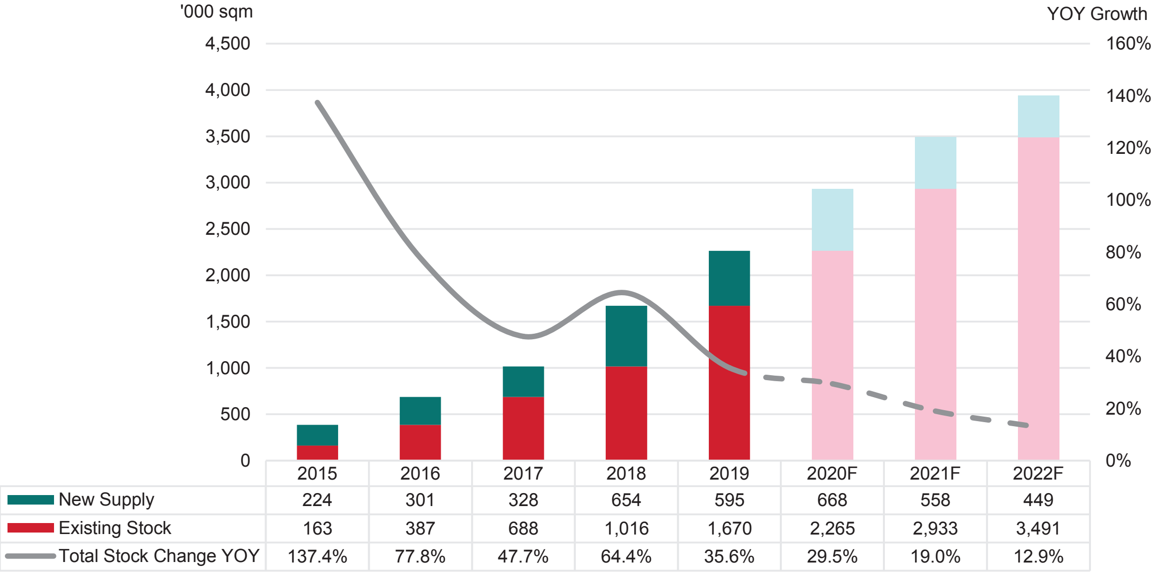
Remarks: Urban consumption expenditure of Xi'an in 2019 is not available as of the date of publication of this report.

Supply and Demand

5.3 The total size of Grade A warehouse has increased to 2.3 million sqm in 2019 at a CAGR of 55.5% between 2015 and 2019. The high growth rate is driven by the increased demand for logistics facilities benefiting from its strategic location under the Belt and Road Initiative, with key tenants such as SF Express and JD Logistics. With the implementation of the Belt and Road Initiative, it is expected that the stock will expand at a CAGR of 20.3% between 2019 and 2022 and reach 3.9 million sqm in 2022.

5.4 Despite the substantial amount of new supply entering the market in recent years, the net absorption remained positive during the past five years. The occupancy rate stood at a healthy level ranging from 79.0% to 84.0% between 2015 and 2019. The strong demand was brought by the surge of exposure of the e-commerce industry. Hence, it is forecasted that the net absorption in the future three years will remain in line with the new supply, supporting the occupancy rate at around 85.0% in the coming three years.

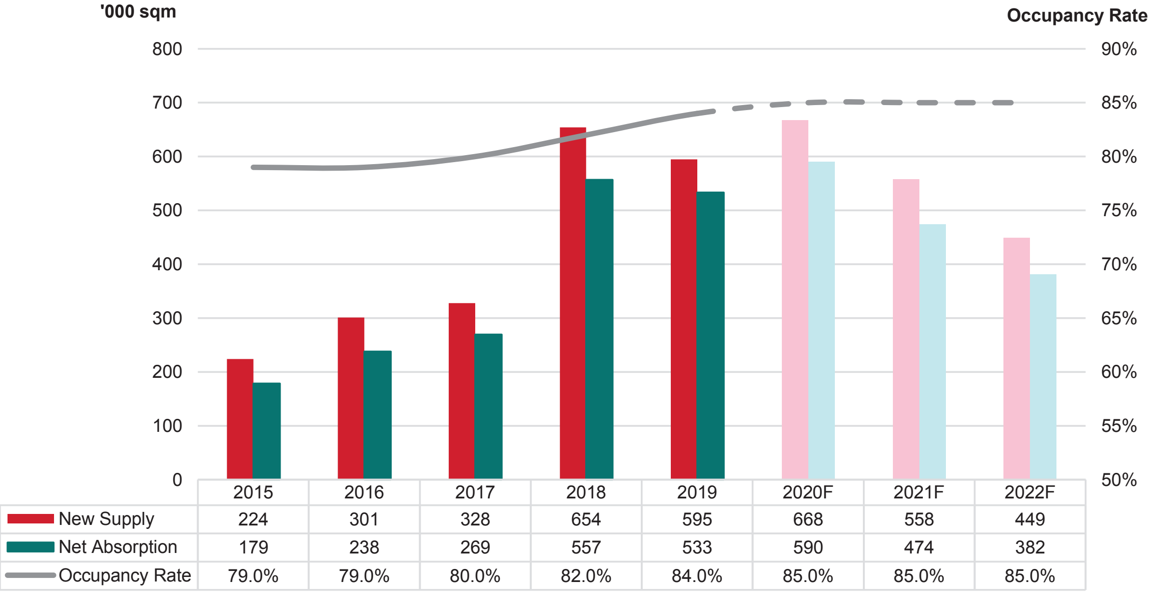
Exhibit 33 Existing Stock and New Supply of Grade A Warehouses in Xi’an



	2015	2016	2017	2018	2019	2020F	2021F	2022F
New Supply	224	301	328	654	595	668	558	449
Existing Stock	163	387	688	1,016	1,670	2,265	2,933	3,491
Total Stock Change YOY	137.4%	77.8%	47.7%	64.4%	35.6%	29.5%	19.0%	12.9%

Source: Knight Frank

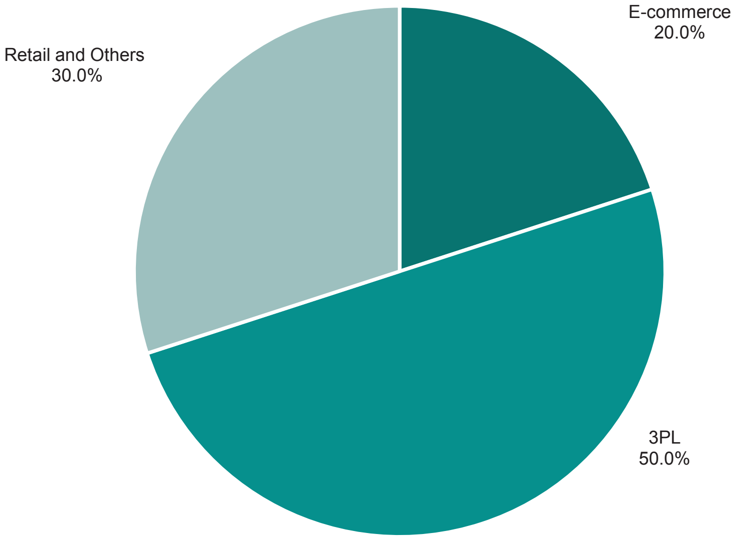
Exhibit 34 New Supply, Net Absorption and Occupancy Rate of Grade A Warehouses in Xi’an



	2015	2016	2017	2018	2019	2020F	2021F	2022F
New Supply	224	301	328	654	595	668	558	449
Net Absorption	179	238	269	557	533	590	474	382
Occupancy Rate	79.0%	79.0%	80.0%	82.0%	84.0%	85.0%	85.0%	85.0%

Source: Knight Frank

Exhibit 35 Tenant Composition of Grade A Warehouses in Xi'an in 2019



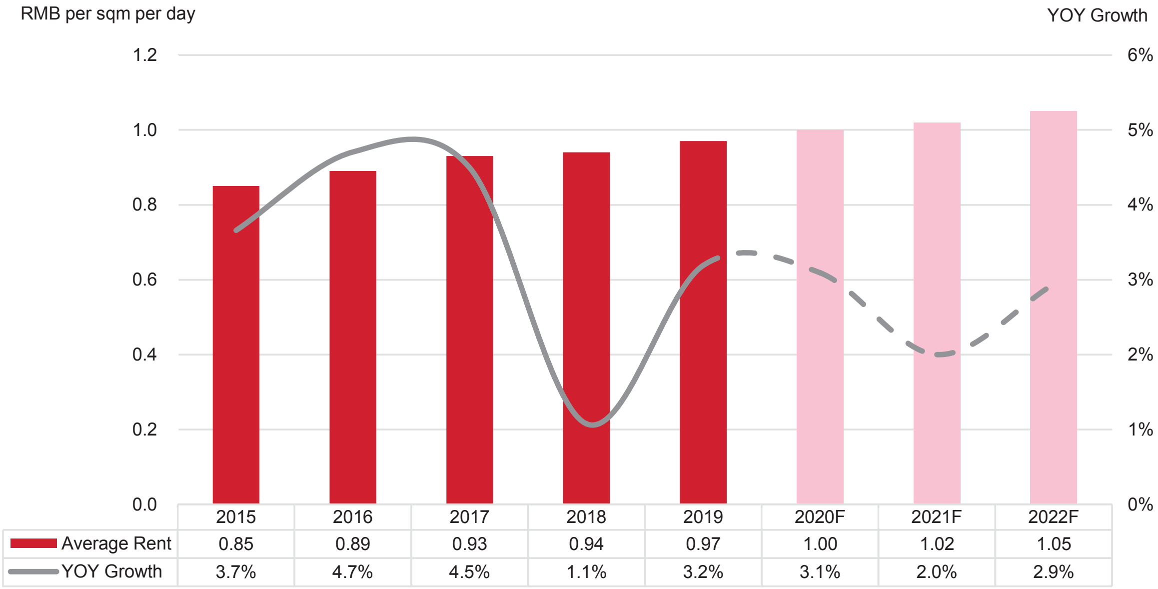
Source: Knight Frank

Rent, Yield and Value

5.5 The average rent of Grade A warehouses in Xi'an increased at a CAGR of 3.4% between 2015 and 2019 to RMB0.97 per sqm per day. As the logistics market is expected to expand with the support of e-commerce industry, the rental level is anticipated to grow at a CAGR of 2.7% between 2019 and 2022 and reach an average rent of RMB1.05 per sqm per day in 2022.

5.6 The average capital value of Grade A warehouses in Xi'an increased to RMB4,746 per sqm in 2019, representing a growth of 3.2% YOY. On the other hand, the net yield dropped from 4.6% in 2015 to 4.4% in 2019 and is expected to further lower down to 4.1% in 2022. With the gradual growth of rent and decrease in yield, it is expected that the capital value will keep increasing at a CAGR of 4.3% between 2019 and 2022 to achieve a level of RMB5,390 per sqm in 2022.

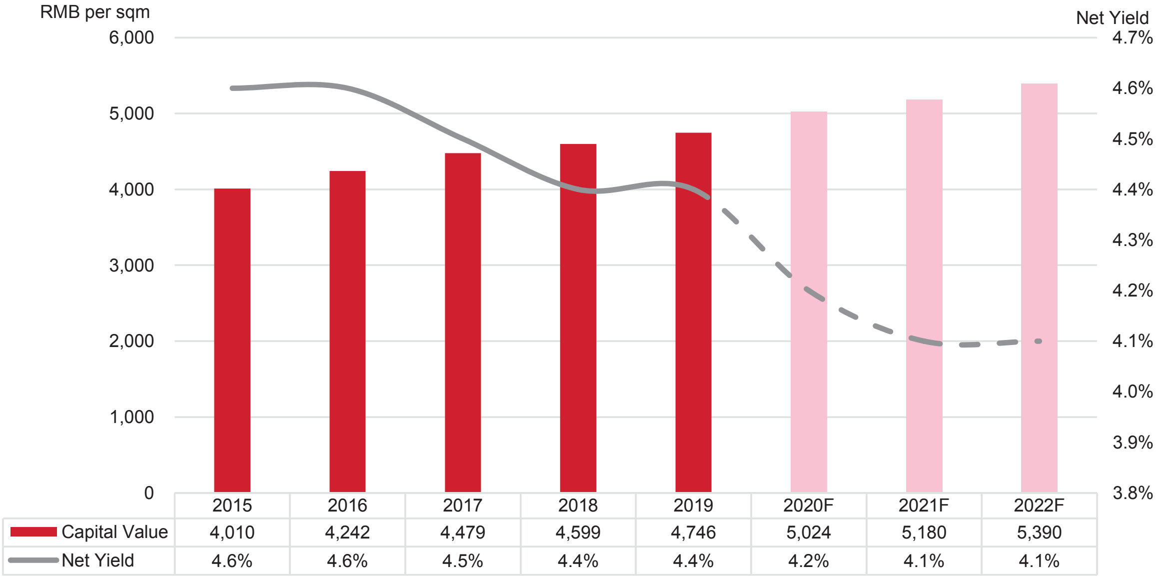
Exhibit 36 Rental Level of Grade A Warehouses in Xi’an



	2015	2016	2017	2018	2019	2020F	2021F	2022F
🟥 Average Rent	0.85	0.89	0.93	0.94	0.97	1.00	1.02	1.05
— YOY Growth	3.7%	4.7%	4.5%	1.1%	3.2%	3.1%	2.0%	2.9%

Source: Knight Frank

Exhibit 37 Capital Value and Yield of Grade A Warehouses of Xi’an



	2015	2016	2017	2018	2019	2020F	2021F	2022F
🟥 Capital Value	4,010	4,242	4,479	4,599	4,746	5,024	5,180	5,390
— Net Yield	4.6%	4.6%	4.5%	4.4%	4.4%	4.2%	4.1%	4.1%

Source: Knight Frank

Subject Property Analysis

5.7 Mapletree Fengdong (Xi'an) Industrial Park is located in Weiyang District at the northwestern Xi’an and is a 30-minute drive away from Xi'an Xianyang International Airport. It enjoys proximity to various transport infrastructure and key population catchments which are shown in the table below: -

Exhibit 38 Distances to Major Destinations

Destination	Approximate Road Distance from Mapletree Fengdong (Xi'an) Industrial Park
Xi’an City Centre	30-minute drive
Xi’an North Railway Station	40-minute drive
Xi’an Railway Station	45-minute drive
Xi'an Xianyang International Airport	30-minute drive
Nearest Highway	10-minute drive

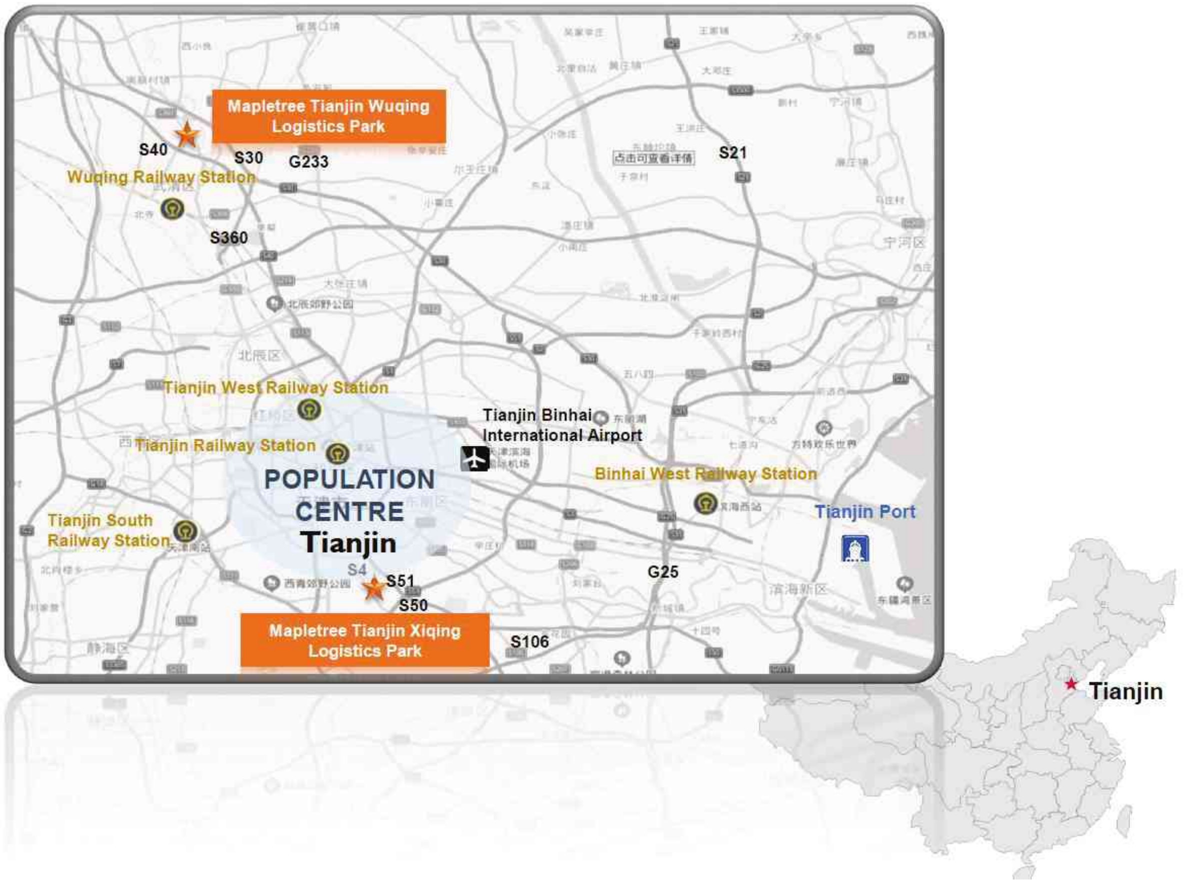
Source: Knight Frank

Performance Outlook

5.8 Mapletree Fengdong (Xi'an) Industrial Park was developed in 2016 and achieves an occupancy of 100.0%, with key tenants such as Xi'an Zhicheng Deppon Logistics and Yue-Shen (Taicang) Footwear. Its success is attributed to its excellent location and relatively high building specifications. In the long run, amid robust logistics demand of Xi’an brought by the e-commerce sector, it is expected that the rental levels will rise steadily, and the high occupancy will be maintained.

Tianjin Market Overview

Exhibit 39 Location of Tianjin



Source: Knight Frank

Economic Overview

5.9 Tianjin is the municipality and a coastal metropolis in northern China and its area spans over 11,946 sqkm. It is governed as one of the four municipalities under the direct administration of the Chinese central government and is a major business, financial and logistics hub.

5.10 The population of Tianjin reached 15.6 million in 2019, representing a CAGR of 0.2% between 2015 and 2019. The GDP of Tianjin reached RMB1,410 billion in 2019 with an average growth of 6.1% over the same period. The inflation rate increased from 1.7% in 2015 to 2.7% in 2019. Both the imports and exports slightly reduced at a CAGR of 0.1% and 3.8% respectively between 2015 and 2019. The urban disposable income in 2019 grew to RMB46,119 per capita with a CAGR of 7.8%.

Exhibit 40 Macroeconomic Indicators of Tianjin

RMB billion (unless otherwise stated)	2015	2016	2017	2018	2019
GDP	1,654	1,789	1,860	1,336	1,410
Real GDP Growth	9.3%	9.0%	3.6%	3.6%	4.8%
GDP per Capita (RMB per capita)	106,908	114,494	119,441	85,682	90,306
FDI (USD billion)	18.9	21.1	10.6	4.9	4.7
FDI Growth	12.1%	12.0%	-49.8%	-54.3%	-2.5%
Imports (USD billion)	63.2	58.4	69.3	73.8	62.8
Imports Growth	-22.3%	-7.6%	18.8%	6.4%	-14.8%
Exports (USD billion)	51.2	44.3	43.6	48.6	43.8
Exports Growth	-2.7%	-13.5%	-1.5%	11.4%	-9.8%
Inflation Rate	1.7%	2.1%	2.1%	2.0%	2.7%
Population (million)	15.5	15.6	15.6	15.6	15.6
Population Growth	2.0%	1.0%	-0.3%	0.2%	0.1%
Urban Disposable Income (RMB per capita)	34,101	37,110	40,278	42,976	46,119
Urban Disposable Income Growth	8.2%	8.8%	8.5%	6.7%	7.3%
Urban Consumption Expenditure (RMB per capita)	26,230	28,345	30,284	32,655	N/A
Urban Consumption Expenditure Growth	8.0%	8.1%	6.8%	7.8%	N/A

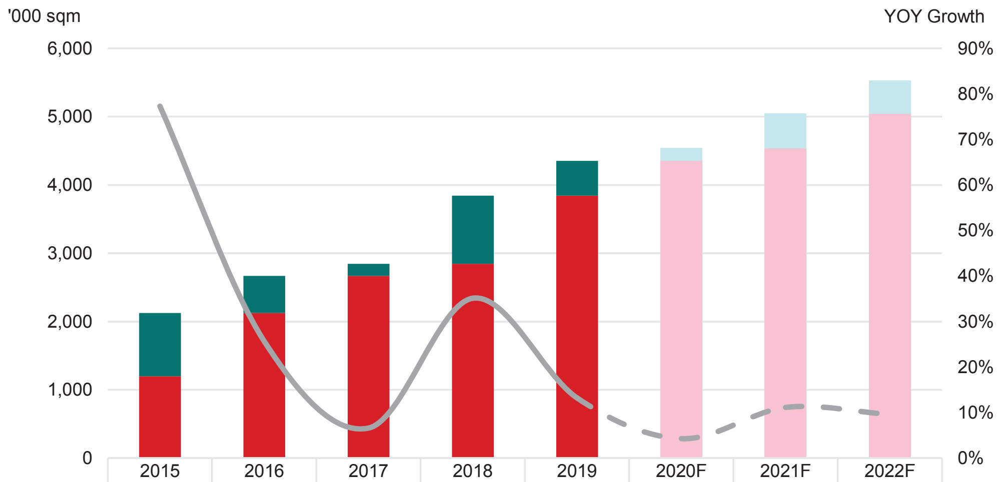
Source: Tianjin Statistics Bureau
Remarks: Urban consumption expenditure of Tianjin in 2019 is not available as of the date of publication of this report.

Supply and Demand

5.11 The total size of Grade A warehouse has increased to 4.4 million sqm in 2019 at a CAGR of 19.6% between 2015 and 2019. The high growth rate is due to the rapid initial expansion during the early stage of the development of Grade A warehouse market since 2015, with key tenants such as SF Express and Three Squirrels. It is expected that the stock will expand at a CAGR of 8.3% between 2019 and 2022 and reach 5.2 million sqm in 2022.

5.12 Despite the substantial amount of new supply entering the market in recent years, the net absorption remained positive during the past five years, and even exceeded the new supply in 2016 and 2017. Hence, there was a large supply in 2018 and 2019 to deal with the shortage of space. The occupancy rate stood high in the past five years, climbing from 70.0% to 86.0% from 2015 to 2019. The strong demand was brought by the surge of exposure from the e-commerce industry. Hence, it is forecasted that the net absorption in the future three years will keep in line with the new supply, supporting the occupancy rate to stay at 88.0% from 2020 to 2022.

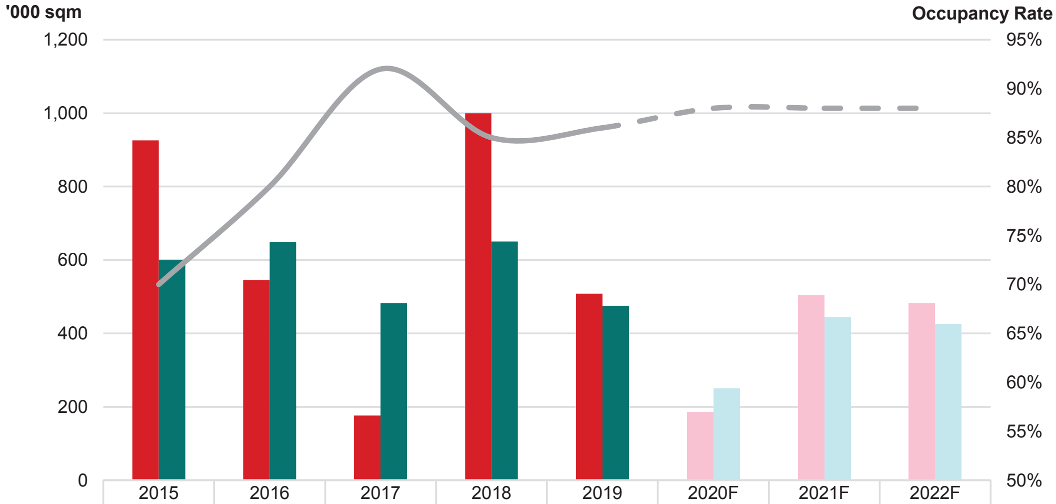
Exhibit 41 Existing Stock and New Supply of Grade A Warehouses in Tianjin



	2015	2016	2017	2018	2019	2020F	2021F	2022F
🟩 New Supply	926	545	176	999	508	186	505	483
🟥 Existing Stock	1,198	2,124	2,669	2,845	3,844	4,352	4,538	5,043
— Total Stock Change YOY	77.3%	25.7%	6.6%	35.1%	13.2%	4.3%	11.1%	9.6%

Source: Knight Frank

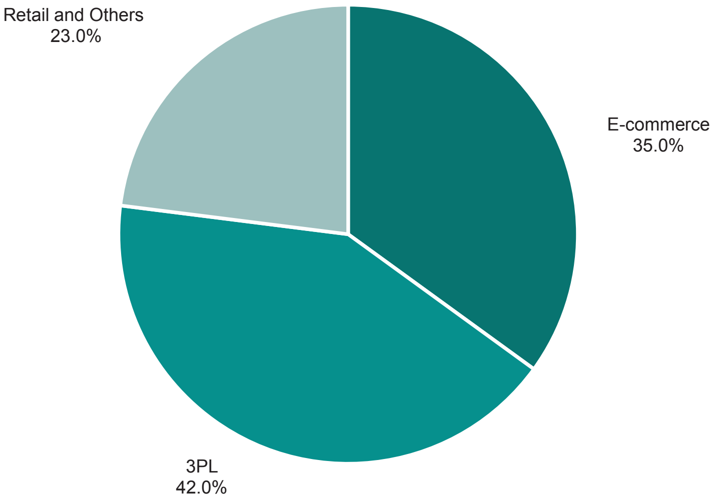
Exhibit 42 New Supply, Net Absorption and Occupancy Rate of Grade A Warehouses in Tianjin



	2015	2016	2017	2018	2019	2020F	2021F	2022F
🟥 New Supply	926	545	176	1,000	508	186	505	483
🟩 Net Absorption	600	648	482	650	475	251	444	426
— Occupancy Rate	70.0%	80.0%	92.0%	85.0%	86.0%	88.0%	88.0%	88.0%

Source: Knight Frank

Exhibit 43 Tenant Composition of Grade A Warehouses in Tianjin in 2019



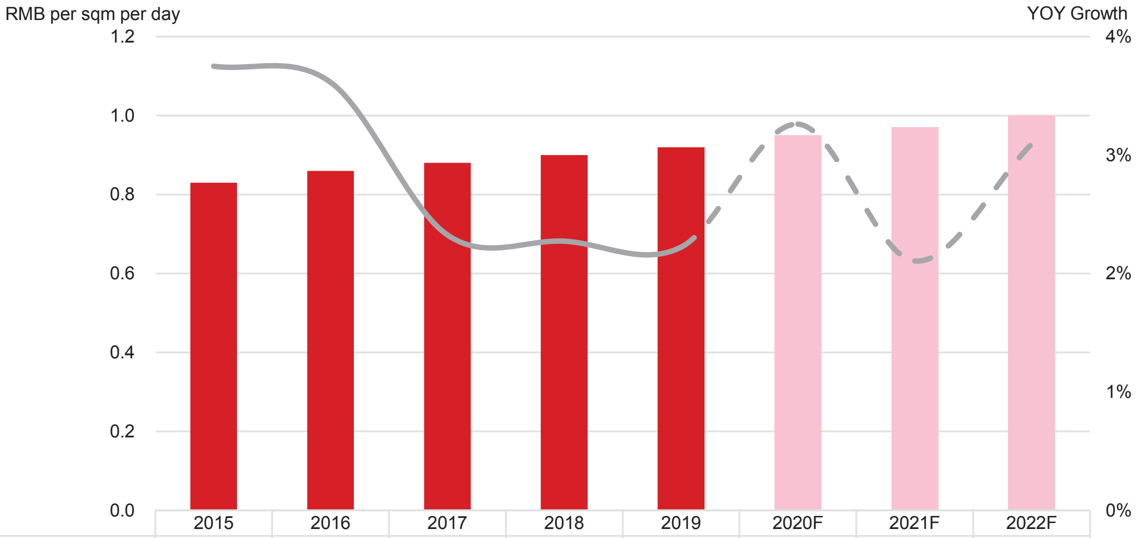
Source: Knight Frank

Rent, Yield and Value

5.13 The average rent of Grade A warehouses in Tianjin recorded a continuous increase from RMB0.83 in 2015 to RMB0.92 in 2019 with a CAGR of 2.6%. As the logistics market is expected to expand gradually with the support of e-commerce industry, the rental level is anticipated to grow at a CAGR of 2.8% between 2019 and 2022 and reach an average rent of RMB1.00 per sqm per day in 2022.

5.14 The average capital value of Grade A warehouses in Tianjin increased to RMB4,573 per sqm in 2019, representing a growth of 2.2% YOY. On the other hand, the net yield dropped from 4.5% in 2015 to 4.3% in 2019 and is expected to further lower down to 4.0% in 2022. With the gradual growth of rent and decrease in yield, it is expected that the capital value will continue to increase at a CAGR of 4.3% between 2019 and 2022 to achieve a level of RMB5,190 per sqm in 2022.

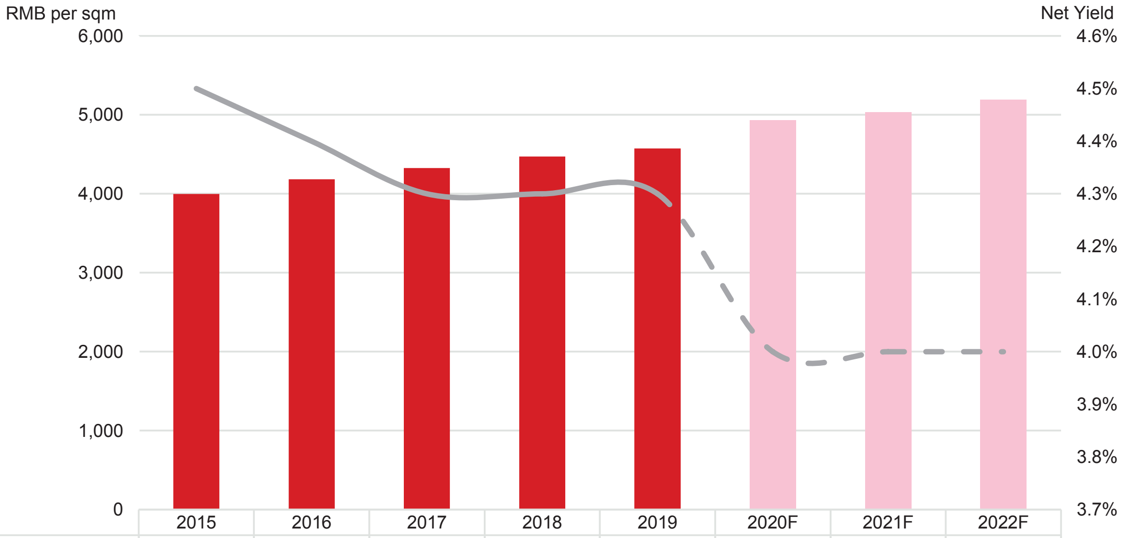
Exhibit 44 Rental Level of Grade A Warehouses in Tianjin



	2015	2016	2017	2018	2019	2020F	2021F	2022F
🟥 Average Rent	0.83	0.86	0.88	0.90	0.92	0.95	0.97	1.00
▬ YOY Growth	3.7%	3.6%	2.3%	2.3%	2.2%	3.3%	2.1%	3.1%

Source: Knight Frank

Exhibit 45 Capital Value and Yield of Grade A Warehouses of Tianjin



	2015	2016	2017	2018	2019	2020F	2021F	2022F
🟥 Capital Value	3,997	4,186	4,328	4,474	4,573	4,930	5,034	5,190
▬ Net Yield	4.5%	4.4%	4.3%	4.3%	4.3%	4.0%	4.0%	4.0%

Source: Knight Frank

Subject Property Analysis

5.15 Mapletree Tianjin Wuqing Logistics Park is located in Wuqing District at the western Tianjin and is a 45-minute drive away from Tianjin Binhai International Airport. Meanwhile, Mapletree Tianjin Xiqing Logistics Park is located in Xiqing District at central Tianjin and is a 40-minute drive away from Tianjin Binhai International Airport. Both properties enjoy proximity to various transport infrastructure and key population catchments which are shown in the table below:

Exhibit 46 Distances to Major Destinations

Destination	Approximate Road Distance from	
	Mapletree Tianjin Wuqing Logistics Park	Mapletree Tianjin Xiqing Logistics Park
Tianjin City Centre	45-minute drive	35-minute drive
Tianjin West Railway Station	45-minute drive	60-minute drive
Tianjin Binhai International Airport	45-minute drive	40-minute drive
Tianjin Port	70-minute drive	60-minute drive
Nearest Highway	8-minute drive	15-minute drive

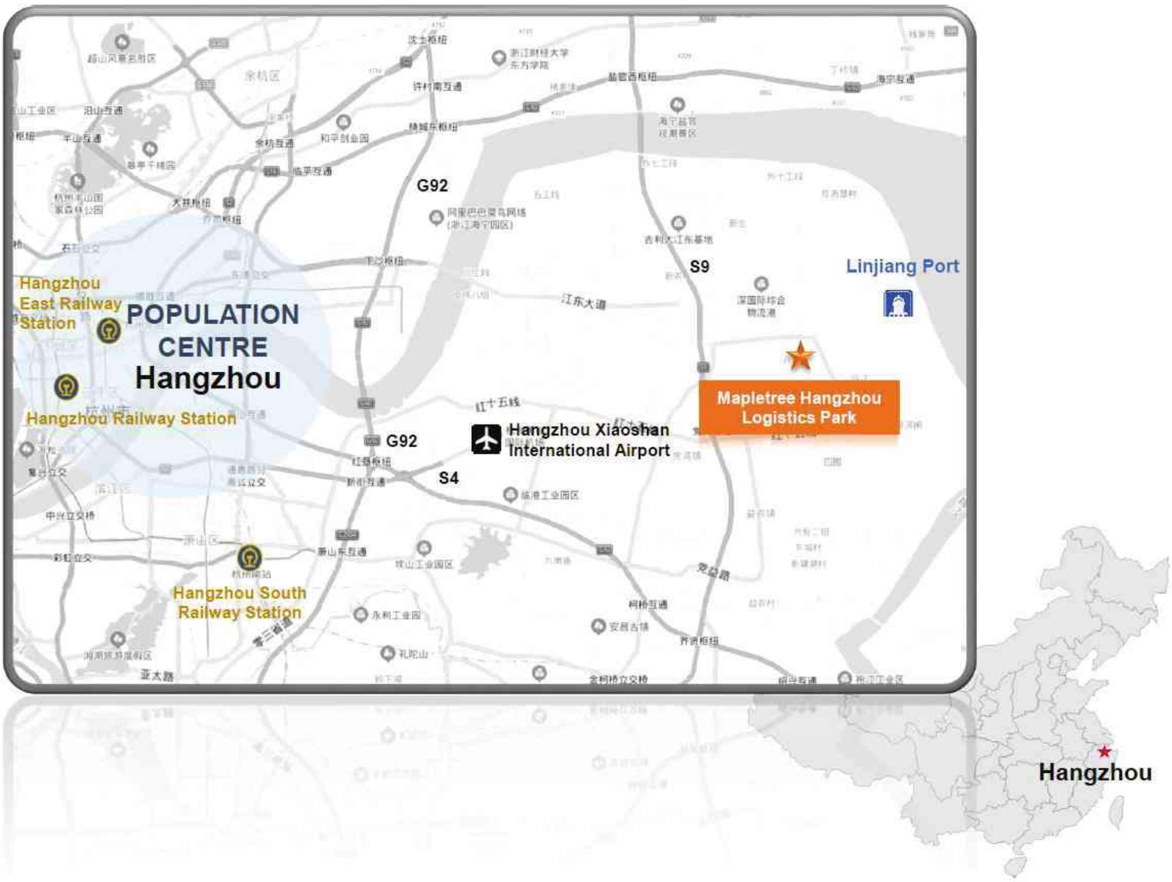
Source: Knight Frank

Performance Outlook

5.16 Mapletree Tianjin Wuqing Logistics Park, completed in 2016 and Mapletree Tianjin Xiqing Logistics Park, newly developed in 2019, have both achieved an occupancy of 100.0%, with major tenants such as Tianjin Xiangshi Logistics and Three Squirrels. Their success is attributed to their excellent locations and strong economic fundamentals. In the long run, amid robust logistics demand of Tianjin brought by the e-commerce sector, it is expected that the rental levels will rise steadily, and the high occupancy will be maintained.

Hangzhou Market Overview

Exhibit 47 Location of Hangzhou



Source: Knight Frank

Economic Overview

5.17 Hangzhou is the capital city of Zhejiang Province located in East China. Its area spans over 16,600 sqkm. Hangzhou is a major business hub and an emerging technology hub in The PRC.

5.18 The population of Hangzhou reached 10.4 million in 2019, representing a CAGR of 3.5% between 2015 and 2019. The GDP of Hangzhou grew to RMB1,537 billion in 2019 with an average growth of 9.7% over the same period. The inflation rate increased from 1.8% in 2015 to 3.1% in 2019. The imports and exports surged at a CAGR of 17.9% and 3.9% respectively between 2015 and 2019. The urban disposable income and urban consumption expenditure grew to RMB66,068 per capita and RMB44,076 per capita respectively with a CAGR of 8.1% and 6.8%.

Exhibit 48 Macroeconomic Indicators of Hangzhou

RMB billion (unless otherwise stated)	2015	2016	2017	2018	2019
GDP	1,005	1,105	1,256	1,431	1,537
Real GDP Growth	10.2%	9.5%	8.0%	13.9%	6.8%
GDP per Capita (RMB per capita)	112,268	121,394	134,607	140,180	152,465
FDI (USD billion)	7.1	7.2	6.6	6.8	6.9
FDI Growth	12.3%	1.3%	-8.3%	3.3%	1.6%
Imports (USD billion)	16.5	18.9	26.2	29.3	31.8
Imports Growth	-12.3%	14.6%	38.8%	11.8%	8.5%
Exports (USD billion)	50.1	53.4	55.7	55.2	58.3
Exports Growth	1.8%	6.7%	4.3%	-1.0%	5.7%
Inflation Rate	1.8%	2.6%	2.5%	2.3%	3.1%
Population (million)	9.0	9.2	9.5	9.8	10.4
Population Growth	1.4%	1.9%	3.0%	3.6%	5.6%
Urban Disposable Income (RMB per capita)	48,316	52,185	56,276	61,172	66,068
Urban Disposable Income Growth	8.3%	8.0%	7.8%	8.7%	8.0%
Urban Consumption Expenditure (RMB per capita)	33,818	35,686	38,179	41,615	44,076
Urban Consumption Expenditure Growth	5.1%	5.5%	7.0%	9.0%	5.9%

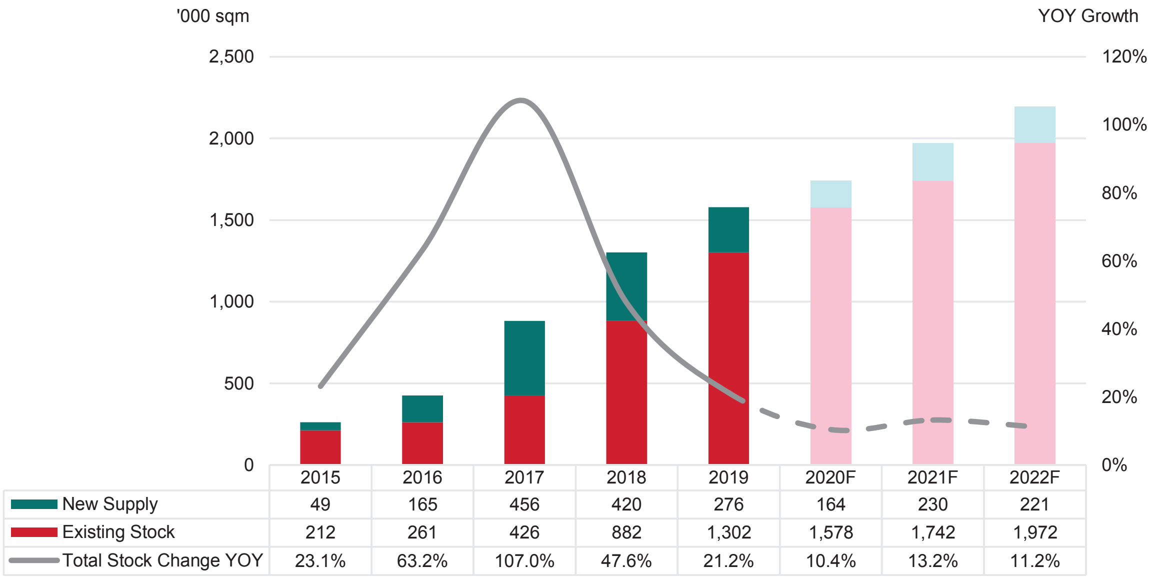
Source: Hangzhou Statistics Bureau

Supply and Demand

5.19 The total size of Grade A warehouse has increased to 1.6 million sqm in 2019 at a CAGR of 56.8% between 2015 and 2019. The high growth rate is driven by the increased demand for logistics facilities as Hangzhou is an emerging technology hub in The PRC, with key tenants such as SF Express, Chongxian Port Logistics and Hengde Logistics. It is expected that the stock will expand at a CAGR of 11.6% between 2019 and 2022 and reach 2.2 million sqm in 2022.

5.20 Despite the substantial amount of new supply entering the market in recent years, the net absorption remained positive during the past five years. The occupancy rate stood at a healthy level ranging from 70.0% to 88.0% between 2015 and 2019. The strong demand was brought by the surge of exposure of the e-commerce industry. Hence, it is forecasted that the net absorption in the future three years will remain in line with the new supply, supporting the occupancy rate at around 90.0% in the coming three years.

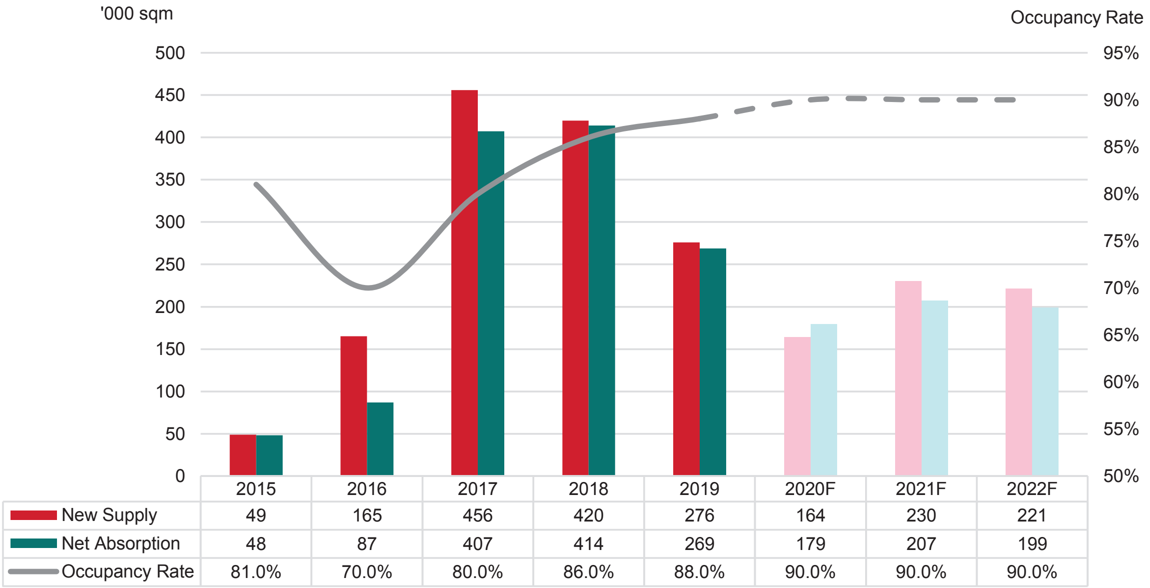
Exhibit 49 Existing Stock and New Supply of Grade A Warehouses in Hangzhou



	2015	2016	2017	2018	2019	2020F	2021F	2022F
🟩 New Supply	49	165	456	420	276	164	230	221
🟥 Existing Stock	212	261	426	882	1,302	1,578	1,742	1,972
▬ Total Stock Change YOY	23.1%	63.2%	107.0%	47.6%	21.2%	10.4%	13.2%	11.2%

Source: Knight Frank

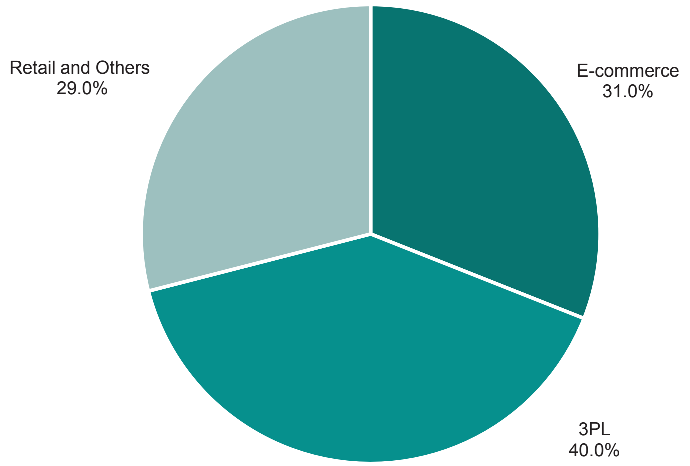
Exhibit 50 New Supply, Net Absorption and Occupancy Rate of Grade A Warehouses in Hangzhou



	2015	2016	2017	2018	2019	2020F	2021F	2022F
🟥 New Supply	49	165	456	420	276	164	230	221
🟩 Net Absorption	48	87	407	414	269	179	207	199
▬ Occupancy Rate	81.0%	70.0%	80.0%	86.0%	88.0%	90.0%	90.0%	90.0%

Source: Knight Frank

Exhibit 51 Tenant Composition of Grade A Warehouses in Hangzhou in 2019



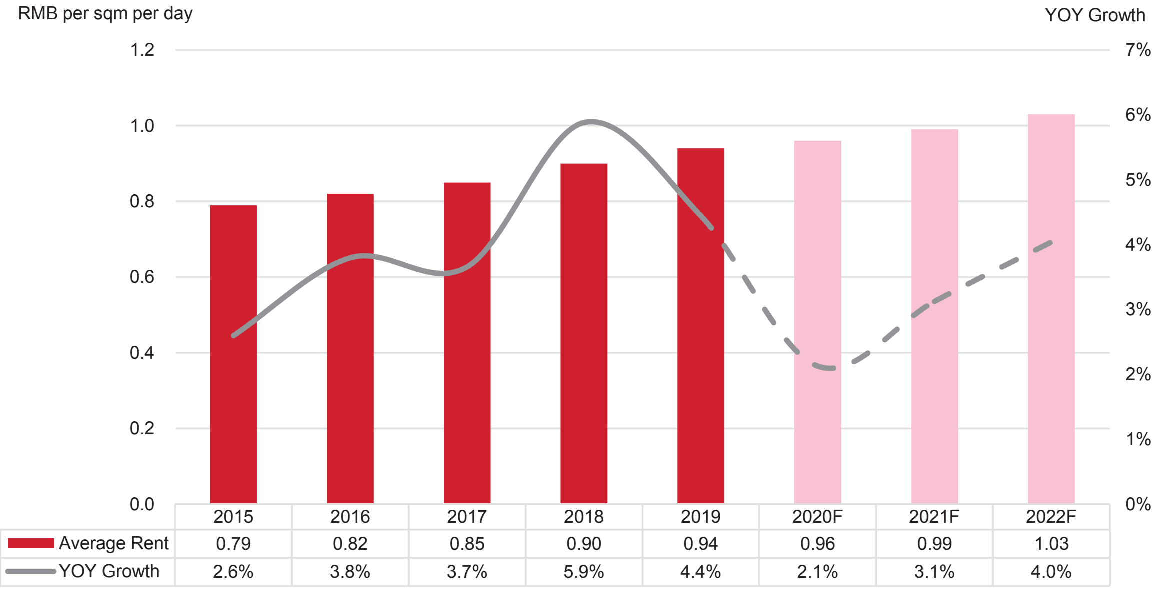
Source: Knight Frank

Rent, Yield and Value

5.21 The average rent of Grade A warehouses in Hangzhou increased at CAGR of 4.4% between 2015 and 2019 to RMB0.94 per sqm per day in 2019. As the logistics market is expected to expand with the support of e-commerce industry, the rental level is anticipated to grow at a CAGR of 3.1% between 2019 and 2022 and reach an average rent of RMB1.03 per sqm per day in 2022.

5.22 The average capital value of Grade A warehouses in Hangzhou increased to RMB4,623 per sqm in 2019, representing a growth of 5.5% YOY. On the other hand, the net yield dropped from 4.6% in 2015 to 4.3% in 2019 and is expected to further lower down to 4.1% in 2022. With the gradual growth of rent and decrease in yield, it is expected that the capital value will keep increasing at a CAGR of 4.6% between 2019 and 2022 to achieve a level of RMB5,288 per sqm in 2022.

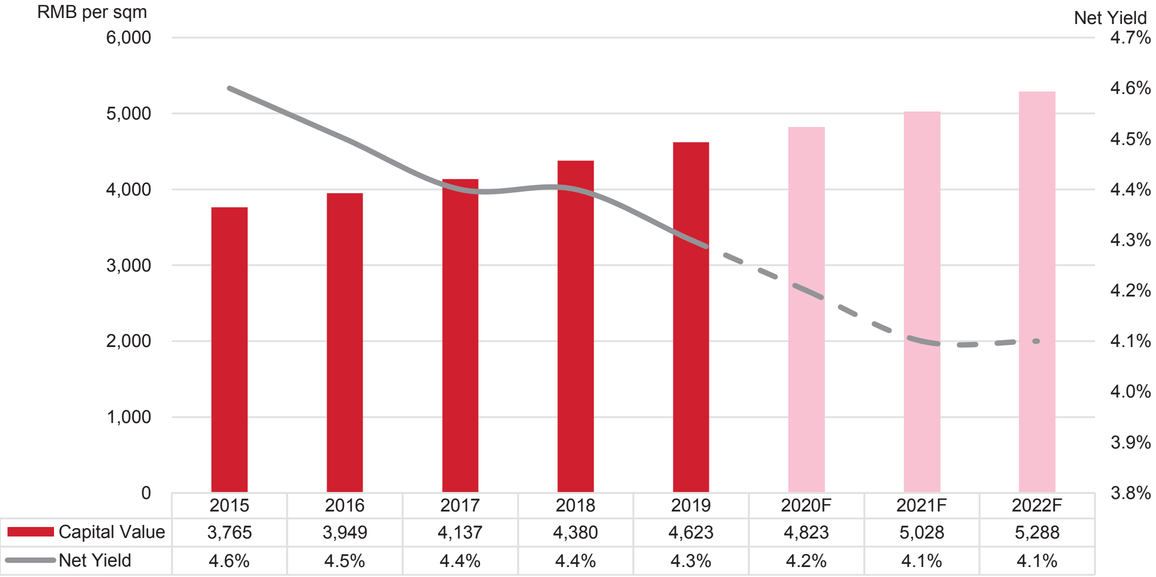
Exhibit 52 Rental Level of Grade A Warehouses in Hangzhou



	2015	2016	2017	2018	2019	2020F	2021F	2022F
Average Rent	0.79	0.82	0.85	0.90	0.94	0.96	0.99	1.03
YOY Growth	2.6%	3.8%	3.7%	5.9%	4.4%	2.1%	3.1%	4.0%

Source: Knight Frank

Exhibit 53 Capital Value and Yield of Grade A Warehouses of Hangzhou



	2015	2016	2017	2018	2019	2020F	2021F	2022F
Capital Value	3,765	3,949	4,137	4,380	4,623	4,823	5,028	5,288
Net Yield	4.6%	4.5%	4.4%	4.4%	4.3%	4.2%	4.1%	4.1%

Source: Knight Frank

Subject Property Analysis

5.23 Mapletree Hangzhou Logistics Park is located in Xiaoshan District at the eastern Hangzhou and is a 60-minute drive away from Hangzhou Xiaoshan International Airport. It enjoys proximity to various transport infrastructure and key population catchments which are shown in the table below: -

Exhibit 54 Distances to Major Destinations

Destination	Approximate Road Distance from Mapletree Hangzhou Logistics Park
Hangzhou City Centre	80-minute drive
Hangzhou South Railway Station	65-minute drive
Hangzhou Xiaoshan International Airport	60-minute drive
Linjiang Port	15-minute drive
Nearest Highway	15-minute drive

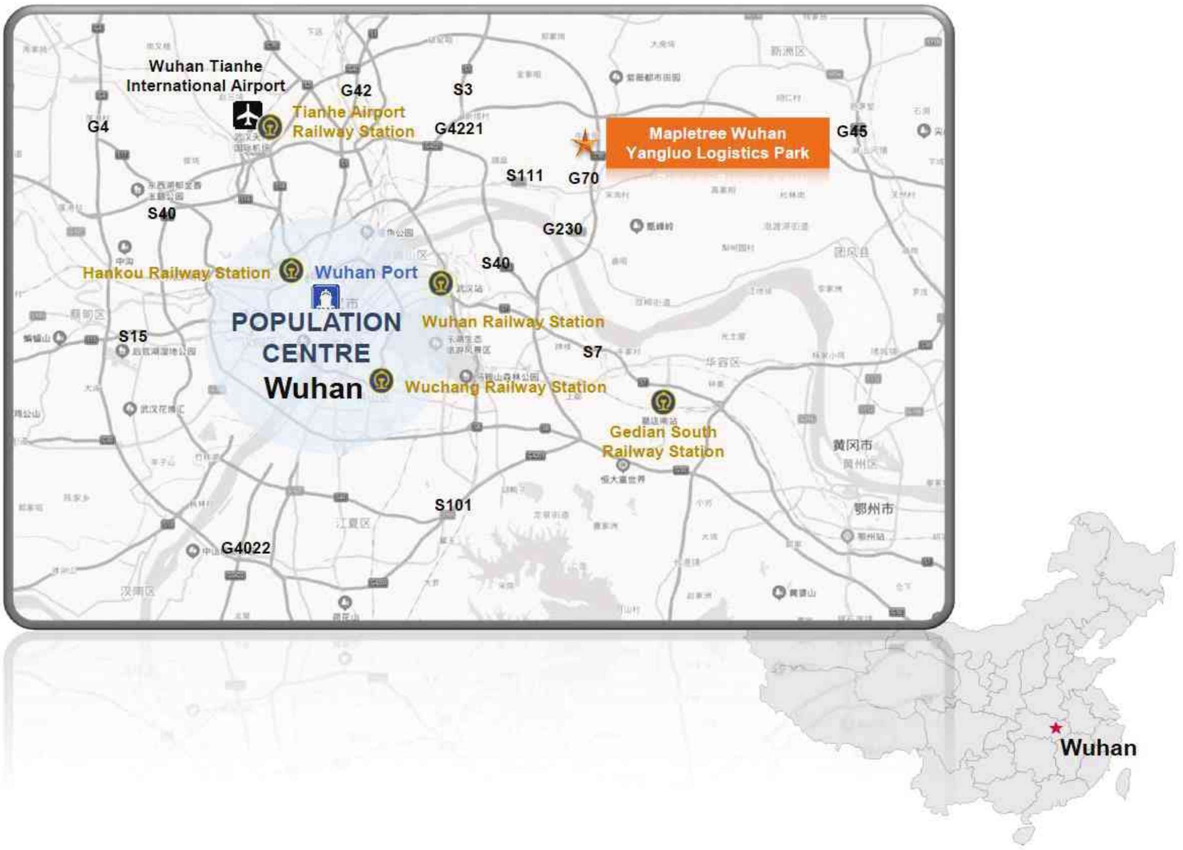
Source: Knight Frank

Performance Outlook

5.24 Mapletree Hangzhou Logistics Park was developed in 2016 and achieves an occupancy of 98.1%, with Cainiao as a major tenant. Its success is attributed to its excellent location and relatively high building specifications. In the long run, amid robust logistics demand of Hangzhou brought by the e-commerce sector, it is expected that the rental levels will rise steadily, and the high occupancy will be maintained.

Wuhan Market Overview

Exhibit 55 Location of Wuhan



Source: Knight Frank

Economic Overview

5.25 Wuhan is the capital city of Hubei Province located in central China. Its area spans over approximately 8,500 sqkm. Wuhan is a major transportation hub known for its key role in domestic transportation. While it has acted as the traditional manufacturing hub for decades, it is also one of the areas promoting modern industrial changes in The PRC by housing various scientific and technological development parks, research institutes and numerous high-tech enterprises and incubators.

5.26 The population of Wuhan reached 11.2 million in 2019, representing a CAGR of 1.4% between 2015 and 2019. The GDP of Wuhan grew to RMB1,622 billion with an average growth of 8.0% over the same period. The inflation rate increased from 1.4% in 2015 to 3.2% in 2019. The imports and exports surged at a CAGR of 5.4% and 7.4% respectively between 2015 and 2019. The urban disposable income and urban consumption expenditure in 2019 grew to RMB51,706 per capita and RMB34,005 per capita respectively with a CAGR of 9.1% and 9.2%, while the FDI recorded a CAGR of 13.8% over the same period.

5.27 After the first confirmed COVID-19 case, Wuhan's economy was unavoidably affected by the city lockdown from January to March 2020 as its GDP in the first quarter contracted by -40.5% YOY. As economic activities gradually resumed after containment of COVID-19 virus, the economy of Wuhan improved noticeably in the second quarter and recorded a real GDP growth of -19.5% YOY for 2020H1 due to successful pandemic control and effective economic revival efforts.

Exhibit 56 Macroeconomic Indicators of Wuhan

RMB billion (unless otherwise stated)	2015	2016	2017	2018	2019
GDP	1,091	1,191	1,341	1,493	1,622
Real GDP Growth	8.8%	7.8%	8.0%	8.0%	7.4%
GDP per Capita (RMB per capita)	104,132	111,469	123,831	135,136	145,545
FDI (USD billion)	7.3	8.5	9.6	10.9	12.3
FDI Growth	18.5%	16.1%	13.2%	13.3%	12.6%
Imports (USD billion)	12.9	10.1	11.5	12.9	15.9
Imports Growth	2.1%	-22.0%	14.2%	12.2%	23.3%
Exports (USD billion)	15.2	13.7	17.1	18.8	20.2
Exports Growth	9.9%	-9.4%	24.6%	10.2%	7.1%
Inflation Rate	1.4%	2.4%	1.9%	1.9%	3.2%
Population (million)	10.6	10.8	10.9	11.1	11.2
Population Growth	2.6%	1.5%	1.2%	1.7%	1.2%
Urban Disposable Income (RMB per capita)	36,436	39,737	43,405	47,359	51,706
Urban Disposable Income Growth	9.5%	9.1%	9.2%	9.1%	9.2%
Urban Consumption Expenditure (RMB per capita)	23,943	26,535	28,546	31,201	34,005
Urban Consumption Expenditure Growth	8.8%	10.8%	7.6%	9.3%	9.0%

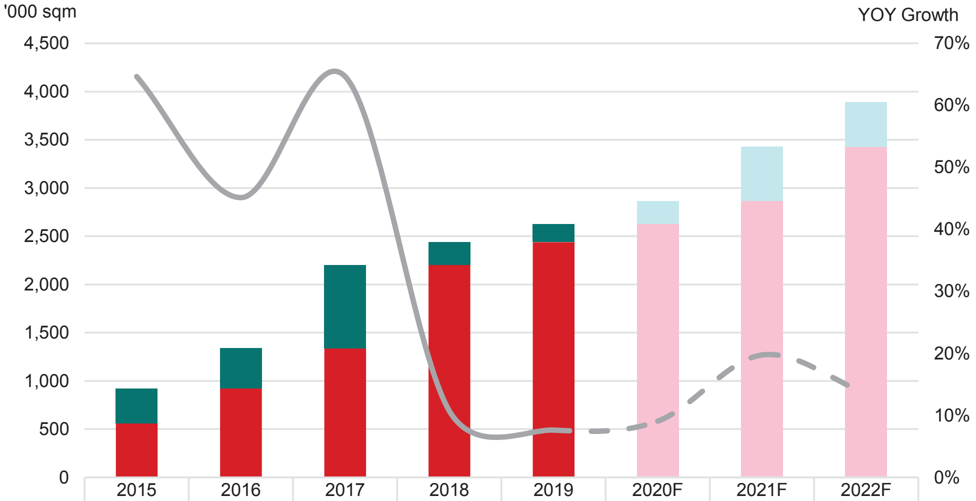
Source: Wuhan Statistics Bureau

Supply and Demand

5.28 The total size of Grade A warehouse has increased to 2.6 million sqm in 2019 at a CAGR of 29.9% between 2015 and 2019. The high growth rate is due to a boom in supply in the early stage of the development of Grade A warehouse market, with key tenants such as SF Express and JD Logistics. It is expected that the stock will expand at a CAGR of 14.0% between 2019 and 2022 and reach 3.9 million sqm in 2022.

5.29 Despite the substantial amount of new supply entering the market in recent years, the net absorption remained positive during the past five years. The occupancy rate fluctuated in a healthy range over the past five years. It began from 80% in 2015, peaked in 2017 at 90%, dropped to 82% in 2018 and rose back to 85% in 2019. The slight drop was caused by an extensive supply boost in 2018 and the market gradually absorbed the supply until 2019 with the support from a strong demand brought by the surge of the e-commerce industry. Thanks to the ongoing e-commerce trend, it is expected that the net absorption in the future three years will keep in line with the new supply, supporting the occupancy rate to stay at 88.0% in 2021 and 2022.

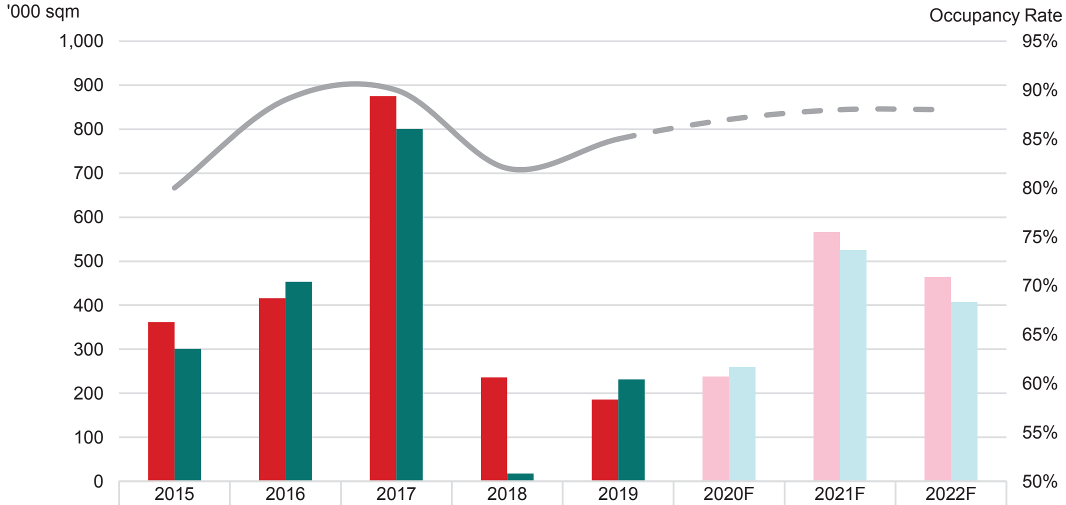
Exhibit 57 Existing Stock and New Supply of Grade A Warehouses in Wuhan



	2015	2016	2017	2018	2019	2020F	2021F	2022F
New Supply	362	416	865	236	186	238	565	464
Existing Stock	560	922	1338	2203	2439	2625	2863	3428
Total Stock Change YOY	64.6%	45.1%	64.6%	10.7%	7.6%	9.1%	19.7%	13.5%

Source: Knight Frank

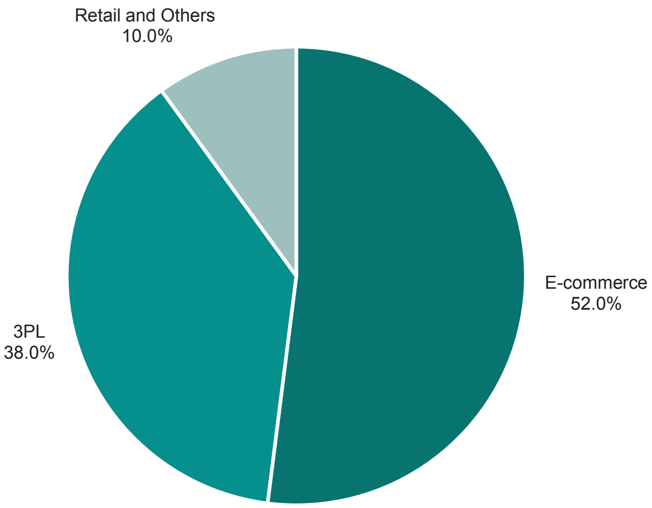
Exhibit 58 New Supply, Net Absorption and Occupancy Rate of Grade A Warehouses in Wuhan



	2015	2016	2017	2018	2019	2020F	2021F	2022F
New Supply	362	416	875	236	186	238	566	464
Net Absorption	301	453	801	17	232	260	526	407
Occupancy Rate	80.0%	89.0%	90.0%	82.0%	85.0%	87.0%	88.0%	88.0%

Source: Knight Frank

Exhibit 59 Tenant Composition of Grade A Warehouses in Wuhan in 2019



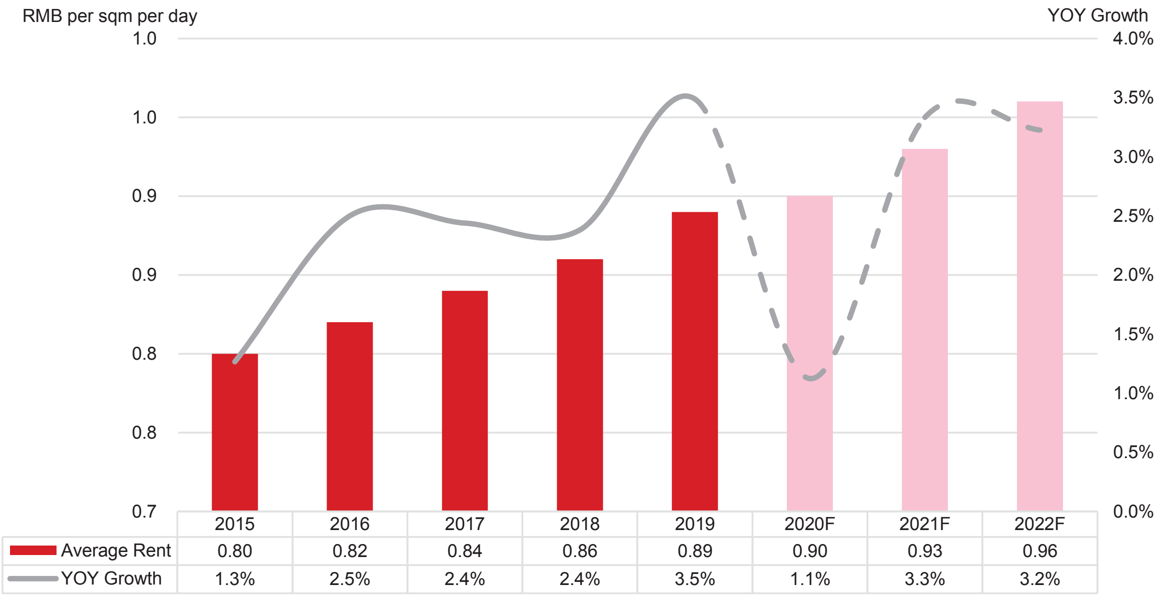
Source: Knight Frank

Rent, Yield and Value

5.30 The average rent of Grade A warehouses in Wuhan increased gradually from 2015 to 2019 from RMB0.80 per sqm per day to RMB0.89 per sqm per day with a CAGR of 2.7%. As the logistics market is expected to expand gradually with the support of e-commerce industry, the rental level is anticipated to grow steadily at a CAGR of 2.6% between 2019 and 2022 and reach an average rent of RMB0.96 per sqm per day in 2022.

5.31 The average capital value of Grade A warehouses in Wuhan increased to RMB4,472 per sqm in 2019, representing a growth of 3.5% YOY. On the other hand, the net yield dropped from 4.5% in 2015 to 4.2% in 2019 and is expected to further lower down to 4.0% in 2022. With the gradual growth of rent and decrease in yield, it is expected that the capital value will continue to grow at a CAGR of 3.7% between 2019 and 2022 and achieve a level of RMB4,982 per sqm in 2022.

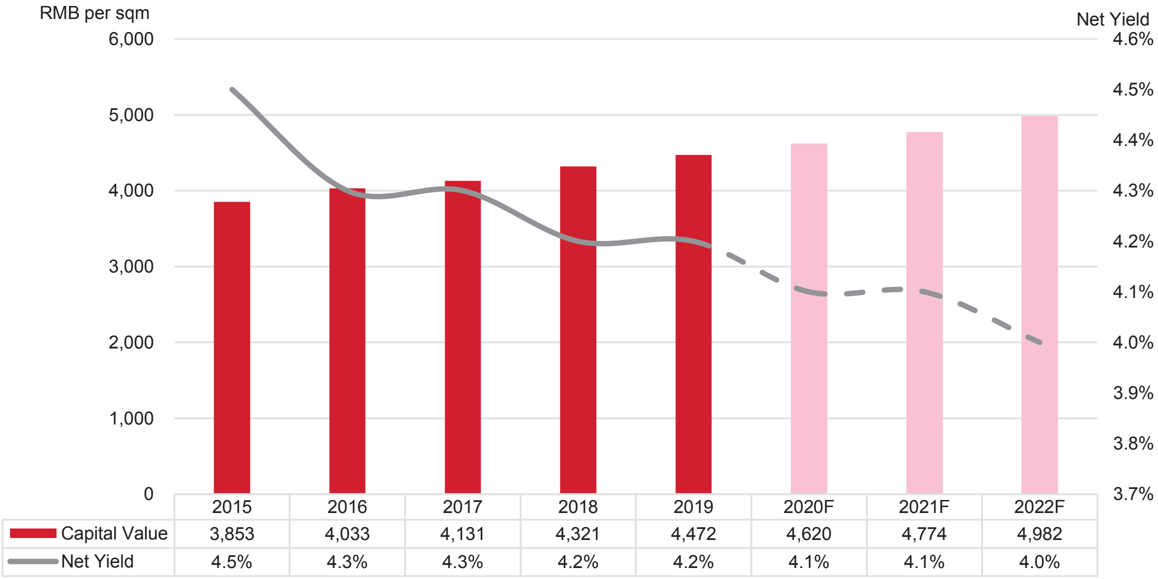
Exhibit 60 Rental Level of Grade A Warehouses in Wuhan



	2015	2016	2017	2018	2019	2020F	2021F	2022F
🟥 Average Rent	0.80	0.82	0.84	0.86	0.89	0.90	0.93	0.96
— YOY Growth	1.3%	2.5%	2.4%	2.4%	3.5%	1.1%	3.3%	3.2%

Source: Knight Frank

Exhibit 61 Capital Value and Yield of Grade A Warehouses of Wuhan



	2015	2016	2017	2018	2019	2020F	2021F	2022F
🟥 Capital Value	3,853	4,033	4,131	4,321	4,472	4,620	4,774	4,982
— Net Yield	4.5%	4.3%	4.3%	4.2%	4.2%	4.1%	4.1%	4.0%

Source: Knight Frank

Subject Property Analysis

5.32 Mapletree Wuhan Yangluo Logistics Park is located in Xinzhou District at northeastern Wuhan and is one-hour drive away from Wuhan Tianhe International Airport. It enjoys proximity to various transport infrastructure and key population catchments which are shown in the table below:

Exhibit 62 Distances to Major Destinations

Destination	Approximate Road Distance from Mapletree Wuhan Yangluo Logistics Park
Wuhan City Centre	60-minute drive
Wuhan Railway Station	40-minute drive
Wuhan Tianhe International Airport	60-minute drive
Wuhan Port	50-minute drive
Nearest Highway	15-minute drive

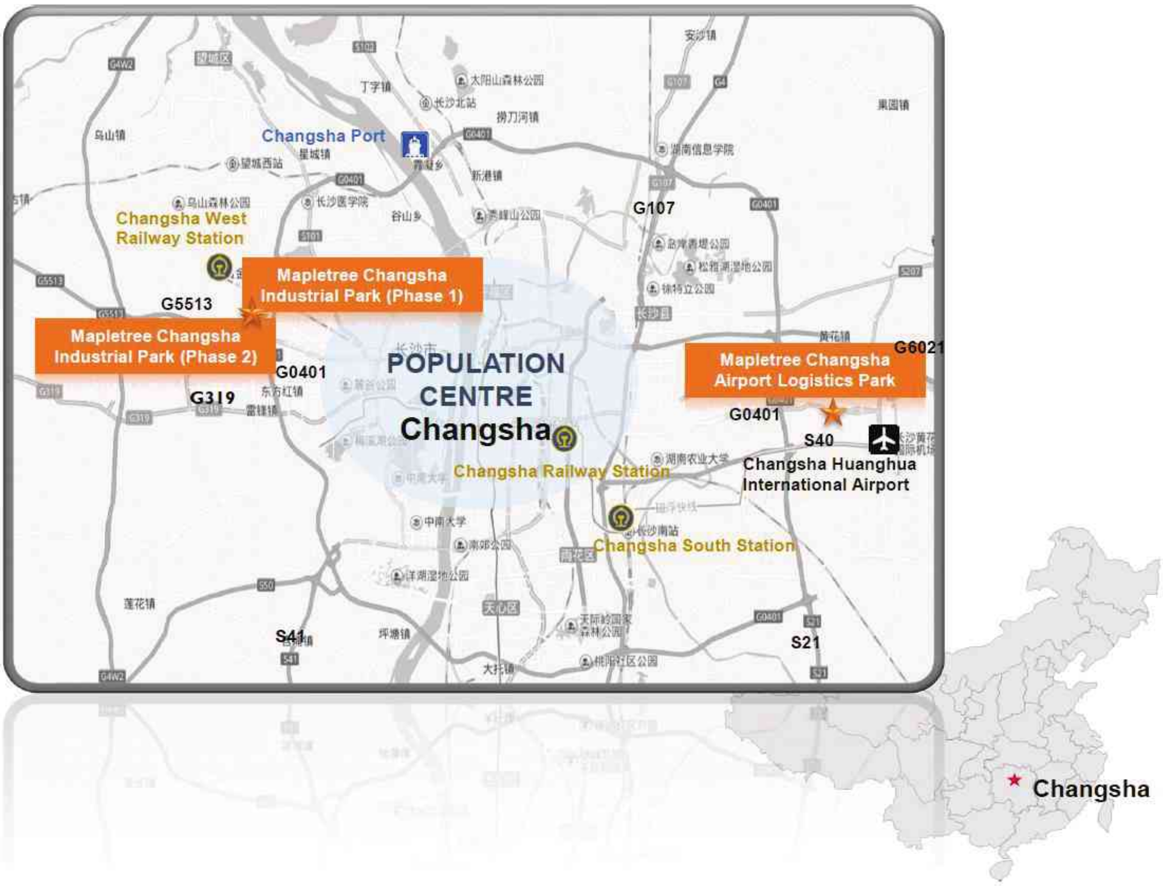
Source: Knight Frank

Performance Outlook

5.33 Mapletree Wuhan Yangluo Logistics Park was newly developed in 2017 and is 100% occupied by JD Logistics. Given the fact that the tenant is a reputable e-commerce company with expected growth in revenue in the future due to the increasing e-commerce demand, it is expected that the property will be able to generate a stable income and the rental levels will rise steadily.

Changsha Market Overview

Exhibit 63 Location of Changsha



Source: Knight Frank

Economic Overview

5.34 Changsha is the capital city of Hunan Province located in Midwest China. Its area spans over approximately 11,819 sqkm. Changsha is an important commercial, manufacturing and transportation centre by being one of the 15 most "developed and economically advanced" cities in The PRC.

5.35 The population of Changsha reached 8.4 million in 2019, representing a CAGR of 3.2% between 2015 and 2019. The GDP of Changsha in 2019 grew to RMB1,157 billion with an average growth of 9.0% over the same period. The inflation rate increased from 1.1% in 2015 to 2.9% in 2019. Both imports and exports surged at a CAGR of 22.4% and 27.0% respectively between 2015 and 2019, once again demonstrating the city's growing importance as a trading port. The urban disposable income and urban consumption expenditure in 2019 steadily grew to RMB55,211 per capita and RMB39,516 per capita respectively with a CAGR of 8.4% and 7.4%, while the FDI recorded a CAGR of 9.6% over the same period.

Exhibit 64 Macroeconomic Indicators of Changsha

RMB billion (unless otherwise stated)	2015	2016	2017	2018	2019
GDP	863	929	1,021	1,100	1,157
Real GDP Growth	10.0%	9.4%	9.0%	8.5%	8.1%
GDP per Capita (RMB per capita)	117,076	123,265	131,207	134,933	137,879
FDI (USD billion)	4.4	4.8	5.3	5.8	6.4
FDI Growth	11.1%	9.1%	9.1%	10.1%	10.3%
Imports (USD billion)	2.7	2.4	3.5	4.6	6.1
Imports Growth	19.5%	-10.1%	45.3%	31.4%	31.6%
Exports (USD billion)	5.4	4.9	5.9	8.2	14.0
Exports Growth	0.7%	-9.6%	21.0%	40.0%	69.6%
Inflation Rate	1.1%	1.9%	1.3%	2.0%	2.9%
Population (million)	7.4	7.6	7.9	8.2	8.4
Population Growth	1.4%	2.7%	3.9%	3.8%	2.4%
Urban Disposable Income (RMB per capita)	39,961	43,294	46,948	50,792	55,211
Urban Disposable Income Growth	8.5%	8.3%	8.4%	8.2%	8.7%
Urban Consumption Expenditure (RMB per capita)	29,753	31,826	34,645	36,775	39,516
Urban Consumption Expenditure Growth	11.1%	7.0%	8.9%	6.1%	7.5%

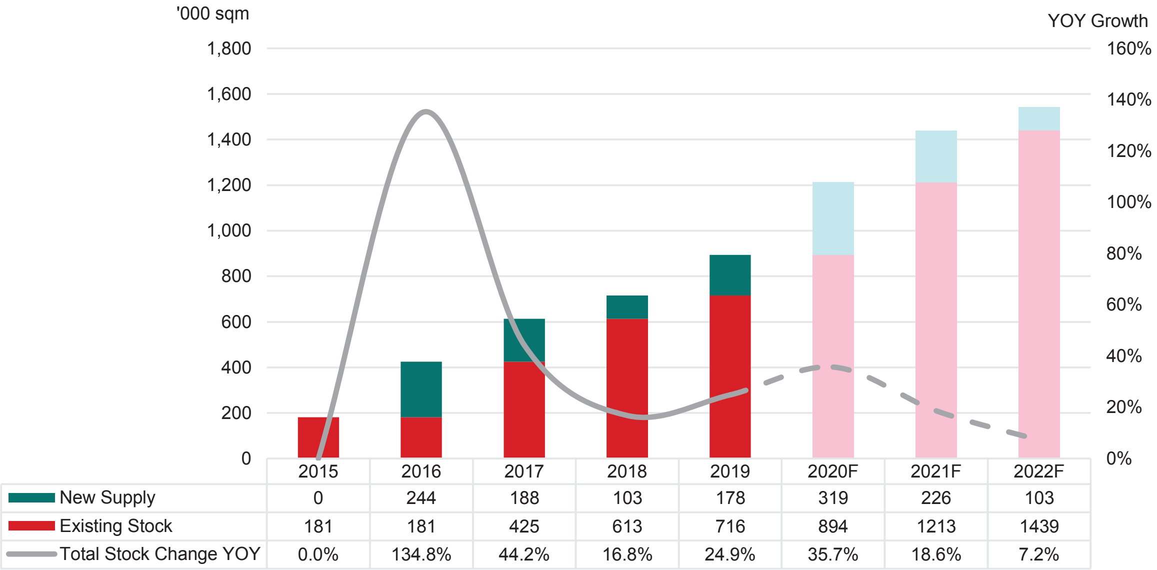
Source: Changsha Statistics Bureau

Supply and Demand

5.36 The total size of Grade A warehouse has increased to 0.9 million sqm in 2019 at a CAGR of 49.1% between 2015 and 2019 in response to the emerging e-commerce and 3PL industry, with key tenants such as SF Express and Cainiao Smart Logistics. It is expected that the stock will expand at a CAGR of 19.9% between 2019 and 2022 and reach 1.5 million sqm in 2022.

5.37 Despite the substantial amount of new supply entering the market in recent years, the net absorption remained positive during the past five years. The occupancy rate also improved steadily from 78% in 2016 to 86% in 2019. Occupancy remained an increasing trend in spite of the growing supply, indicating that there is a high demand from the market that supports the growing logistics market. With strong fundamentals and growing business environment, it is expected that the net absorption in the future three years will keep in line with the new supply, supporting the occupancy rate to stay at 88.0% in 2021 and 2022.

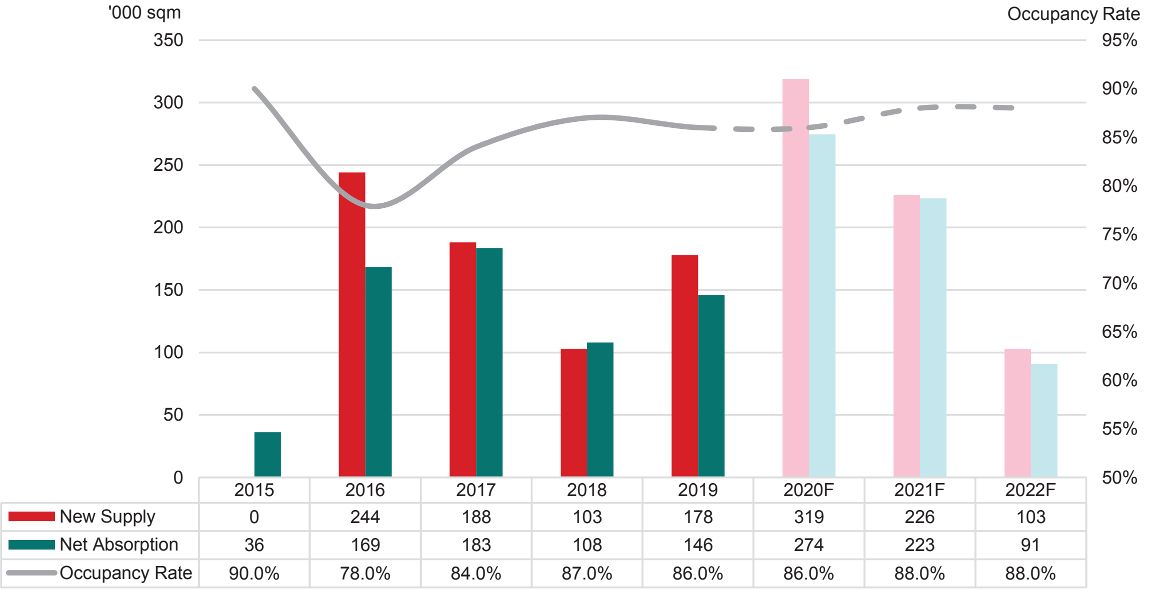
Exhibit 65 Existing Stock and New Supply of Grade A Warehouses in Changsha



	2015	2016	2017	2018	2019	2020F	2021F	2022F
New Supply	0	244	188	103	178	319	226	103
Existing Stock	181	181	425	613	716	894	1213	1439
Total Stock Change YOY	0.0%	134.8%	44.2%	16.8%	24.9%	35.7%	18.6%	7.2%

Source: Knight Frank

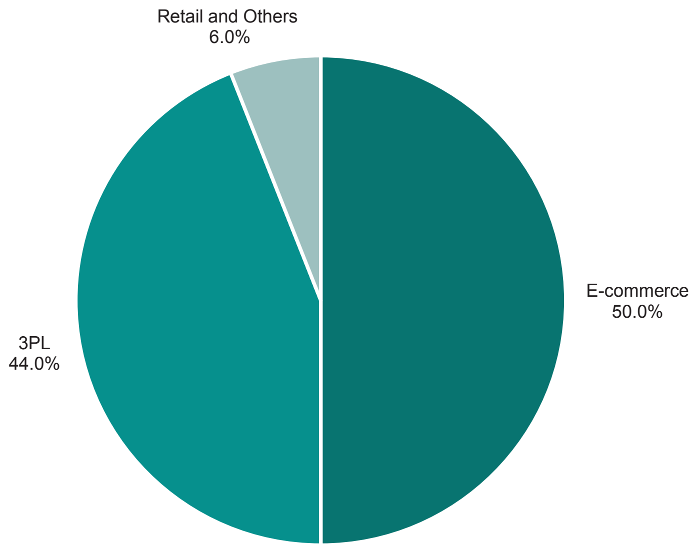
Exhibit 66 New Supply, Net Absorption and Occupancy Rate of Grade A Warehouses in Changsha



	2015	2016	2017	2018	2019	2020F	2021F	2022F
New Supply	0	244	188	103	178	319	226	103
Net Absorption	36	169	183	108	146	274	223	91
Occupancy Rate	90.0%	78.0%	84.0%	87.0%	86.0%	86.0%	88.0%	88.0%

Source: Knight Frank

Exhibit 67 Tenant Composition of Grade A Warehouses in Changsha in 2019



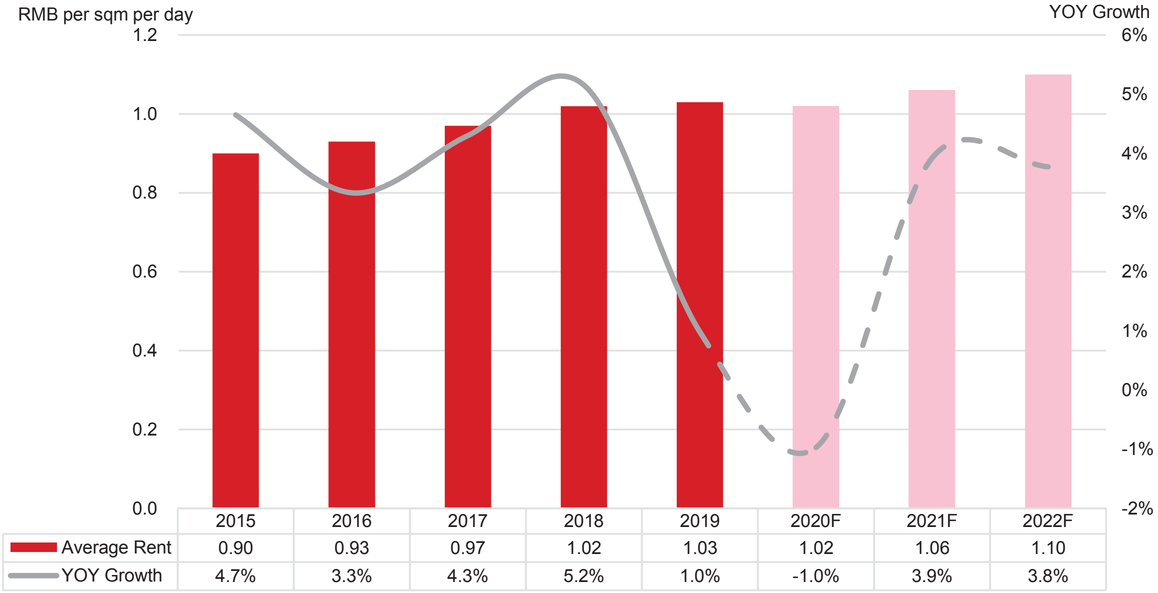
Source: Knight Frank

Rent, Yield and Value

5.38 The average rent of Grade A warehouses in Changsha increased steadily from 2015 to 2019 from RMB0.90 per sqm per day to RMB1.03 per sqm per day with a CAGR of 3.4%. As the logistics market is expected to expand gradually with the support of e-commerce industry, the rental level is anticipated to grow steadily at a CAGR of 2.2% between 2019 and 2022 and reach an average rent of RMB1.10 per sqm per day in 2022.

5.39 The average capital value of Grade A warehouses in Changsha increased to RMB5,120 per sqm in 2019, representing a growth of 2.6% YOY. On the other hand, the net yield dropped from 4.6% in 2015 to 4.3% in 2019 and is expected to further lower down to 4.0% in 2022. With the gradual growth of rent and decrease in yield, it is expected that the capital value will continue to grow at a CAGR of 3.7% between 2019 and 2022 and achieve a level of RMB5,709 per sqm in 2022.

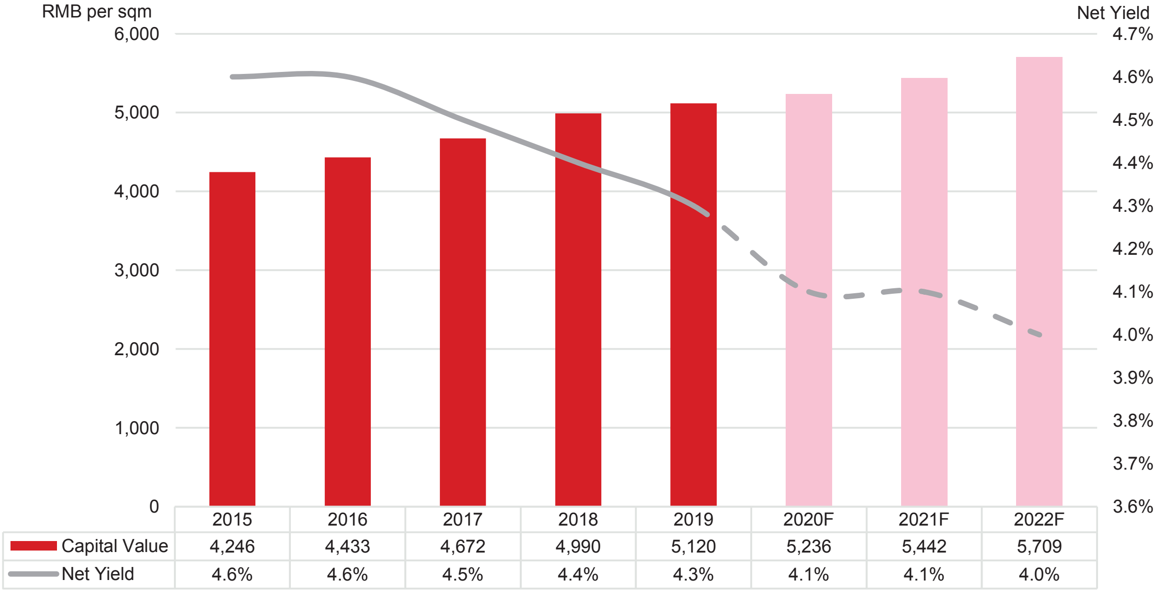
Exhibit 68 Rental Level of Grade A Warehouses in Changsha



	2015	2016	2017	2018	2019	2020F	2021F	2022F
🟥 Average Rent	0.90	0.93	0.97	1.02	1.03	1.02	1.06	1.10
▬ YOY Growth	4.7%	3.3%	4.3%	5.2%	1.0%	-1.0%	3.9%	3.8%

Source: Knight Frank

Exhibit 69 Capital Value and Yield of Grade A Warehouses of Changsha



	2015	2016	2017	2018	2019	2020F	2021F	2022F
🟥 Capital Value	4,246	4,433	4,672	4,990	5,120	5,236	5,442	5,709
▬ Net Yield	4.6%	4.6%	4.5%	4.4%	4.3%	4.1%	4.1%	4.0%

Source: Knight Frank

Subject Property Analysis

5.40 Mapletree Changsha Airport Logistics Park is located in Changsha County at northeastern Changsha and is 10-minute drive away from Huanghua International Airport. On the other hand, Mapletree Changsha Industrial Park (Phase 1) and Mapletree Changsha Industrial Park (Phase 2) are located in Yuelu District that is one-hour drive away from the Huanghua International Airport. They enjoy proximity to various transport infrastructure and key population catchments which are shown in the table below:

Exhibit 70 Distances to Major Destinations

Destination	Approximate Road Distance from	
	Mapletree Changsha Airport Logistics Park	Mapletree Changsha Industrial Park (Phases 1 & 2)
Changsha City Centre	50-minute drive	25-minute drive
Changsha Railway Station	40-minute drive	45-minute drive
Changsha Huanghua International Airport	10-minute drive	50-minute drive
Changsha Port	45-minute drive	30-minute drive
Nearest Highway	10-minute drive	5-minute drive

Source: Knight Frank

Performance Outlook

5.41 Mapletree Changsha Airport Logistics Park was newly completed in 2019 and is 100% occupied by Best Logistics, which is expected to drive assuring income. With a growing need of air-freight supply chain service, it is expected that the rental levels of the property shall grow continuously. When it comes to Mapletree Changsha Industrial Park (Phase 1) and Mapletree Changsha Industrial Park (Phase 2), both properties record a high occupancy of 100.0% and 86.8% respectively, with major tenants such as Cainiao and Hunan Yujia Cosmetics. Developed in 2016 and 2018 respectively, most of the spaces were gradually filled up. With a healthy tenant mix mostly from the e-commerce industry, it is expected that the properties will be able to generate a stable income and the rental levels will rise steadily.

Wuxi Market Overview

Exhibit 71 Location of Wuxi

Source: Knight Frank

Economic Overview

5.42 Wuxi is a city in southern Jiangsu Province located in East China. Its area spans over 4,600 sqkm. Wuxi is a major manufacturing hub with a growing consumer market.

5.43 The population of Wuxi reached 6.6 million in 2019, representing a CAGR of 0.3% between 2015 and 2019. The GDP of Wuxi in 2019 grew to RMB1,185 billion with an average growth of 7.2% over the same period. The inflation rate increased from 1.8% in 2015 to 2.9% in 2019. The imports and exports surged at a CAGR of 9.0% and 7.0% respectively between 2015 and 2019. The urban disposable income and urban consumption expenditure in 2019 steadily grew to RMB61,915 per capita and RMB37,433 per capita respectively with a CAGR of 8.2% and 6.2%, while the FDI recorded a CAGR of 3.0% over the same period.

Exhibit 72 Macroeconomic Indicators of Wuxi

RMB billion (unless otherwise stated)	2015	2016	2017	2018	2019
GDP	869	939	1,051	1,144	1,185
Real GDP Growth	7.1%	7.5%	7.4%	7.4%	6.7%
GDP per Capita (RMB per capita)	130,938	141,258	160,706	174,270	180,044
FDI (USD billion)	3.2	3.4	3.7	3.7	3.6
FDI Growth	3.0%	6.3%	7.7%	1.1%	-2.6%
Imports (USD billion)	26.2	26.9	31.7	36.7	37.0
Imports Growth	-12.4%	2.5%	18.0%	15.5%	0.8%
Exports (USD billion)	42.2	42.9	49.5	56.8	55.5
Exports Growth	-4.5%	1.6%	15.4%	14.7%	-2.3%
Inflation Rate	1.8%	2.3%	1.9%	2.3%	2.9%
Population (million)	6.5	6.5	6.6	6.6	6.6
Population Growth	0.2%	0.3%	0.4%	0.3%	0.3%
Urban Disposable Income (RMB per capita)	45,129	48,628	52,659	56,989	61,915
Urban Disposable Income Growth	8.1%	7.8%	8.3%	8.2%	8.6%
Urban Consumption Expenditure (RMB per capita)	29,466	31,438	32,972	35,016	37,433
Urban Consumption Expenditure Growth	7.7%	6.7%	4.9%	6.2%	6.9%

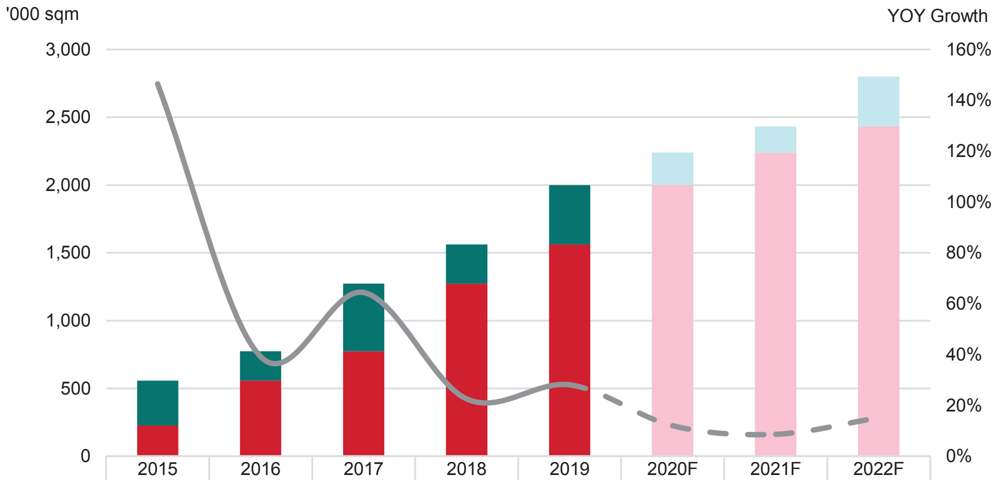
Source: Wuxi Statistics Bureau

Supply and Demand

5.44 The total size of Grade A warehouse has increased to 2.0 million sqm in 2019 at a CAGR of 37.6% between 2015 and 2019. The high growth rate is due to the increased demand for logistics facilities as Wuxi is a major manufacturing hub with a growing consumer market, with key tenants such as SF Express and Suning Logistics. It is expected that the stock will expand at a CAGR of 11.9% between 2019 and 2022 and reach 2.8 million sqm in 2022.

5.45 Despite the substantial amount of new supply entering the market in recent years, the net absorption remained positive during the past five years. The occupancy rate stood at a healthy level ranging from 77.0% to 94.0% between 2015 and 2019. The strong demand was brought by the surge of exposure of the e-commerce industry. Hence, it is forecasted that the net absorption in the future three years will remain in line with the new supply, supporting the occupancy rate at around 93.0% to 95.0% in the coming three years.

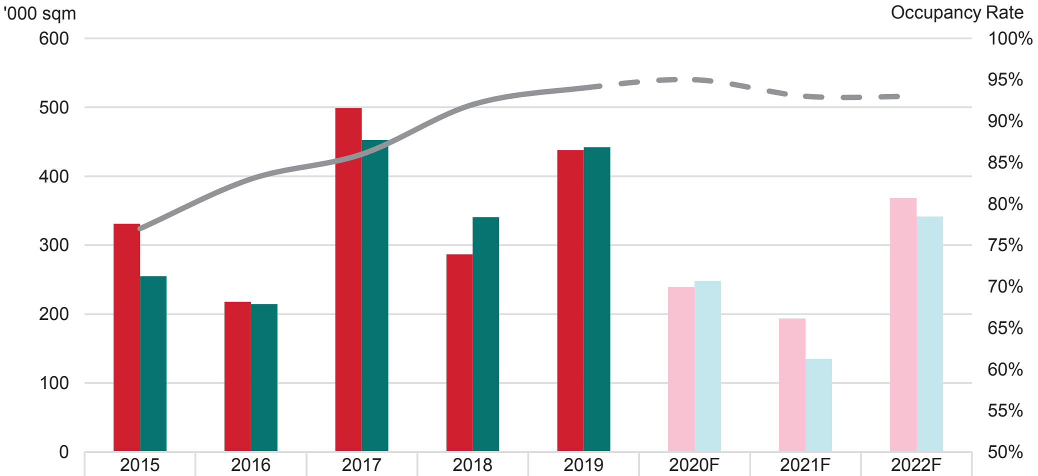
Exhibit 73 Existing Stock and New Supply of Grade A Warehouses in Wuxi



	2015	2016	2017	2018	2019	2020F	2021F	2022F
🟩 New Supply	331	218	499	287	438	239	193	368
🟥 Existing Stock	226	557	775	1274	1561	1999	2238	2431
— Total Stock Change YOY	146.5%	39.1%	64.4%	22.5%	28.1%	12.0%	8.6%	15.1%

Source: Knight Frank

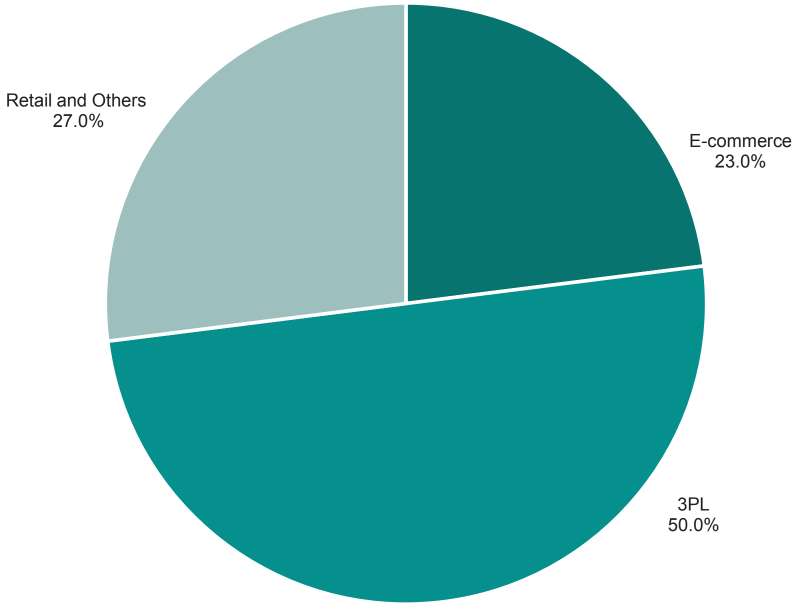
Exhibit 74 New Supply, Net Absorption and Occupancy Rate of Grade A Warehouses in Wuxi



	2015	2016	2017	2018	2019	2020F	2021F	2022F
🟥 New Supply	331	218	499	287	438	239	193	368
🟩 Net Absorption	255	214	452	340	442	248	135	341
— Occupancy Rate	77.0%	83.0%	86.0%	92.0%	94.0%	95.0%	93.0%	93.0%

Source: Knight Frank

Exhibit 75 Tenant Composition of Grade A Warehouses in Wuxi in 2019



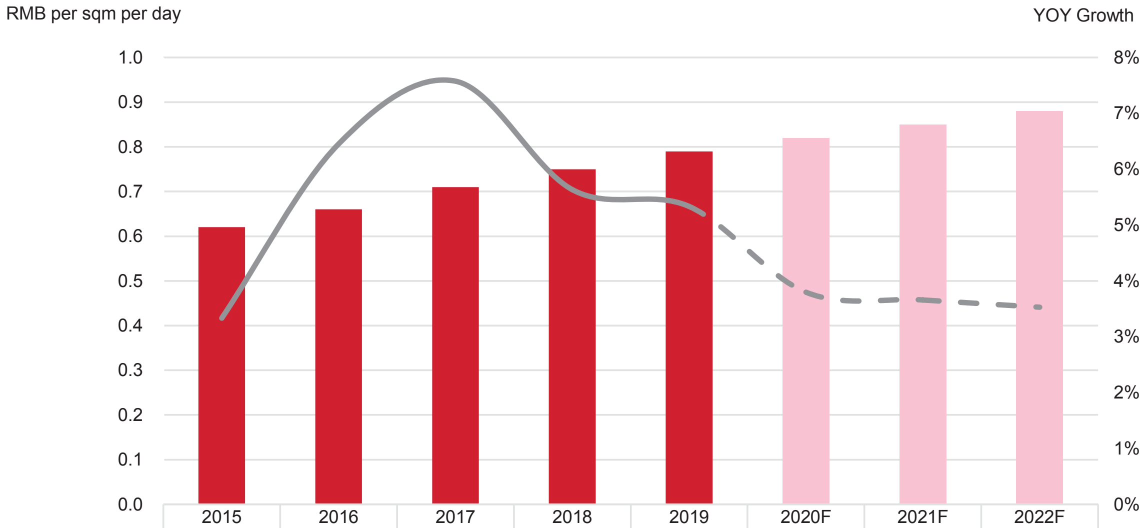
Source: Knight Frank

Rent, Yield and Value

5.46 The average rent of Grade A warehouses in Wuxi increased at CAGR of 6.2% between 2015 and 2019 to RMB0.79 per sqm per day. As the logistics market is expected to expand with the support of e-commerce industry, the rental level is anticipated to grow at a CAGR of 3.7% between 2019 and 2022 and reach an average rent of RMB0.88 per sqm per day in 2022.

5.47 The average capital value of Grade A warehouses in Wuxi increased to RMB3,927 per sqm in 2019, representing a growth of 6.5% YOY. On the other hand, the net yield dropped from 4.6% in 2015 to 4.3% in 2019 and is expected to further lower down to 4.0% in 2022. With the gradual growth of rent and decrease in yield, it is expected that the capital value will keep increasing at a CAGR of 5.2% between 2019 and 2022 to achieve a level of RMB4,567 per sqm in 2022.

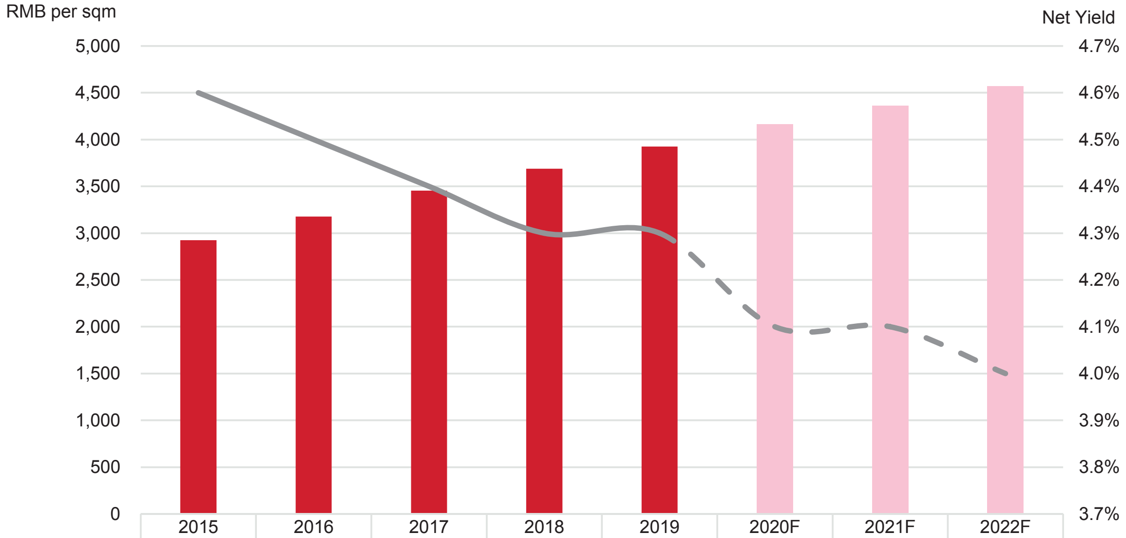
Exhibit 76 Rental Level of Grade A Warehouses in Wuxi



	2015	2016	2017	2018	2019	2020F	2021F	2022F
Average Rent	0.62	0.66	0.71	0.75	0.79	0.82	0.85	0.88
YOY Growth	3.3%	6.5%	7.6%	5.6%	5.3%	3.8%	3.7%	3.5%

Source: Knight Frank

Exhibit 77 Capital Value and Yield of Grade A Warehouses of Wuxi



	2015	2016	2017	2018	2019	2020F	2021F	2022F
Capital Value	2,925	3,179	3,456	3,689	3,927	4,164	4,364	4,567
Net Yield	4.6%	4.5%	4.4%	4.3%	4.3%	4.1%	4.1%	4.0%

Source: Knight Frank

Subject Property Analysis

5.48 Mapletree Wuxi New District Logistics Park is located in Xinwu District at southeastern Wuxi and is a 15-minute drive away from Sunan Shuofang International Airport. It enjoys proximity to various transport infrastructure and key population catchments which are shown in the table below: -

Exhibit 78 Distances to Major Destinations

Destination	Approximate Road Distance from Mapletree Wuxi New District Logistics Park
Wuxi City Centre	30-minute drive
Wuxi New District Railway Station	25-minute drive
Sunan Shuofang International Airport	15-minute drive
Jiangyin Port	80-minute drive
Nearest Highway	10-minute drive

Source: Knight Frank

Performance Outlook

5.49 Mapletree Wuxi New District Logistics Park was developed in 2015 and enjoys an occupancy of 100.0%, with major tenants such as China Post Express, Suzhou Pulibang Logistics and Speedex CJ Logistics. Its success is attributed to its excellent location and relatively high building specifications. In the long run, amid robust logistics demand of Wuxi brought by the e-commerce sector, it is expected that the rental levels will rise steadily, and the high occupancy will be maintained.

Nantong Market Overview

Exhibit 79 Location of Nantong

Source: Knight Frank

Economic Overview

5.50 Nantong is a prefecture-level city in south-eastern Jiangsu Province located in East China. Its area spans over approximately 8,544 sqkm. Nantong is one of the 14 port cities opened to foreign investment projects, supporting this coastal city to grow fast in the past decades.

5.51 The population of Nantong remained at 7.3 million in 2019, representing a CAGR of 0.1% between 2015 and 2019. The GDP of Nantong in 2019 grew to RMB938 billion with an average growth of 8.0% over the same period. The inflation rate increased from 1.8% in 2015 to 3.2% in 2019. The imports and exports surged at a CAGR of 7.5% and 2.2% respectively between 2015 and 2019. The urban disposable income and urban consumption expenditure in 2019 steadily grew to RMB50,217 per capita and RMB29,964 per capita respectively with a CAGR of 8.5% and 6.1%, while the FDI recorded a CAGR of 3.6% over the same period.

Exhibit 80 Macroeconomic Indicators of Nantong

RMB billion (unless otherwise stated)	2015	2016	2017	2018	2019
GDP	626	689	773	843	938
Real GDP Growth	9.6%	9.3%	7.8%	7.2%	6.2%
GDP per Capita (RMB per capita)	84,236	92,702	105,903	115,320	128,295
FDI (USD billion)	2.3	2.4	2.4	2.6	2.7
FDI Growth	-0.3%	3.1%	1.5%	6.5%	3.5%
Imports (USD billion)	8.8	7.8	9.9	13.1	11.7
Imports Growth	-4.5%	-10.8%	26.7%	32.2%	-10.7%
Exports (USD billion)	22.8	22.8	25.1	25.3	24.9
Exports Growth	1.5%	0.1%	9.7%	1.1%	-1.9%
Inflation Rate	1.8%	2.3%	1.7%	2.3%	3.2%
Population (million)	7.3	7.3	7.3	7.3	7.3
Population Growth	0.0%	0.0%	0.0%	0.1%	0.1%
Urban Disposable Income (RMB per capita)	36,291	39,247	42,756	46,321	50,217
Urban Disposable Income Growth	8.7%	8.1%	8.9%	8.3%	8.4%
Urban Consumption Expenditure (RMB per capita)	23,680	25,217	26,510	28,259	29,964
Urban Consumption Expenditure Growth	7.5%	6.5%	5.1%	6.6%	6.0%

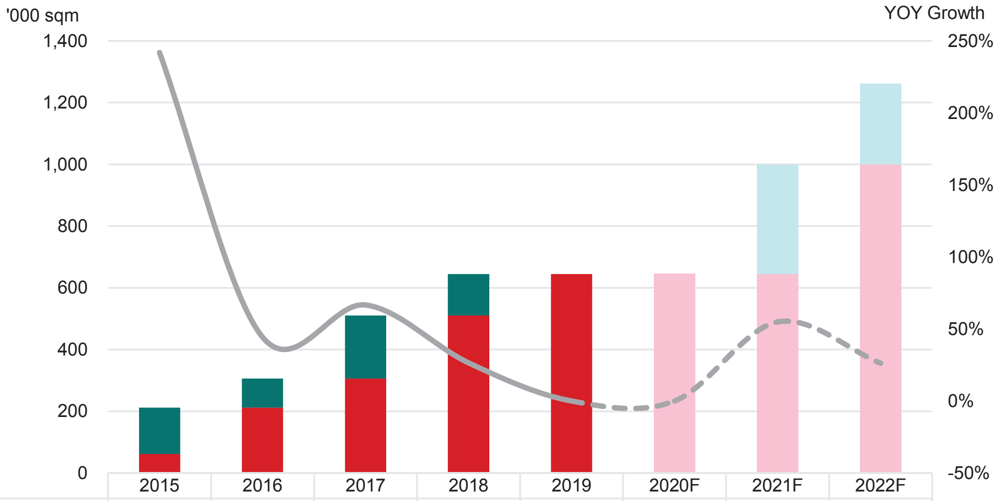
Source: Nantong Statistics Bureau

Supply and Demand

5.52 The total size of Grade A warehouse has increased to 645,000 sqm in 2019 at a CAGR of 32.1% between 2015 and 2019. Supply grew steadily over the years but there was no new supply in 2019. With a growing demand from e-commerce industry, it is believed that there will be increasing need for logistics space and it is expected that the stock will expand at a CAGR of 25.0% between 2019 and 2022 and reach 1.3 million sqm in 2022. Key tenants for logistics facilities include SF Express and Suning Logistics.

5.53 The net absorption remained positive and kept in line with new supply for the past five years. The occupancy rate maintained at a high level of over 90.0% from 2017 to 2019. As the logistics market continues to grow due to the emerging e-commerce industry but a lack of supply in recent years, it is believed that there will be strong competition for well-established Grade A logistics space, supporting a high net absorption and occupancy rate of 95.0% in the future three years.

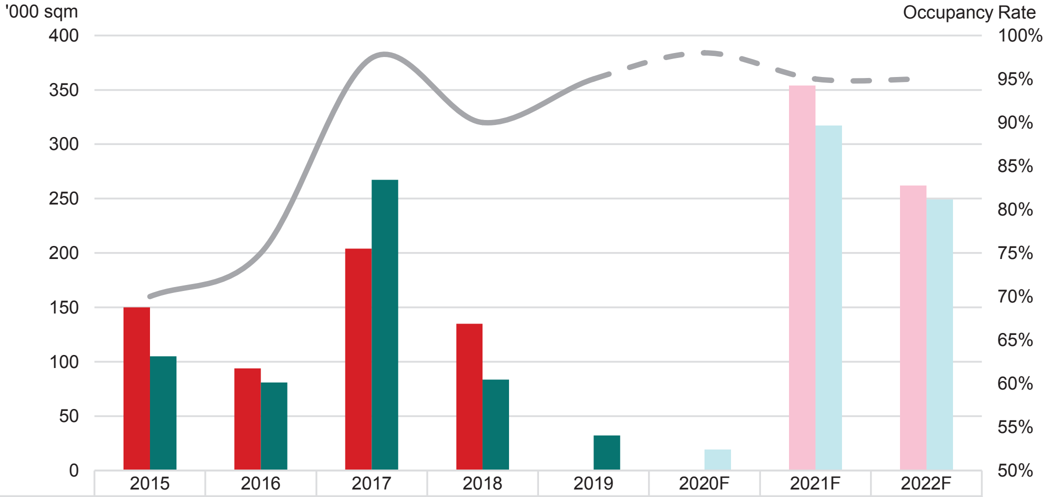
Exhibit 81 Existing Stock and New Supply of Grade A Warehouses in Nantong



	2015	2016	2017	2018	2019	2020F	2021F	2022F
🟩 New Supply	150	94	204	135	0	0	354	262
🟥 Existing Stock	62	212	306	510	645	645	645	999
— Total Stock Change YOY	241.9%	44.3%	66.7%	26.5%	0.0%	0.0%	54.9%	26.2%

Source: Knight Frank

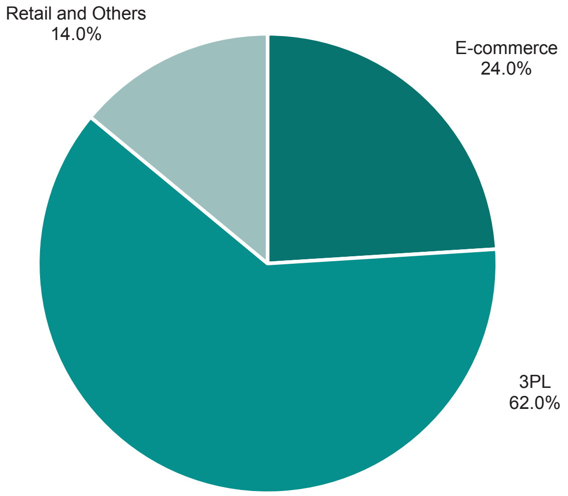
Exhibit 82 New Supply, Net Absorption and Occupancy Rate of Grade A Warehouses in Nantong



	2015	2016	2017	2018	2019	2020F	2021F	2022F
🟥 New Supply	150	94	204	135	0	0	354	262
🟩 Net Absorption	105	81	267	84	32	19	317	249
— Occupancy Rate	70.0%	75.0%	97.4%	90.0%	95.0%	98.0%	95.0%	95.0%

Source: Knight Frank

Exhibit 83 Tenant Composition of Grade A Warehouses in Nantong in 2019



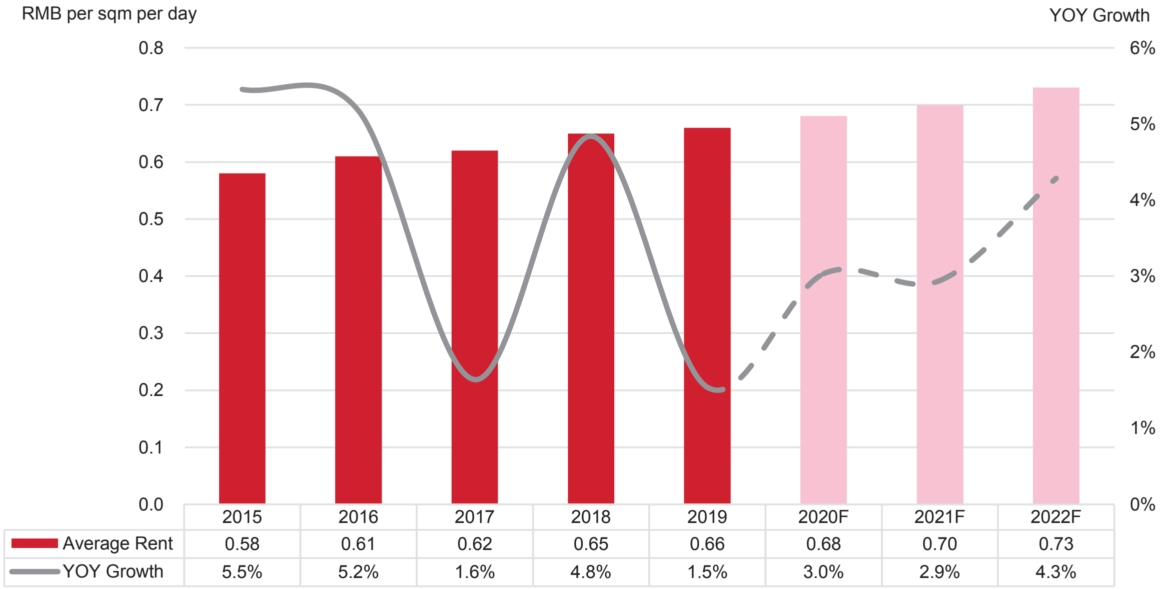
Source: Knight Frank

Rent, Yield and Value

5.54 The average rent of Grade A warehouses in Nantong recorded an increase from RMB0.58 per sqm per day in 2015 to RMB0.66 per sqm per day in 2019. As the logistics market is expected to expand gradually with the support of e-commerce industry, the rental level is anticipated to grow steadily a CAGR of 3.4% between 2019 and 2022 and reach an average rent of RMB0.73 per sqm per day in 2022.

5.55 The average capital value of Grade A warehouses in Nantong increased to RMB3,212 per sqm in 2019, representing a growth of 1.5% YOY. On the other hand, the net yield dropped from 4.6% in 2015 to 4.4% in 2019 and is expected to further lower down to 4.2% in 2022. With the gradual growth of rent and decrease in yield, it is expected that the capital value will continue to grow a CAGR of 4.5% between 2019 and 2022 and achieve a level of RMB3,668 per sqm in 2022.

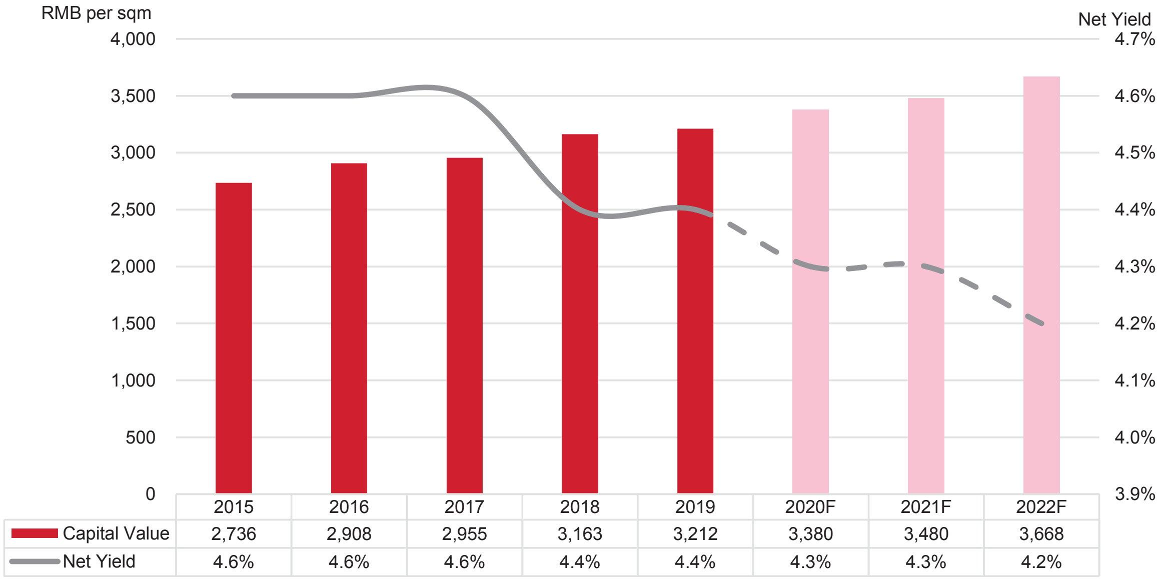
Exhibit 84 Rental Level of Grade A Warehouses in Nantong



	2015	2016	2017	2018	2019	2020F	2021F	2022F
🟥 Average Rent	0.58	0.61	0.62	0.65	0.66	0.68	0.70	0.73
— YOY Growth	5.5%	5.2%	1.6%	4.8%	1.5%	3.0%	2.9%	4.3%

Source: Knight Frank

Exhibit 85 Capital Value and Yield of Grade A Warehouses of Nantong



	2015	2016	2017	2018	2019	2020F	2021F	2022F
🟥 Capital Value	2,736	2,908	2,955	3,163	3,212	3,380	3,480	3,668
— Net Yield	4.6%	4.6%	4.6%	4.4%	4.4%	4.3%	4.3%	4.2%

Source: Knight Frank

Subject Property Analysis

5.56 Mapletree Nantong Chongchuan Logistics Park is located in Chongchuan District, the main urban district of Nantong. It is 10-minute drive away from Nantong Xingdong International Airport. On the other hand, Mapletree Nantong (EDZ) Logistics Park is located in Tongzhou District, within Nantong Economic & Technological Development Area. It is 25-minute drive away from Nantong Xingdong International Airport. Both properties enjoy proximity to various transport infrastructure and key population catchments which are shown in the table below:

Exhibit 86 Distances to Major Destinations

Destination	Approximate Road Distance from	
	Mapletree Nantong Chongchuan Logistics Park	Mapletree Nantong (EDZ) Logistics Park
Nantong City Centre	20-minute drive	20-minute drive
Nantong Railway Station	20-minute drive	30-minute drive
Nantong Xingdong International Airport	10-minute drive	25-minute drive
Nantong Port	20-minute drive	25-minute drive
Nearest Highway	10-minute drive	8-minute drive

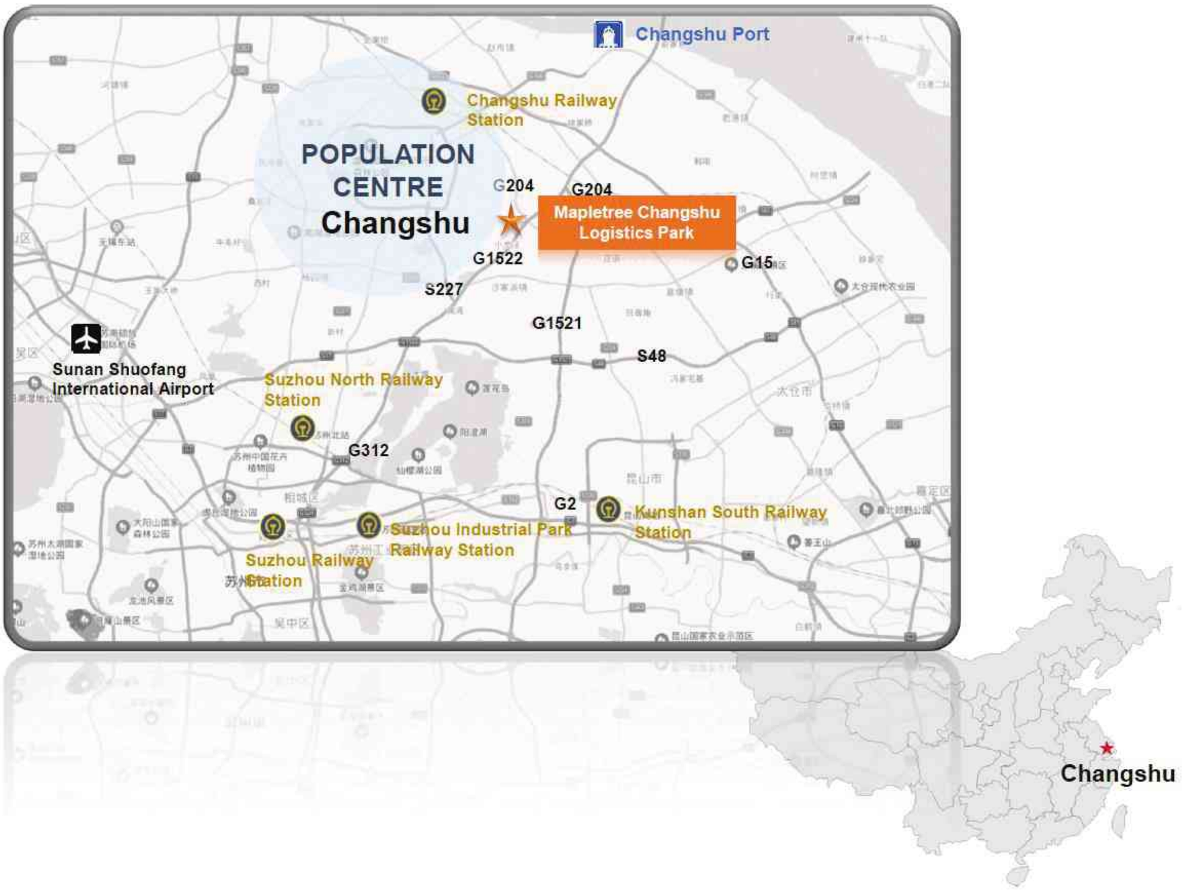
Source: Knight Frank

Performance Outlook

5.57 Mapletree Nantong Chongchuan Logistics Park was completed by phase in 2016 and 2017. It is leased out to multiple tenants and achieving an occupancy rate of 82.7%, with major tenants such as Shanghai Zhengming Modern Logistics, China Post Express and Sinotrans. The property generates a stable income by leasing out the space to some listed companies as well as 3PL operators. As for Mapletree Nantong (EDZ) Logistics Park, built in 2016, 100.0% of its space is currently occupied by major tenants such as Nantong Luolai Chemical Fiber and Best Logistics. Its success is attributed to its excellent location within the development zone. In the long run, amid robust logistics demand of Nantong brought by the emerging e-commerce industry and its locational advantage being highly convenient to China's financial centre, Shanghai, it is expected that the rental levels will rise steadily, and a high occupancy could be achieved.

Changshu Market Overview

Exhibit 87 Location of Changshu



Source: Knight Frank

Economic Overview

5.58 Changshu is a county-level city under the jurisdiction of Suzhou, Jiangsu Province. Its area spans over 1,200 sqkm. Changshu's major industries include textiles, machinery and steel products.

5.59 The population of Changshu reached 1.5 million in 2019, a CAGR of 0.1% between 2015 and 2019. The GDP of Changshu in 2019 grew to RMB247 billion with an average growth of 6.8% over the same period. The inflation rate increased from 1.8% in 2015 to 2.8% in 2019. According to the latest available statistics, both imports and exports surged at a CAGR of 1.8% and 5.8% respectively between 2015 and 2018. The urban disposable income and urban consumption expenditure in 2018 grew to RMB63,712 per capita and RMB35,848 per capita respectively with a CAGR of 8.1% and 6.9% over the same period.

Exhibit 88 Macroeconomic Indicators of Changshu

RMB billion (unless otherwise stated)	2015	2016	2017	2018	2019
GDP	204	211	228	240	247
Real GDP Growth	7.2%	7.5%	7.2%	6.8%	5.3%
GDP per Capita (RMB per capita)	135,431	139,768	150,530	158,332	164,667
FDI (USD billion)	0.8	0.6	0.6	0.5	0.6
FDI Growth	-23.5%	-21.7%	-3.4%	-20.0%	31.4%
Imports (USD billion)	7.5	6.5	7.7	8.0	N/A
Imports Growth	-1.0%	-13.9%	18.7%	3.2%	N/A
Exports (USD billion)	14.6	13.4	16.8	17.3	N/A
Exports Growth	16.4%	-8.6%	25.5%	3.2%	N/A
Inflation Rate	1.8%	2.0%	1.4%	2.6%	2.8%
Population (million)	1.5	1.5	1.5	1.5	1.5
Population Growth	0.0%	0.2%	0.2%	0.0%	0.2%
Urban Disposable Income (RMB per capita)	50,413	54,411	59,015	63,712	N/A
Urban Disposable Income Growth	8.3%	7.9%	8.5%	8.0%	N/A
Urban Consumption Expenditure (RMB per capita)	29,323	31,520	33,428	35,848	N/A
Urban Consumption Expenditure Growth	1.0%	7.5%	6.1%	7.2%	N/A

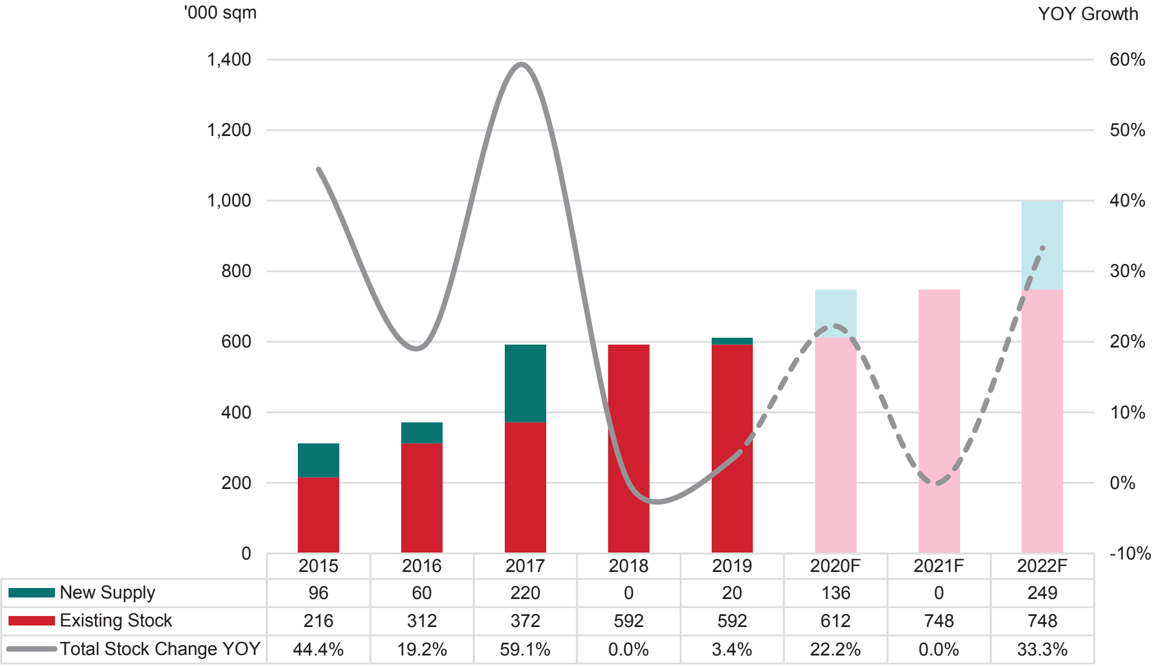
Source: Changshu Statistics Bureau
Remarks: Imports, exports, urban disposable income and urban consumption expenditure of Changshu in 2019 are not available as of the date of publication of this report.

Supply and Demand

5.60 The total size of Grade A warehouse has increased to 0.6 million sqm in 2019 at a CAGR of 18.3% between 2015 and 2019. The high growth rate is driven by the increased demand for logistics facilities from the textile, machinery and steel industries, with key tenants such as SF Express and Cainiao. It is expected that the stock will expand at a CAGR of 17.7% between 2019 and 2022 and reach 1.0 million sqm in 2022.

5.61 Despite the substantial amount of new supply entering the market in recent years, the net absorption remained positive during the past five years. The occupancy rate stood at a healthy level ranging from 75.0% to 88.0% between 2015 and 2019. The strong demand was brought by the surge of exposure of the e-commerce industry. Hence, it is forecasted that the net absorption in the future three years will remain in line with the new supply, supporting the occupancy rate at around 90.0% to 91.0% in the coming three years.

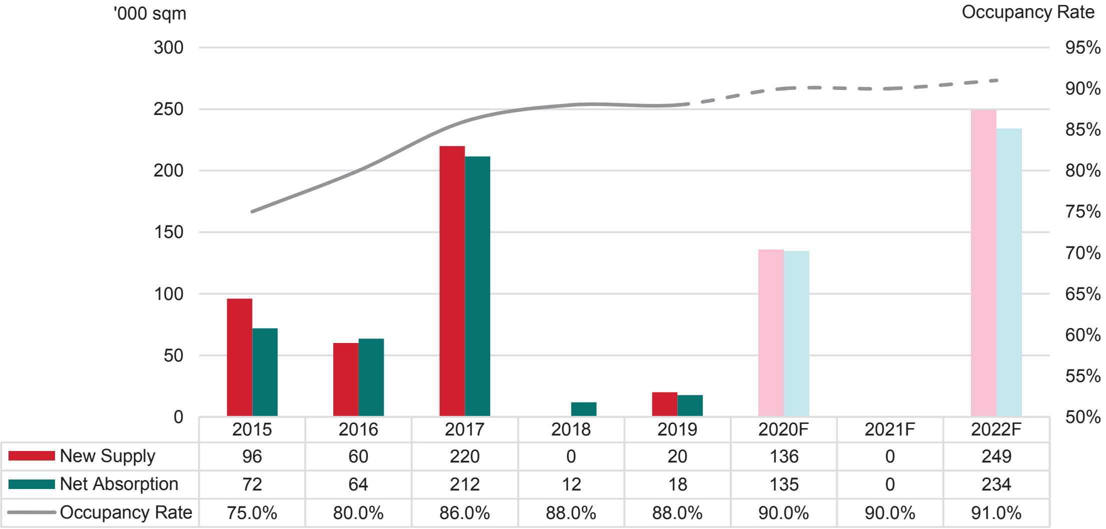
Exhibit 89 Existing Stock and New Supply of Grade A Warehouses in Changshu



	2015	2016	2017	2018	2019	2020F	2021F	2022F
New Supply	96	60	220	0	20	136	0	249
Existing Stock	216	312	372	592	592	612	748	748
Total Stock Change YOY	44.4%	19.2%	59.1%	0.0%	3.4%	22.2%	0.0%	33.3%

Source: Knight Frank

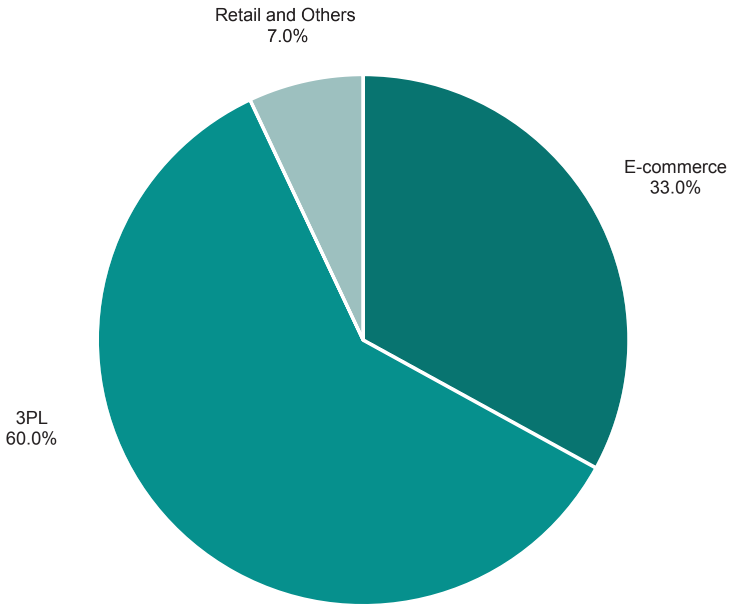
Exhibit 90 New Supply, Net Absorption and Occupancy Rate of Grade A Warehouses in Changshu



	2015	2016	2017	2018	2019	2020F	2021F	2022F
New Supply	96	60	220	0	20	136	0	249
Net Absorption	72	64	212	12	18	135	0	234
Occupancy Rate	75.0%	80.0%	86.0%	88.0%	88.0%	90.0%	90.0%	91.0%

Source: Knight Frank

Exhibit 91 Tenant Composition of Grade A Warehouses in Changshu in 2019



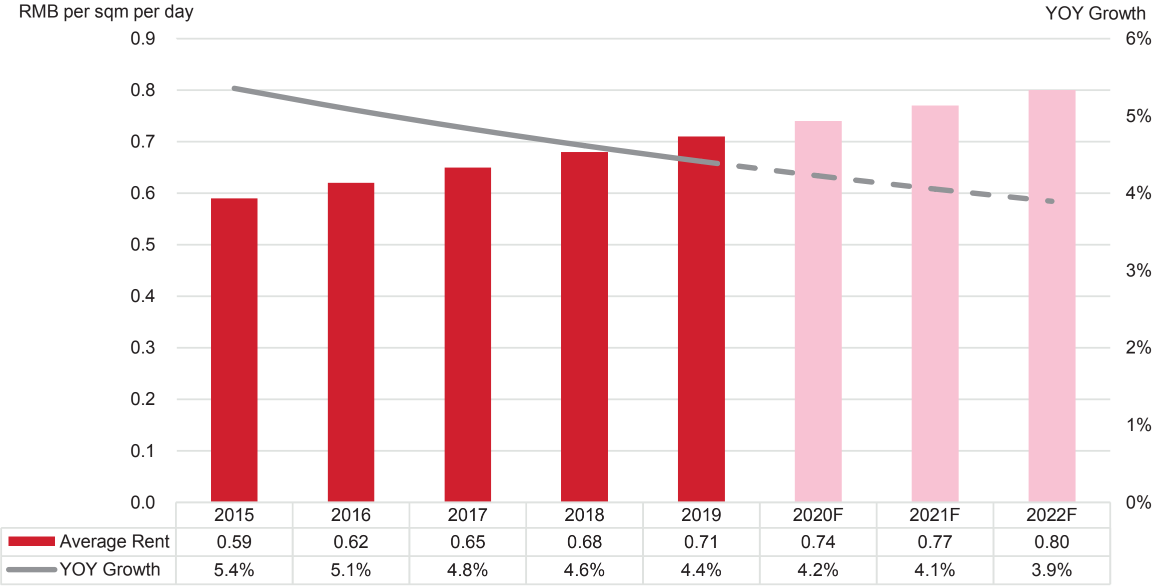
Source: Knight Frank

Rent, Yield and Value

5.62 The average rent of Grade A warehouses in Changshu increased at CAGR of 4.7% between 2015 and 2019 to RMB0.71 per sqm per day in 2019. As the logistics market is expected to expand with the support of e-commerce industry, the rental level is anticipated to grow at a CAGR of 4.1% between 2019 and 2022 and reach an average rent of RMB0.80 per sqm per day in 2022.

5.63 The average capital value of Grade A warehouses in Changshu increased to RMB3,474 per sqm in 2019, representing a growth of 4.4% YOY. On the other hand, the net yield dropped from 4.6% in 2015 to 4.4% in 2019 and is expected to further lower down to 4.1% in 2022. With the gradual growth of rent and decrease in yield, it is expected that the capital value will keep increasing at a CAGR of 5.7% between 2019 and 2022 to achieve a level of RMB4,107 per sqm in 2022.

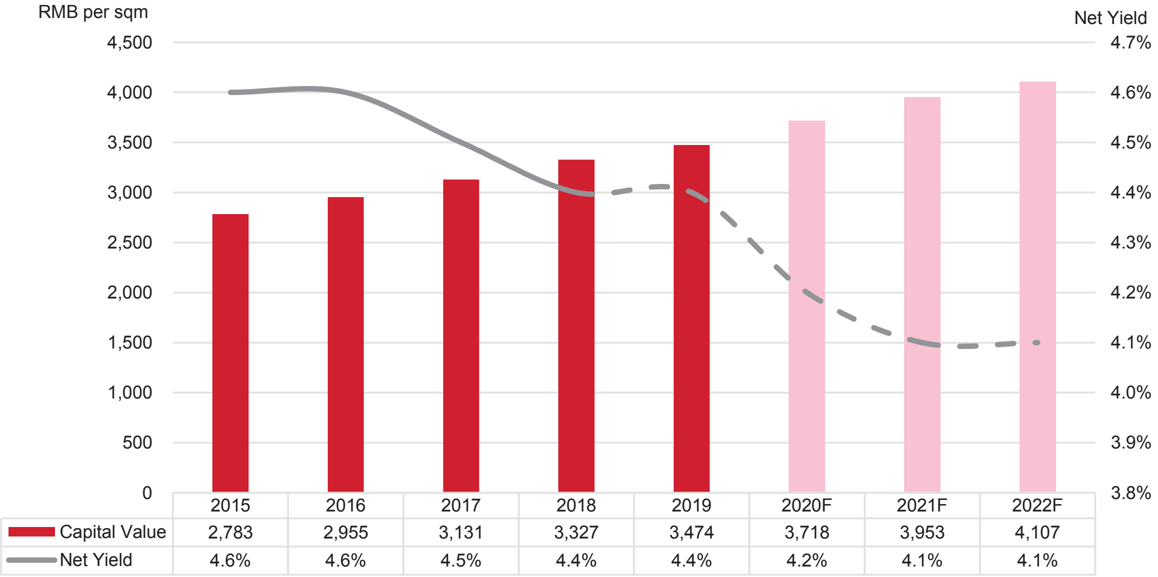
Exhibit 92 Rental Level of Grade A Warehouses in Changshu



	2015	2016	2017	2018	2019	2020F	2021F	2022F
🟥 Average Rent	0.59	0.62	0.65	0.68	0.71	0.74	0.77	0.80
▬ YOY Growth	5.4%	5.1%	4.8%	4.6%	4.4%	4.2%	4.1%	3.9%

Source: Knight Frank

Exhibit 93 Capital Value and Yield of Grade A Warehouses of Changshu



	2015	2016	2017	2018	2019	2020F	2021F	2022F
🟥 Capital Value	2,783	2,955	3,131	3,327	3,474	3,718	3,953	4,107
▬ Net Yield	4.6%	4.6%	4.5%	4.4%	4.4%	4.2%	4.1%	4.1%

Source: Knight Frank

Subject Property Analysis

5.64 Mapletree Changshu Logistics Park is located in Changshu National New & Hi-tech Industrial Development Zone and is a 45-minute drive away from the Changshu Port. It enjoys proximity to various transport infrastructure and key population catchments which are shown in the table below: -

Exhibit 94 Distances to Major Destinations

Destination	Approximate Road Distance from Mapletree Changshu Logistics Park
Changshu City Centre	25-minute drive
Changshu Railway Station	25-minute drive
Sunan Shuofang International Airport	80-minute drive
Changshu Port	45-minute drive
Nearest Highway	10-minute drive

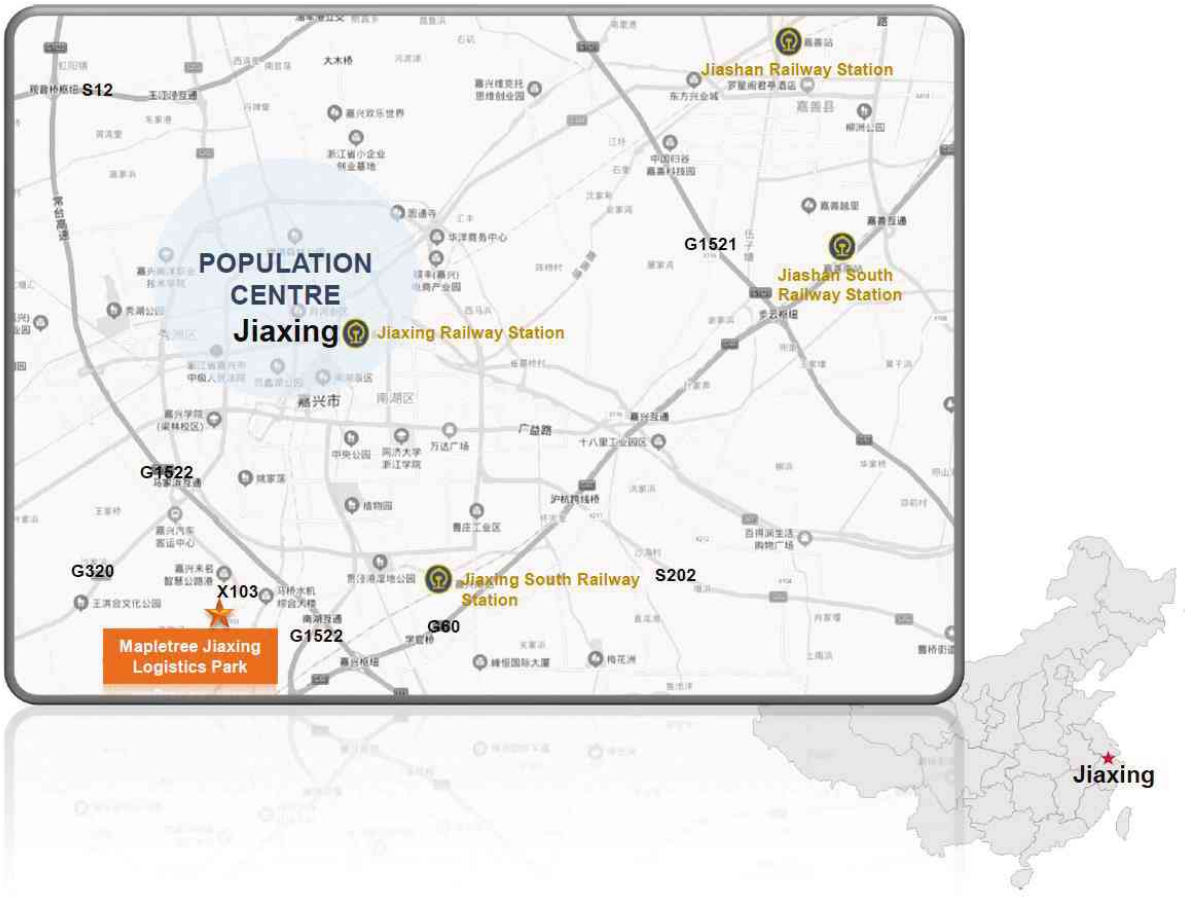
Source: Knight Frank

Performance Outlook

5.65 Mapletree Changshu Logistics Park was developed in 2016 and achieves an occupancy of 93.2% with major tenants such as Shanghai Kamigumi Logistic, Shenzhen Yunda Logistics and Nissin International Logistics. Its success is attributed to its excellent location and relatively high building specifications. In the long run, amid robust logistics demand of Changshu brought by the e-commerce sector, it is expected that the rental levels will rise steadily, and the high occupancy will be maintained.

Jiaxing Market Overview

Exhibit 95 Location of Jiaxing



Source: Knight Frank

Economic Overview

5.66 Jiaxing is a prefecture-level city of Zhejiang Province located in East China. Its area spans over 3,900 sqkm. The city is well-connected to neighbouring major cities such as Shanghai, Suzhou and Hangzhou.

5.67 The population of Jiaxing reached 4.8 million in 2019, representing a CAGR of 1.2% between 2015 and 2019. The GDP of Jiaxing in 2019 grew to RMB537 billion with an average growth of 7.3% over the same period. The inflation rate increased from 1.0% in 2015 to 2.9% in 2019. The imports and exports surged at a CAGR of 9.4% and 10.3% respectively between 2015 and 2019. The urban disposable income and urban consumption expenditure in 2019 grew to RMB61,940 per capita and RMB35,435 per capita respectively with a CAGR of 8.0% and 8.5%, while the FDI recorded a CAGR of 11.3% over the same period.

Exhibit 96 Macroeconomic Indicators of Jiaxing

RMB billion (unless otherwise stated)	2015	2016	2017	2018	2019
GDP	352	386	438	502	537
Real GDP Growth	7.0%	7.1%	7.8%	7.7%	7.0%
GDP per Capita (RMB per capita)	76,834	81,751	93,964	103,858	112,751
FDI (USD billion)	2.7	2.7	3.0	3.1	4.1
FDI Growth	7.6%	0.3%	11.3%	4.8%	31.4%
Imports (USD billion)	8.2	8.4	11.2	12.9	11.7
Imports Growth	-19.1%	2.4%	33.8%	15.8%	-9.7%
Exports (USD billion)	22.9	25.0	28.6	32.5	34.0
Exports Growth	-3.1%	9.0%	14.6%	13.6%	4.4%
Inflation Rate	1.0%	1.8%	2.2%	2.3%	2.9%
Population (million)	4.6	4.6	4.7	4.7	4.8
Population Growth	0.3%	0.6%	0.9%	1.5%	1.6%
Urban Disposable Income (RMB per capita)	45,499	48,926	53,057	57,437	61,940
Urban Disposable Income Growth	8.0%	7.5%	8.4%	8.3%	7.8%
Urban Consumption Expenditure (RMB per capita)	25,544	28,313	29,875	32,366	35,435
Urban Consumption Expenditure Growth	10.9%	10.8%	5.5%	8.3%	9.5%

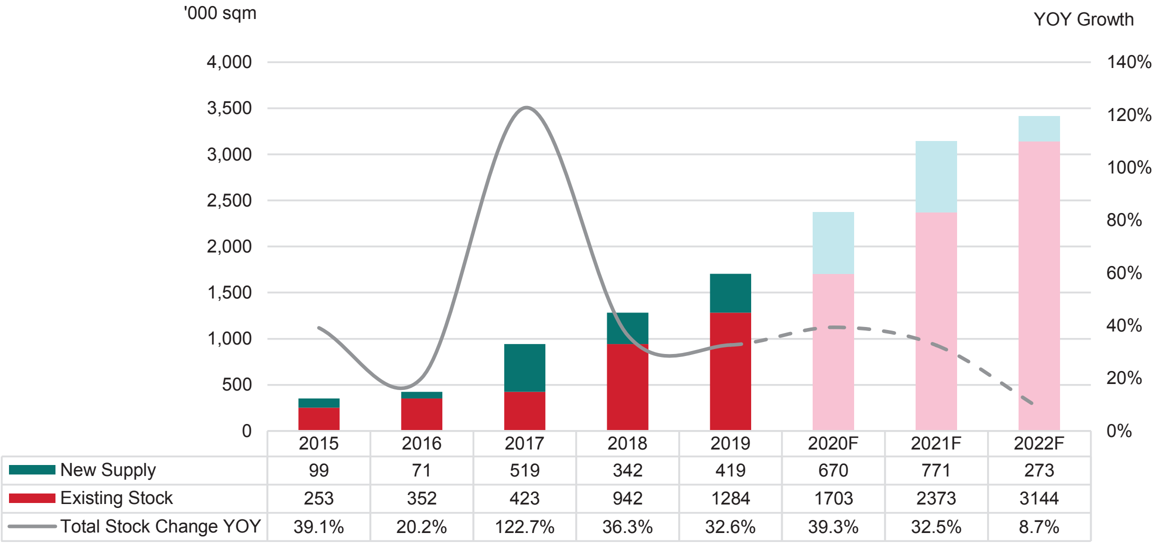
Source: Jiaxing Statistics Bureau

Supply and Demand

5.68 The total size of Grade A warehouse has increased to 1.7 million sqm in 2019 at a CAGR of 48.3% between 2015 and 2019. The high growth rate is driven by the increased demand for logistics facilities due to its strategic location in close proximity to Shanghai, Suzhou and Hangzhou, with key tenants such as SF Express and Best Logistics. It is expected that stock will expand at a CAGR of 26.2% between 2019 and 2022 and reach 3.4 million sqm in 2022.

5.69 Despite the substantial amount of new supply entering the market in recent years, the net absorption remained positive during the past five years. The occupancy rate stood at a healthy level ranging from 84.0% to 92.0% between 2015 and 2019. The strong demand was brought by the surge of exposure of the e-commerce industry. Hence, it is forecasted that the net absorption in the future three years will remain in line with the new supply, supporting the occupancy rate at around 90.0% to 92.0% in the coming three years.

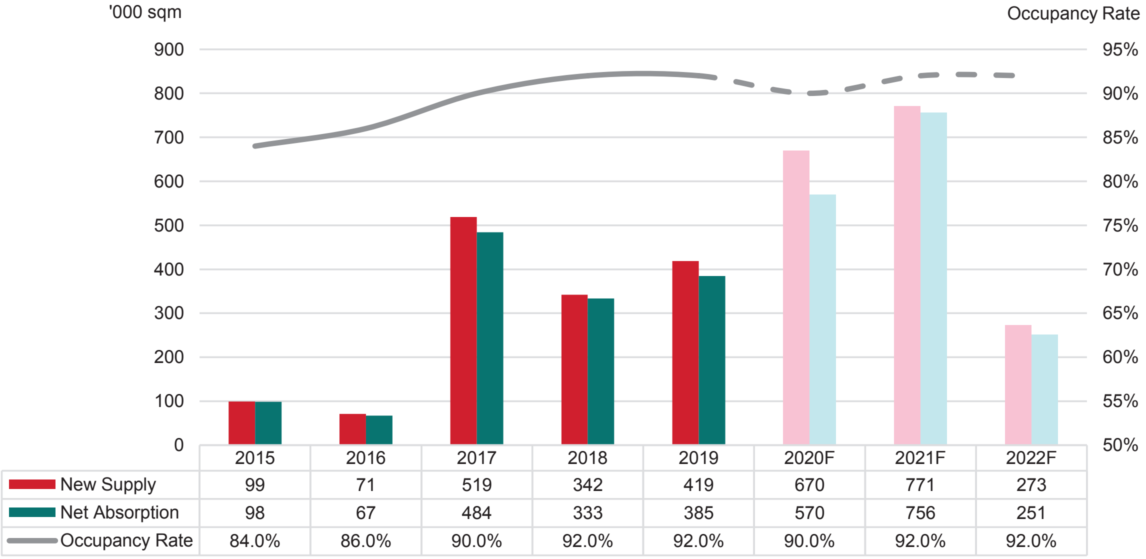
Exhibit 97 Existing Stock and New Supply of Grade A Warehouses in Jiaxing



	2015	2016	2017	2018	2019	2020F	2021F	2022F
New Supply	99	71	519	342	419	670	771	273
Existing Stock	253	352	423	942	1284	1703	2373	3144
Total Stock Change YOY	39.1%	20.2%	122.7%	36.3%	32.6%	39.3%	32.5%	8.7%

Source: Knight Frank

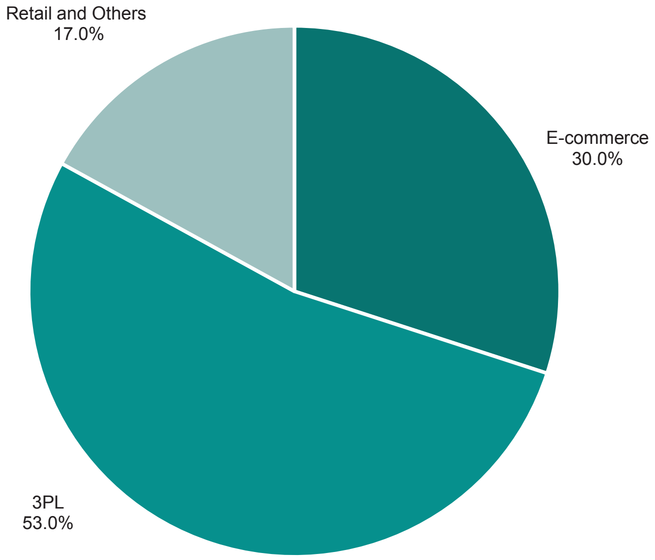
Exhibit 98 New Supply, Net Absorption and Occupancy Rate of Grade A Warehouses in Jiaxing



	2015	2016	2017	2018	2019	2020F	2021F	2022F
New Supply	99	71	519	342	419	670	771	273
Net Absorption	98	67	484	333	385	570	756	251
Occupancy Rate	84.0%	86.0%	90.0%	92.0%	92.0%	90.0%	92.0%	92.0%

Source: Knight Frank

Exhibit 99 Tenant Composition of Grade A Warehouses in Jiaxing in 2019



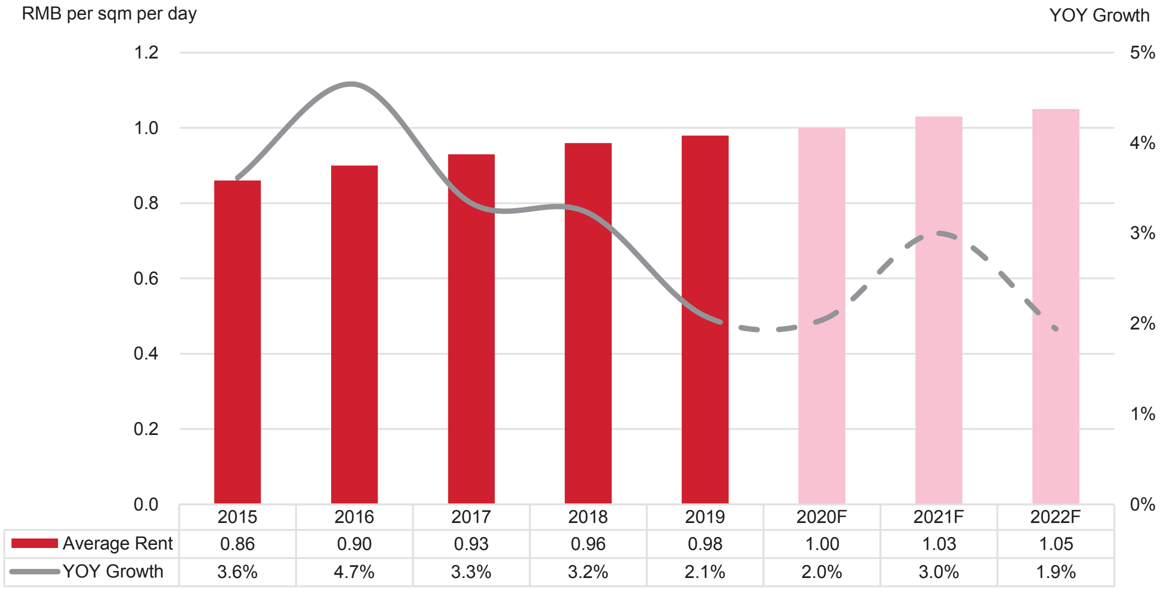
Source: Knight Frank

Rent, Yield and Value

5.70 The average rent of Grade A warehouses in Jiaxing increased at CAGR of 3.3% between 2015 and 2019 to RMB0.98 per sqm per day. As the logistics market is expected to expand with the support of e-commerce industry, the rental level is anticipated to grow at a CAGR of 2.3% between 2019 and 2022 and reach an average rent of RMB1.05 per sqm per day in 2022.

5.71 The average capital value of Grade A warehouses in Jiaxing increased to RMB4,820 per sqm in 2019, representing a growth of 3.2% YOY. On the other hand, the net yield dropped from 4.6% in 2015 to 4.3% in 2019 and is expected to further lower down to 4.1% in 2022. With the gradual growth of rent and decrease in yield, it is expected that the capital value will keep increasing at a CAGR of 3.8% between 2019 and 2022 to achieve a level of RMB5,390 per sqm in 2022.

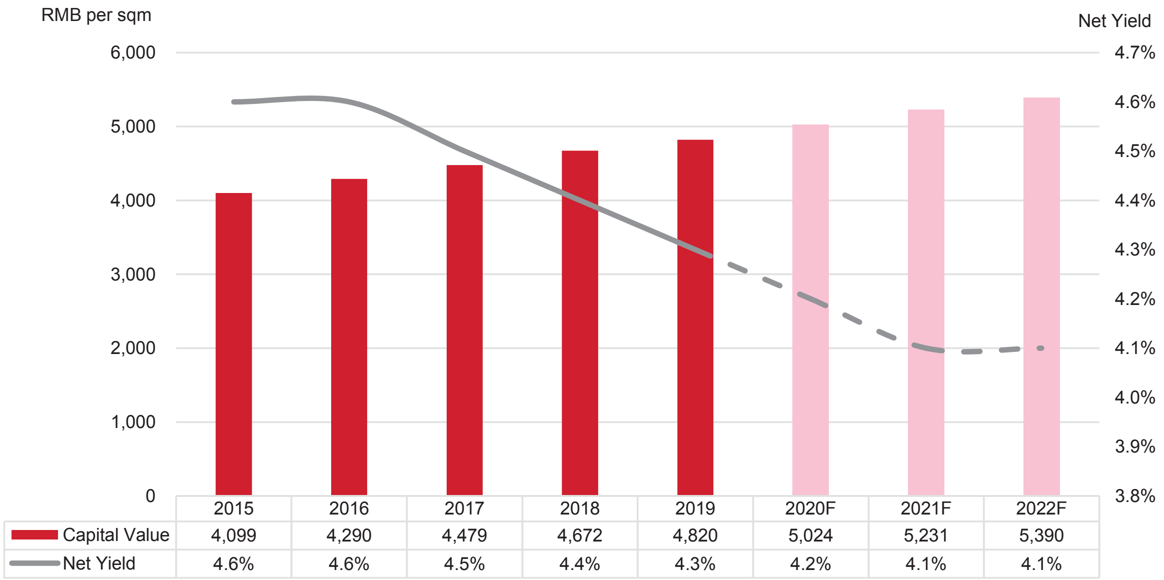
Exhibit 100 Rental Level of Grade A Warehouses in Jiaxing



	2015	2016	2017	2018	2019	2020F	2021F	2022F
🟥 Average Rent	0.86	0.90	0.93	0.96	0.98	1.00	1.03	1.05
— YOY Growth	3.6%	4.7%	3.3%	3.2%	2.1%	2.0%	3.0%	1.9%

Source: Knight Frank

Exhibit 101 Capital Value and Yield of Grade A Warehouses of Jiaxing



	2015	2016	2017	2018	2019	2020F	2021F	2022F
🟥 Capital Value	4,099	4,290	4,479	4,672	4,820	5,024	5,231	5,390
— Net Yield	4.6%	4.6%	4.5%	4.4%	4.3%	4.2%	4.1%	4.1%

Source: Knight Frank

Subject Property Analysis

5.72 Mapletree Jiaxing Logistics Park is located in Xiuzhou District and is a 40-minute drive away from Jiaxing Railway Station. It enjoys proximity to various transport infrastructure and key population catchments which are shown in the table below:

Exhibit 102 Distances to Major Destinations

Destination	Approximate Road Distance from Mapletree Jiaxing Logistics Park
Jiaxing City Centre	25-minute drive
Jiaxing South Railway Station	25-minute drive
Shanghai Hongqiao International Airport	90-minute drive
Jiaxing Port	50-minute drive
Nearest Highway	10-minute drive

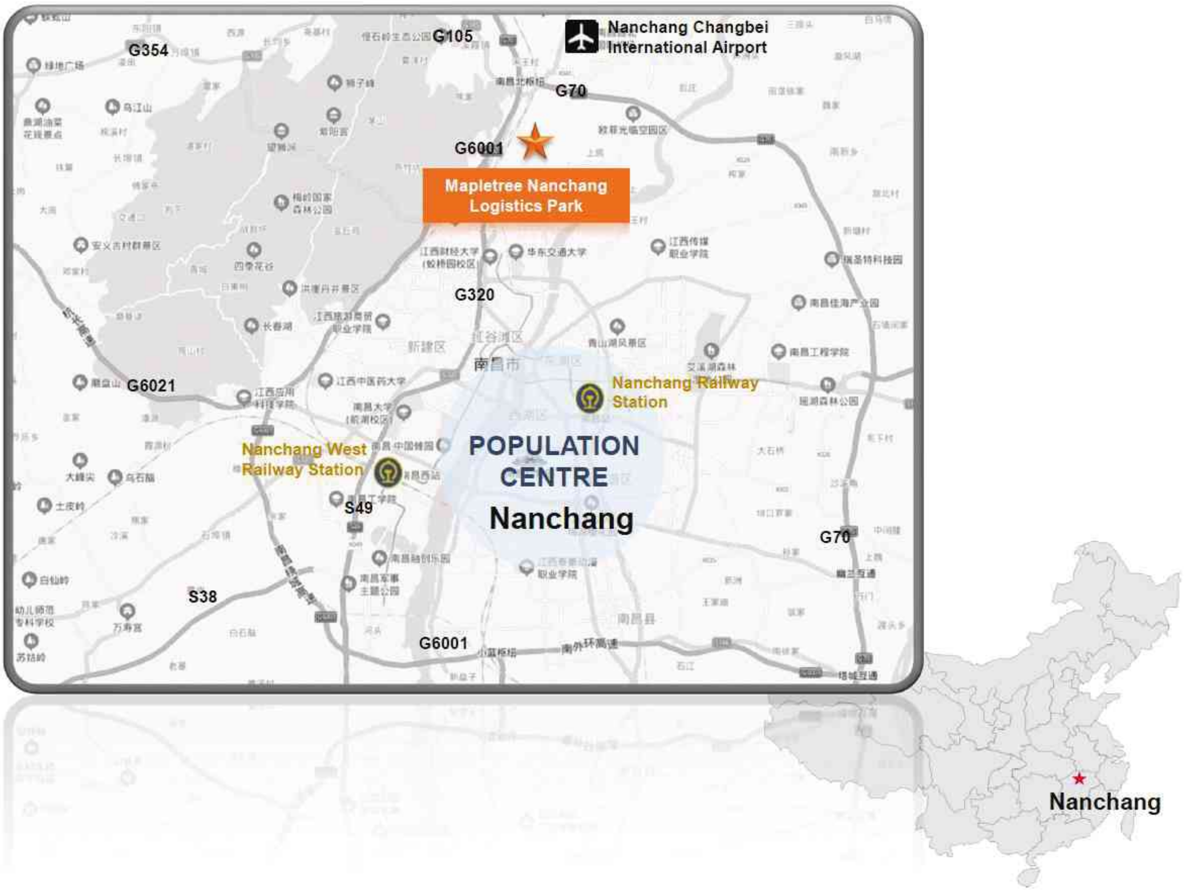
Source: Knight Frank

Performance Outlook

5.73 Mapletree Jiaxing Logistics Park was developed in 2017 and enjoys an occupancy of 100.0%, with Best Logistics as the major tenant. Its success is attributed to its excellent location and relatively high building specifications. In the long run, amid robust logistics demand of Jiaxing brought by the e-commerce sector, it is expected that the rental levels will rise steadily, and the high occupancy will be maintained.

Nanchang Market Overview

Exhibit 103 Location of Nanchang



Source: Knight Frank

Economic Overview

5.74 Nanchang is the capital city of Jiangxi Province located in Midwest China. Its area spans over 7,400 sqkm. Nanchang is a regional hub for agricultural production in Jiangxi Province.

5.75 The population of Nanchang reached 5.6 million in 2019, representing a CAGR of 1.4% between 2015 and 2019. The GDP of Nanchang in 2019 grew to RMB560 billion with an average growth of 8.9% over the same period. The inflation rate increased from 1.6% in 2015 to 2.8% in 2019. The imports and exports surged at a CAGR of 20.4% and 2.5% respectively between 2015 and 2019. The urban disposable income and urban consumption expenditure in 2019 grew to RMB44,136 per capita and RMB28,532 per capita respectively with a CAGR of 8.4% and 7.5%, while the FDI recorded a CAGR of 9.6% over the same period.

Exhibit 104 Macroeconomic Indicators of Nanchang

RMB billion (unless otherwise stated)	2015	2016	2017	2018	2019
GDP	401	440	482	527	560
Real GDP Growth	9.6%	9.0%	9.0%	8.9%	8.0%
GDP per Capita (RMB per capita)	76,104	82,360	88,967	95,825	100,415
FDI (USD billion)	2.6	2.9	3.2	3.5	3.8
FDI Growth	12.7%	10.4%	10.1%	9.7%	8.1%
Imports (USD billion)	2.9	3.6	3.6	5.1	6.0
Imports Growth	-24.5%	25.0%	-0.8%	43.0%	18.6%
Exports (USD billion)	8.5	5.8	6.3	6.9	9.4
Exports Growth	1.0%	-31.9%	8.5%	9.3%	36.6%
Inflation Rate	1.6%	2.1%	2.1%	2.3%	2.8%
Population (million)	5.3	5.4	5.5	5.5	5.6
Population Growth	1.2%	1.3%	1.7%	1.5%	1.0%
Urban Disposable Income (RMB per capita)	31,942	34,619	37,675	40,844	44,136
Urban Disposable Income Growth	9.8%	8.4%	8.8%	8.4%	8.1%
Urban Consumption Expenditure (RMB per capita)	21,396	22,536	24,275	26,081	28,532
Urban Consumption Expenditure Growth	9.0%	5.3%	7.7%	7.4%	9.4%

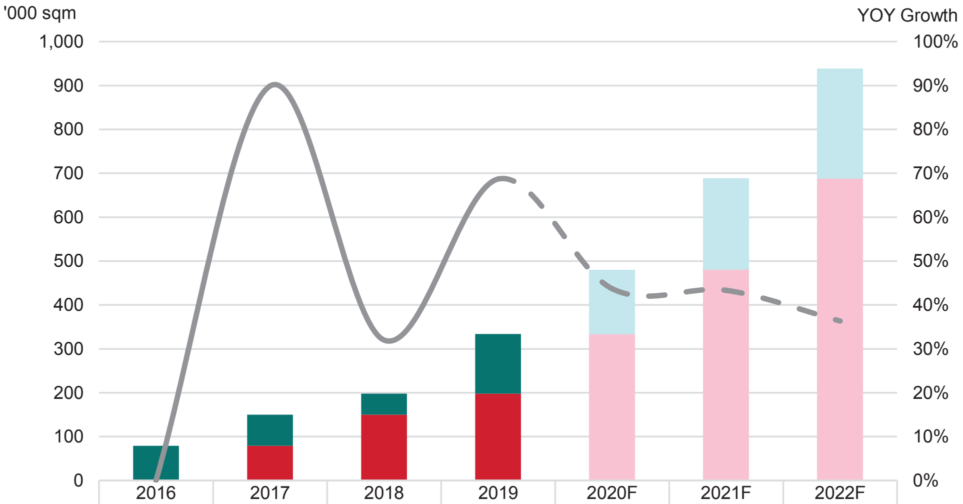
Source: Nanchang Statistics Bureau

Supply and Demand

5.76 Since the completion of the first Grade A warehouse in 2016, the total size of Grade A warehouse has increased to 0.3 million sqm in 2019 at a CAGR of 61.7% between 2016 and 2019. The high growth rate is driven by the increased demand for logistics facilities due to Nanchang's central location within the province, with key tenants such as SF Express. It is expected that the stock will expand at a CAGR of 41.1% between 2019 and 2022 and reach 0.9 million sqm in 2022.

5.77 Despite the rapid growth of new supply entering the market in recent years, the net absorption remained positive and occupancy rates ranged from 50.0% to 75.0% between 2016 and 2019 amid a relatively early stage of the development of Grade A warehouse market since 2016. The strong demand was brought by the surge of exposure of the e-commerce industry. Hence, it is forecasted that the net absorption in the future three years will remain in line with the new supply, supporting the occupancy rate at around 75.0% to 80.0% in the coming three years.

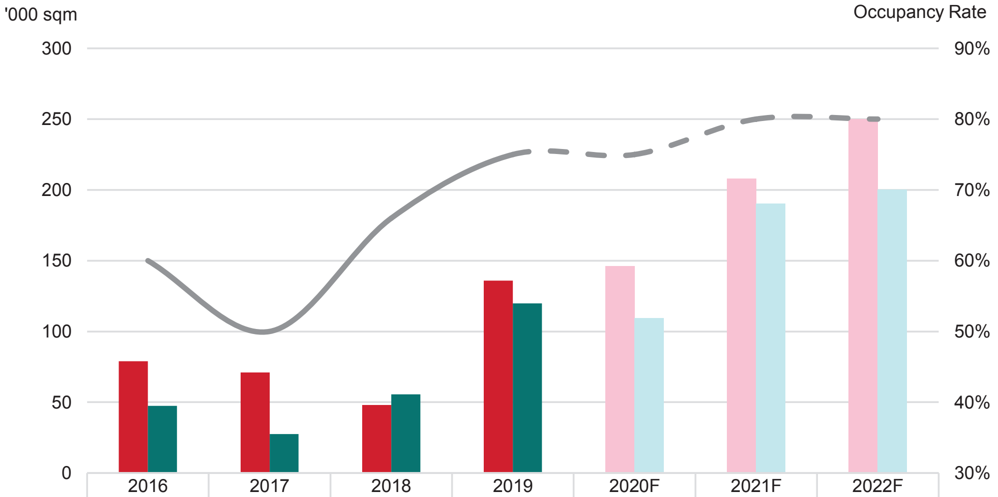
Exhibit 105 Existing Stock and New Supply of Grade A Warehouses in Nanchang



	2016	2017	2018	2019	2020F	2021F	2022F
🟩 New Supply	79	71	48	136	146	208	250
🟥 Existing Stock	0	79	150	198	334	480	688
— Total Stock Change YOY	0.0%	89.9%	32.0%	68.7%	43.7%	43.3%	36.3%

Source: Knight Frank

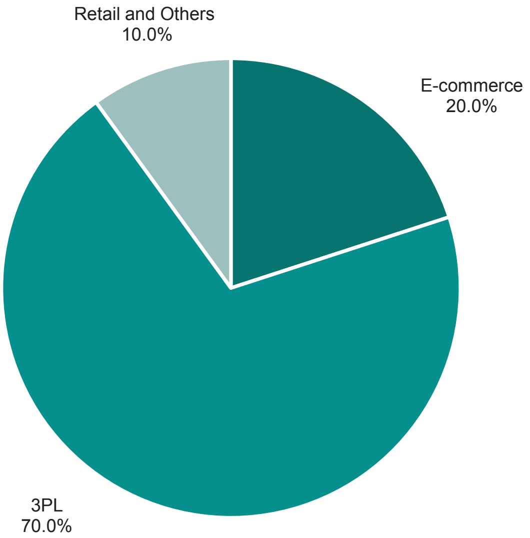
Exhibit 106 New Supply, Net Absorption and Occupancy Rate of Grade A Warehouses in Nanchang



	2016	2017	2018	2019	2020F	2021F	2022F
🟥 New Supply	79	71	48	136	146	208	250
🟩 Net Absorption	47	28	56	120	110	190	200
— Occupancy Rate	60.0%	50.0%	66.0%	75.0%	75.0%	80.0%	80.0%

Source: Knight Frank

Exhibit 107 Tenant Composition of Grade A Warehouses in Nanchang in 2019



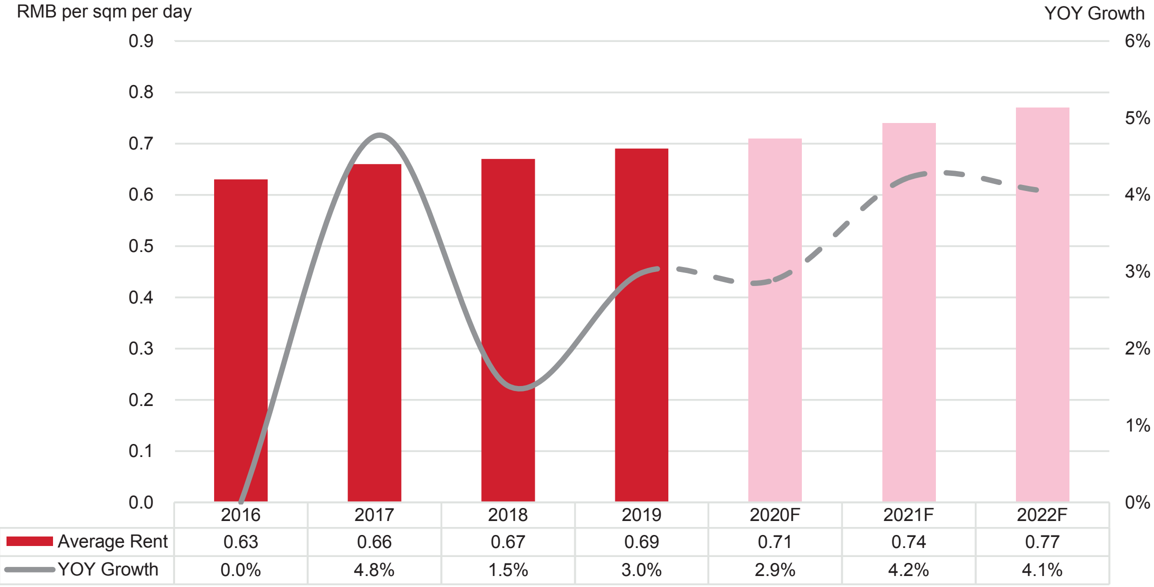
Source: Knight Frank

Rent, Yield and Value

5.78 The average rent of Grade A warehouses in Nanchang increased at CAGR of 3.1% between 2016 to 2019 to RMB0.69 per sqm per day. As the logistics market is expected to expand with the support of e-commerce industry, the rental level is anticipated to grow at a CAGR of 3.7% between 2019 and 2022 and reach an average rent of RMB0.77 per sqm per day in 2022.

5.79 The average capital value of Grade A warehouses in Nanchang increased to RMB3,376 per sqm in 2019, representing a growth of 3.0% YOY. On the other hand, the net yield dropped from 4.6% in 2016 to 4.4% in 2019 and is expected to further lower down to 4.1% in 2022. With the gradual growth of rent and decrease in yield, it is expected that the capital value will keep increasing at a CAGR of 5.4% between 2019 and 2022 to achieve a level of RMB3,953 per sqm in 2022.

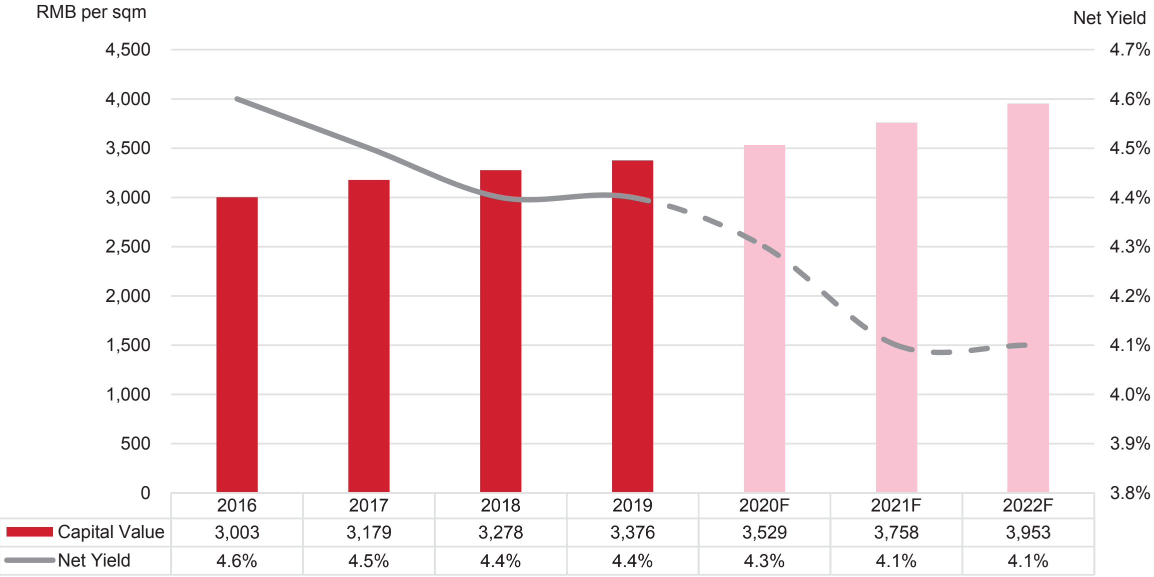
Exhibit 108 Rental Level of Grade A Warehouses in Nanchang



	2016	2017	2018	2019	2020F	2021F	2022F
Average Rent	0.63	0.66	0.67	0.69	0.71	0.74	0.77
YOY Growth	0.0%	4.8%	1.5%	3.0%	2.9%	4.2%	4.1%

Source: Knight Frank

Exhibit 109 Capital Value and Yield of Grade A Warehouses of Nanchang



	2016	2017	2018	2019	2020F	2021F	2022F
Capital Value	3,003	3,179	3,278	3,376	3,529	3,758	3,953
Net Yield	4.6%	4.5%	4.4%	4.4%	4.3%	4.1%	4.1%

Source: Knight Frank

Subject Property Analysis

5.80 Mapletree Nanchang Logistics Park is located in Nanchang Economic and Technological Development Zone in Qingshanhu District and is a 25-minute drive away from Nanchang Changbei International Airport. It enjoys proximity to various transport infrastructure and key population catchments which are shown in the table below: -

Exhibit 110 Distances to Major Destinations

Destination	Approximate Road Distance from Mapletree Nanchang Logistics Park
Nanchang City Centre	35-minute drive
Nanchang Railway Station	40-minute drive
Nanchang Changbei International Airport	25-minute drive
Nanchang Port	20-minute drive
Nearest Highway	15-minute drive

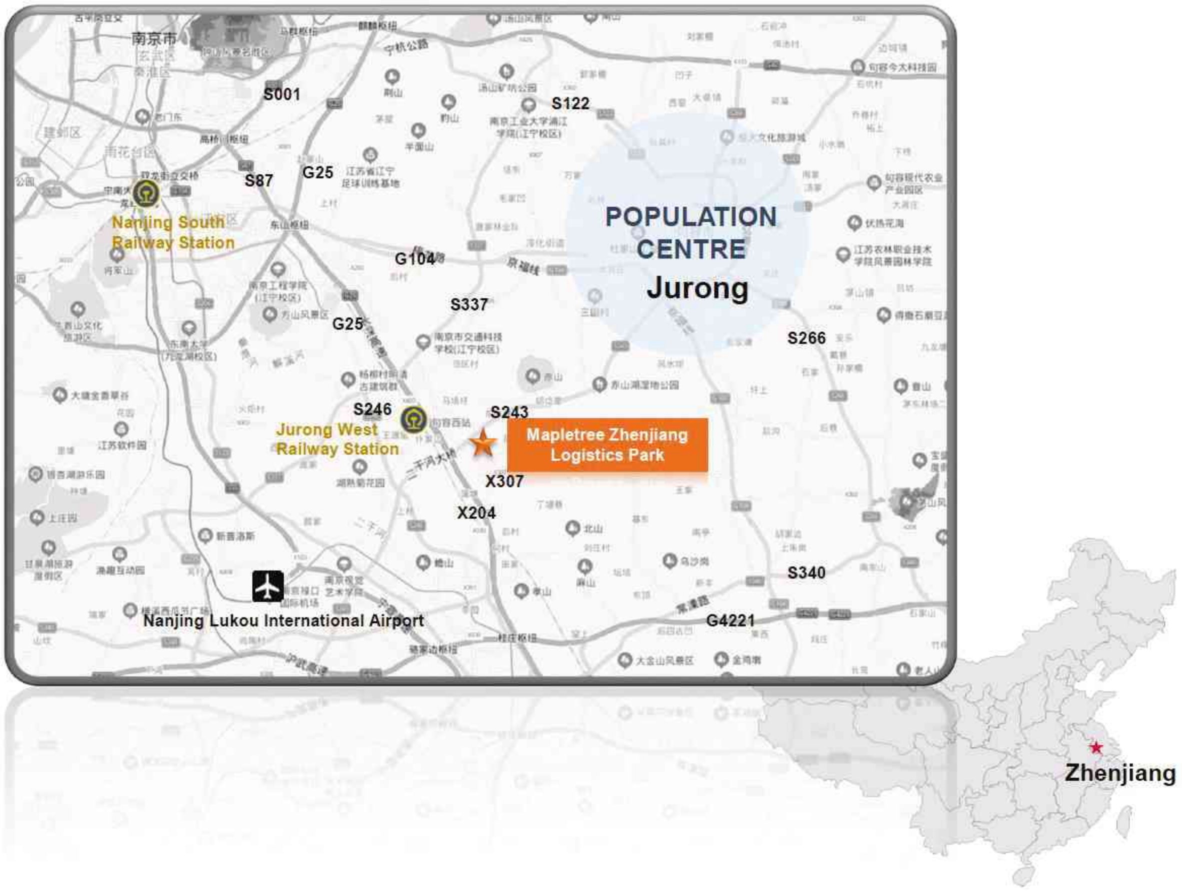
Source: Knight Frank

Performance Outlook

5.81 Mapletree Nanchang Logistics Park was developed in 2017 with an occupancy of 77.1%, with major tenants such as SF Express and YH Store. In the long run, amid robust logistics demand of Nanchang brought by the e-commerce sector, it is expected that the rental levels and occupancy will rise steadily.

Zhenjiang Market Overview

Exhibit 111 Location of Zhenjiang



Source: Knight Frank

Economic Overview

5.82 Zhenjiang is a prefecture-level city in Jiangsu Province located in East China spanning over 3,800 sqkm. Jurong is a county-level city under the administration of Zhenjiang. Its area spans over 1,300 sqkm.

5.83 The population of Zhenjiang reached 3.2 million in 2019, representing a CAGR of 4.0% between 2015 and 2019. The GDP of Zhenjiang in 2019 grew to RMB413 billion with an average growth of 7.0% over the same period. The inflation rate increased from 1.5% in 2015 to 3.0% in 2019. The imports and exports surged at a CAGR of 1.1% and 3.4% respectively between 2015 and 2019. The urban disposable income and urban consumption expenditure in 2019 grew to RMB52,713 per capita and RMB28,925 per capita respectively with a CAGR of 8.1% and 6.1%.

Exhibit 112 Macroeconomic Indicators of Zhenjiang

RMB billion (unless otherwise stated)	2015	2016	2017	2018	2019
GDP	356	390	401	405	413
Real GDP Growth	9.6%	9.3%	7.2%	3.1%	5.8%
GDP per Capita (RMB per capita)	112,225	122,686	125,962	126,906	128,979
FDI (USD billion)	1.3	1.4	1.4	0.9	0.7
FDI Growth	0.8%	3.5%	0.1%	-35.8%	-23.9%
Imports (USD billion)	3.2	3.4	3.6	3.9	3.3
Imports Growth	-7.0%	5.5%	5.5%	8.7%	-13.6%
Exports (USD billion)	6.9	7.0	7.0	8.0	7.9
Exports Growth	4.1%	1.1%	0.5%	14.2%	-1.4%
Inflation Rate	1.5%	2.2%	2.0%	2.0%	3.0%
Population (million)	3.2	3.2	3.2	3.2	3.2
Population Growth	0.2%	0.2%	0.2%	0.3%	0.2%
Urban Disposable Income (RMB per capita)	38,666	41,794	45,386	48,903	52,713
Urban Disposable Income Growth	8.2%	8.1%	8.6%	7.7%	7.8%
Urban Consumption Expenditure (RMB per capita)	22,859	24,388	25,637	27,278	28,925
Urban Consumption Expenditure Growth	7.3%	6.7%	5.1%	6.4%	6.0%

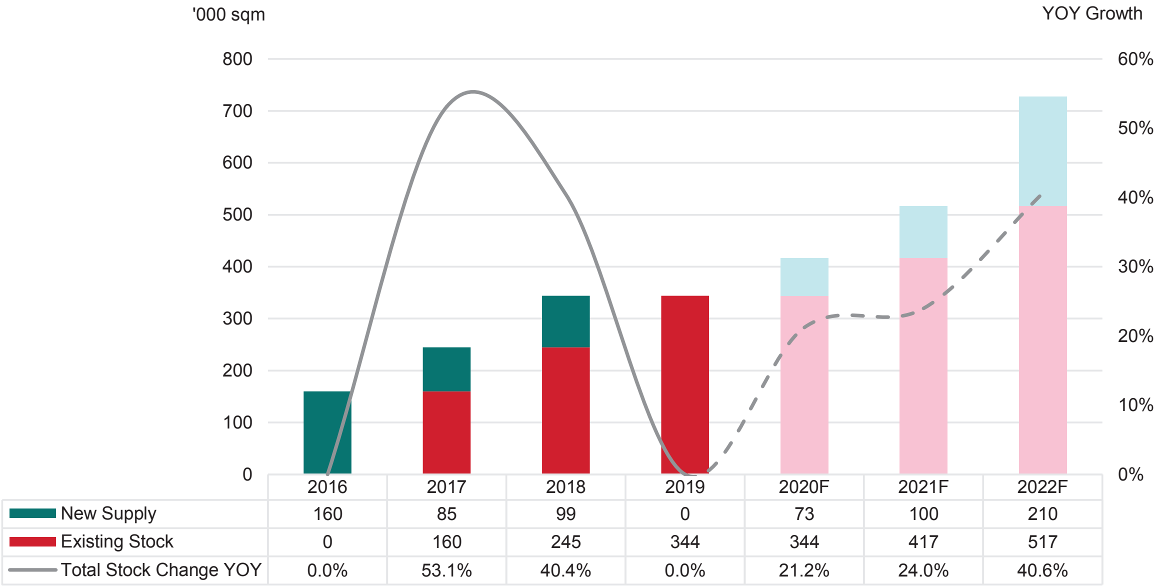
Source: Zhenjiang Statistics Bureau

Supply and Demand

5.84 Since the completion of the first Grade A warehouse in 2016, the total size of Grade A warehouse has increased to 0.3 million sqm in 2019 at a CAGR of 29.1% between 2016 and 2019. The high growth rate is driven by the increased demand for logistics facilities due to its strategic location in close proximity to Nanjing, with key tenants such as SF Express and XingQuan Logistics. It is expected that the stock will expand at a CAGR of 28.3% between 2019 and 2022 and reach 0.7 million sqm in 2022.

5.85 Despite the substantial amount of new supply entering the market in recent years, the net absorption remained positive during the past five years. The occupancy rate grew from 35.0% to 70.0% between 2016 and 2019. The strong demand was brought by the surge of exposure of the e-commerce industry. Hence, it is forecasted that the net absorption in the future three years will remain in line with the new supply, supporting the occupancy rate at around 75.0% to 80.0% in the coming three years.

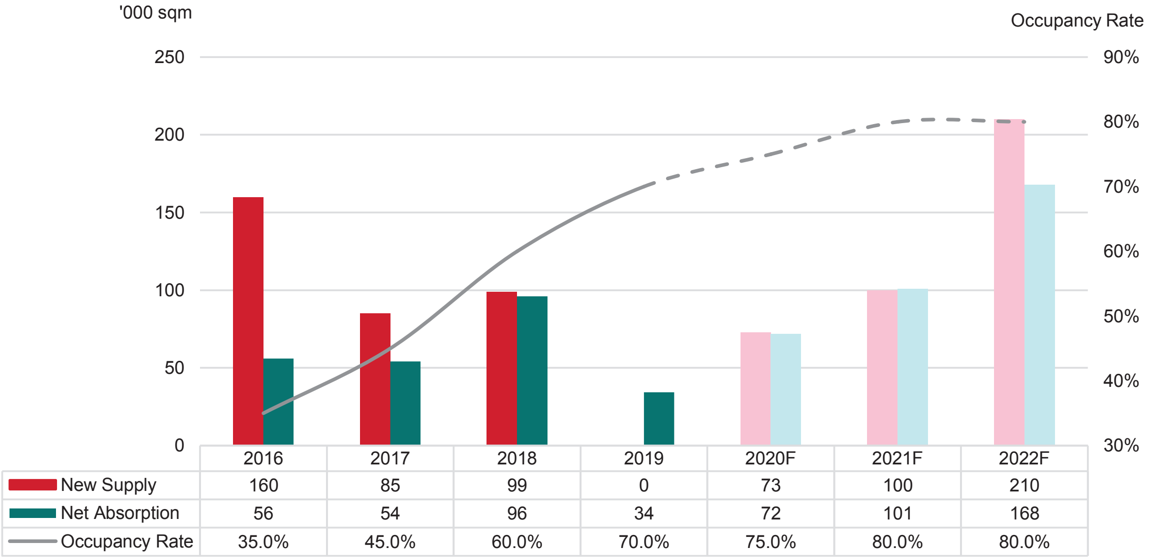
Exhibit 113 Existing Stock and New Supply of Grade A Warehouses in Zhenjiang



	2016	2017	2018	2019	2020F	2021F	2022F
New Supply	160	85	99	0	73	100	210
Existing Stock	0	160	245	344	344	417	517
Total Stock Change YOY	0.0%	53.1%	40.4%	0.0%	21.2%	24.0%	40.6%

Source: Knight Frank

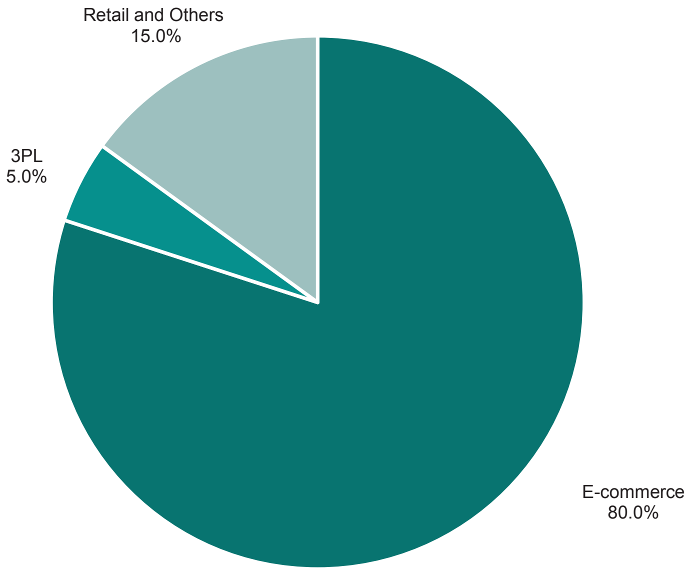
Exhibit 114 New Supply, Net Absorption and Occupancy Rate of Grade A Warehouses in Zhenjiang



	2016	2017	2018	2019	2020F	2021F	2022F
New Supply	160	85	99	0	73	100	210
Net Absorption	56	54	96	34	72	101	168
Occupancy Rate	35.0%	45.0%	60.0%	70.0%	75.0%	80.0%	80.0%

Source: Knight Frank

Exhibit 115 Tenant Composition of Grade A Warehouses in Zhenjiang in 2019



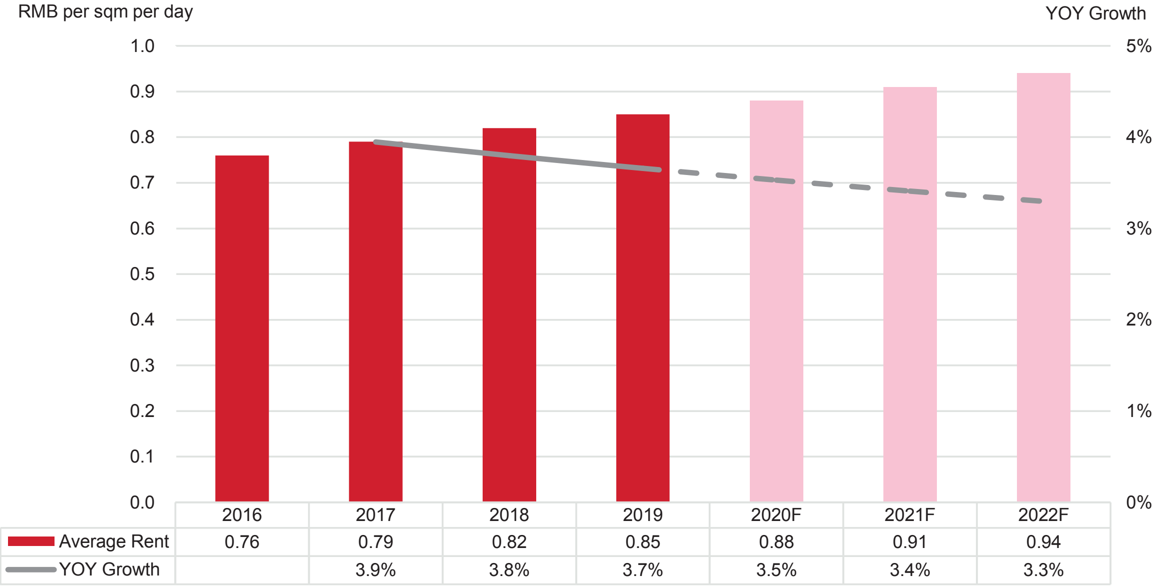
Source: Knight Frank

Rent, Yield and Value

5.86 The average rent of Grade A warehouses in Zhenjiang increased at CAGR of 3.8% between 2016 to 2019 to RMB0.85 per sqm per day in 2019. As the logistics market is expected to expand with the support of e-commerce industry, the rental level is anticipated to grow at a CAGR of 3.4% between 2019 and 2022 and reach an average rent of RMB0.94 per sqm per day in 2022.

5.87 The average capital value of Grade A warehouses in Zhenjiang increased to RMB4,159 per sqm in 2019, representing a growth of 3.7% YOY. On the other hand, the net yield dropped from 4.6% in 2016 to 4.4% in 2019 and is expected to further lower down to 4.1% in 2022. With the gradual growth of rent and decrease in yield, it is expected that the capital value will keep increasing at a CAGR of 4.7% between 2019 and 2022 to achieve a level of RMB4,774 per sqm in 2022.

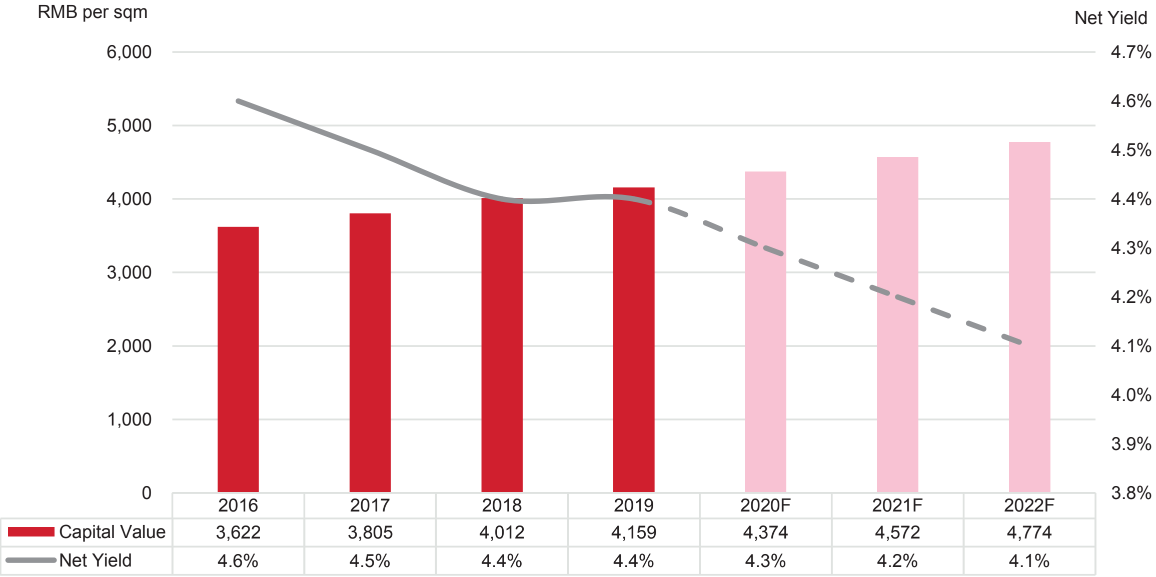
Exhibit 116 Rental Level of Grade A Warehouses in Zhenjiang



	2016	2017	2018	2019	2020F	2021F	2022F
Average Rent	0.76	0.79	0.82	0.85	0.88	0.91	0.94
YOY Growth		3.9%	3.8%	3.7%	3.5%	3.4%	3.3%

Source: Knight Frank

Exhibit 117 Capital Value and Yield of Grade A Warehouses of Zhenjiang



	2016	2017	2018	2019	2020F	2021F	2022F
Capital Value	3,622	3,805	4,012	4,159	4,374	4,572	4,774
Net Yield	4.6%	4.5%	4.4%	4.4%	4.3%	4.2%	4.1%

Source: Knight Frank

Subject Property Analysis

5.88 Mapletree Zhenjiang Logistics Park is located in Jurong City and is a 90-minute drive away from Nanjing Lukou International Airport. It enjoys proximity to various transport infrastructure and key population catchments which are shown in the table below: -

Exhibit 118 Distances to Major Destinations

Destination	Approximate Road Distance from Mapletree Zhenjiang Logistics Park
Jurong City Centre	40-minute drive
Jurong West Railway Station	10-minute drive
Nanjing Lukou International Airport	90-minute drive
Nanjing Port	50-minute drive
Nearest Highway	5-minute drive

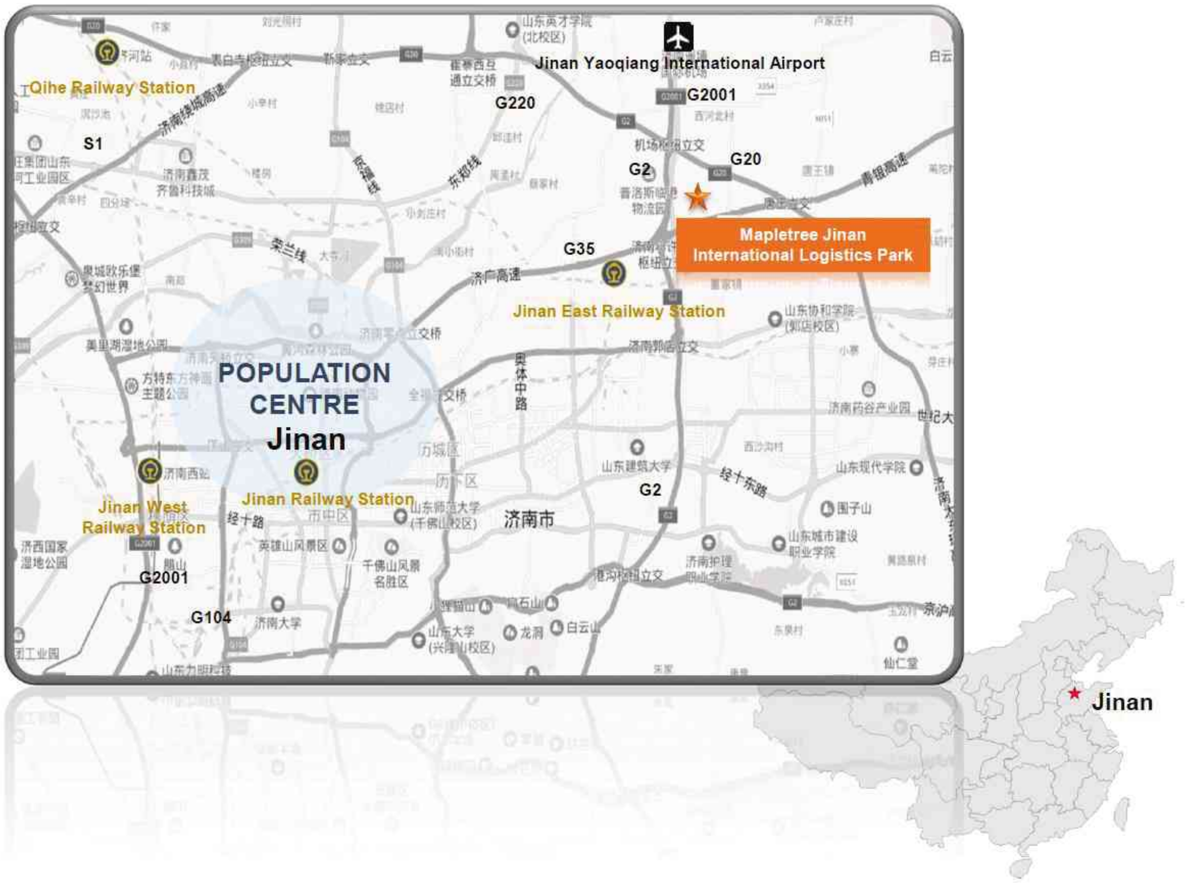
Source: Knight Frank

Performance Outlook

5.89 Although Mapletree Zhenjiang Logistics Park was newly developed in 2018, it has already achieved an occupancy of 100.0%, with major tenants such as XingQuan Logistics and JD Logistics. Its success is attributed to its excellent location and relatively high building specifications. In the long run, amid robust logistics demand of Zhenjiang brought by the e-commerce sector, it is expected that the rental levels will rise steadily, and the high occupancy will be maintained.

Jinan Market Overview

Exhibit 119 Location of Jinan



Source: Knight Frank

Economic Overview

5.90 Jinan is the capital city of Shandong Province located in North China. Its area spans over 8,200 sqkm. Jinan is one of the key administrative, logistics and financial centres in the Bohai Economic Rim.

5.91 The population of Jinan reached 8.0 million in 2019, representing a CAGR of 2.8% between 2015 and 2019. The GDP of Jinan in 2019 grew to RMB885 billion with an average growth of 7.7% over the same period. The inflation rate increased from 1.9% in 2015 to 3.3% in 2019. The imports and exports surged at a CAGR of 20.0% and 10.7% respectively between 2015 and 2019. The urban disposable income and urban consumption expenditure in 2019 steadily grew to RMB51,913 per capita and RMB33,439 per capita respectively with a CAGR of 6.8% and 6.2%, while the FDI recorded a CAGR of 9.1% over the same period.

Exhibit 120 Macroeconomic Indicators of Jinan

RMB billion (unless otherwise stated)	2015	2016	2017	2018	2019
GDP	610	654	720	786	885
Real GDP Growth	8.1%	7.8%	8.0%	7.4%	7.0%
GDP per Capita (RMB per capita)	85,919	91,699	98,275	106,302	106,416
FDI (USD billion)	1.58	1.72	1.88	2.73	2.24
FDI Growth	10.0%	8.7%	9.3%	45.4%	-17.9%
Imports (USD billion)	3.1	3.5	3.8	4.6	6.5
Imports Growth	-29.6%	12.9%	7.9%	21.9%	39.6%
Exports (USD billion)	6.0	7.3	7.5	8.6	9.0
Exports Growth	-1.0%	22.3%	2.3%	13.9%	5.2%
Inflation Rate	1.9%	2.7%	2.0%	2.6%	3.3%
Population (million)	7.1	7.2	7.3	7.5	8.0
Population Growth	0.9%	1.4%	1.2%	1.9%	6.8%
Urban Disposable Income (RMB per capita)	39,889	43,052	46,642	50,146	51,913
Urban Disposable Income Growth	2.9%	7.9%	8.3%	7.5%	7.3%
Urban Consumption Expenditure (RMB per capita)	26,319	28,537	30,729	32,977	33,439
Urban Consumption Expenditure Growth	14.5%	8.4%	7.7%	7.3%	6.7%

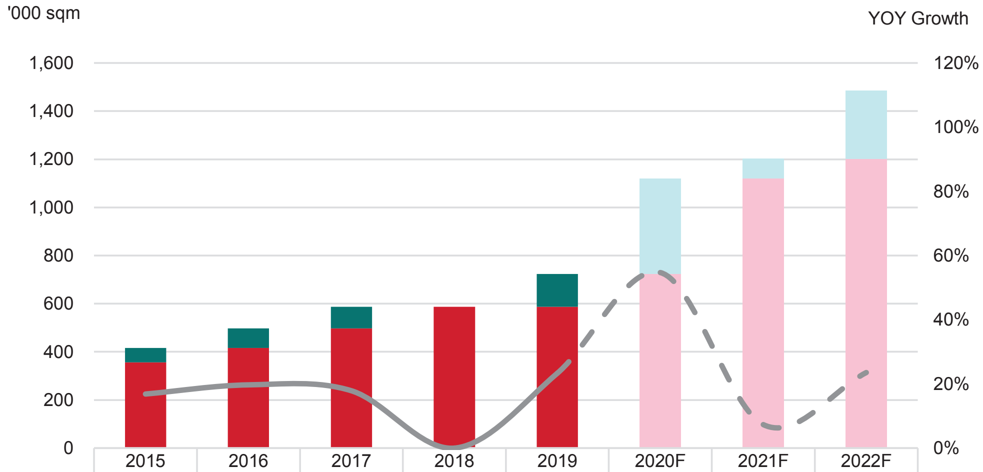
Source: Jinan Statistics Bureau

Supply and Demand

5.92 The total size of Grade A warehouse has increased to 0.7 million sqm in 2019 at a CAGR of 14.9% between 2015 and 2019. The high growth rate is driven by the increased demand for logistics facilities due to Jinan's core location within the province, with key tenants such as SF Express and Havi Logistics. It is expected that the stock will expand at a CAGR of 27.1% between 2019 and 2022 and reach 1.5 million sqm in 2022.

5.93 Despite the substantial amount of new supply entering the market in recent years, the net absorption remained positive during the past five years. The occupancy rate stood at a healthy level ranging from 85.0% to 97.0% between 2015 and 2019. The strong demand was brought by the surge of exposure of the e-commerce industry. Hence, it is forecasted that the net absorption in the future three years will remain in line with the new supply, supporting the occupancy rate at around 93.0% to 95.0% in the coming three years.

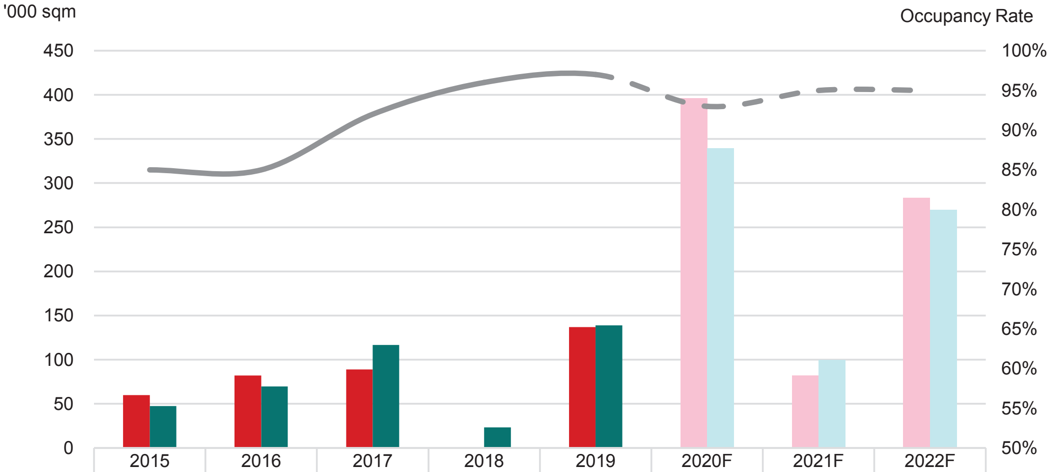
Exhibit 121 Existing Stock and New Supply of Grade A Warehouses in Jinan



	2015	2016	2017	2018	2019	2020F	2021F	2022F
🟩 New Supply	60	82	89	0	137	396	82	283
🟥 Existing Stock	356	416	498	587	587	724	1120	1202
— Total Stock Change YOY	16.9%	19.7%	17.9%	0.0%	23.3%	54.7%	7.3%	23.5%

Source: Knight Frank

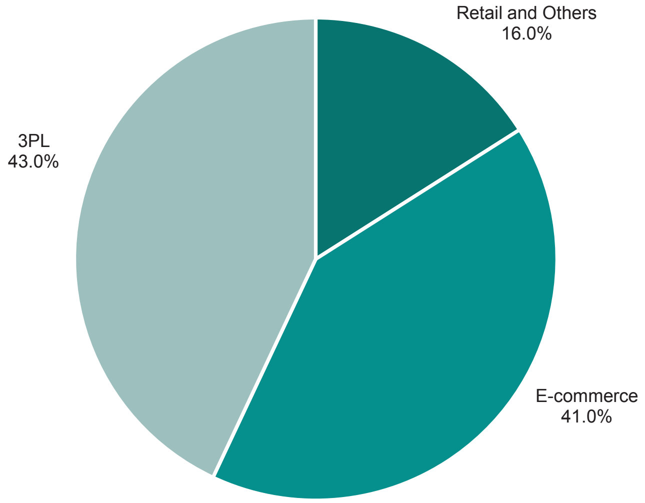
Exhibit 122 New Supply, Net Absorption and Occupancy Rate of Grade A Warehouses in Jinan



	2015	2016	2017	2018	2019	2020F	2021F	2022F
🟥 New Supply	60	82	89	0	137	396	82	283
🟩 Net Absorption	47	70	117	23	139	339	99	270
— Occupancy Rate	85.0%	85.0%	92.0%	96.0%	97.0%	93.0%	95.0%	95.0%

Source: Knight Frank

Exhibit 123 Tenant Composition of Grade A Warehouses in Jinan in 2019



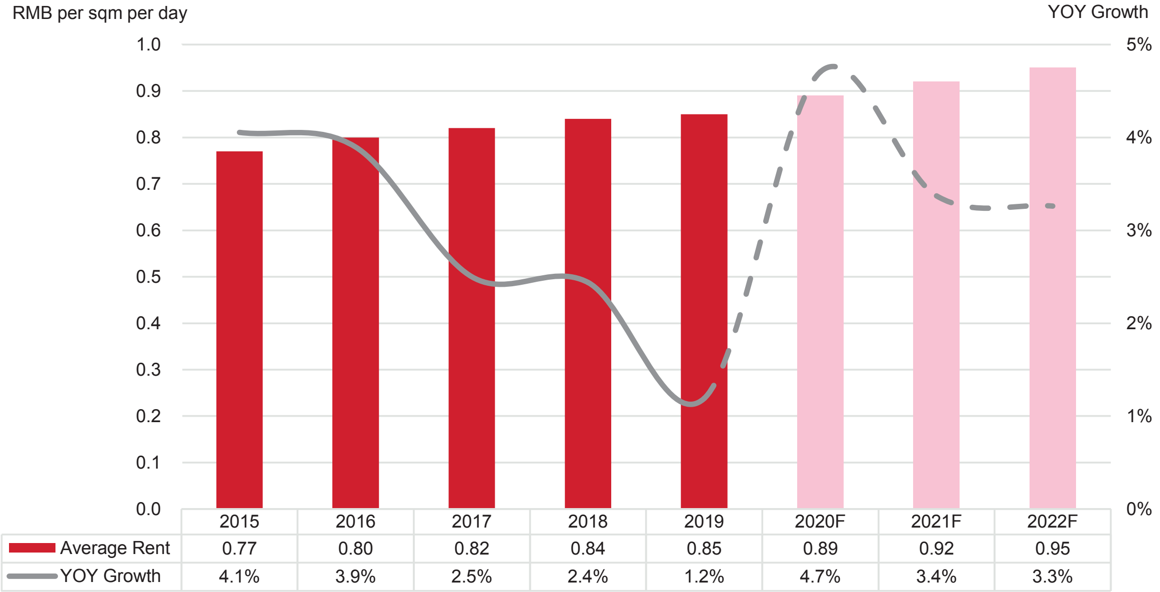
Source: Knight Frank

Rent, Yield and Value

5.94 The average rent of Grade A warehouses in Jinan increased at CAGR of 2.5% between 2015 and 2019 to RMB0.85 per sqm per day. As the logistics market is expected to expand with the support of e-commerce industry, the rental level is anticipated to grow at a CAGR of 3.8% between 2019 and 2022 and reach an average rent of RMB0.95 per sqm per day in 2022.

5.95 The average capital value of Grade A warehouses in Jinan increased to RMB4,137 per sqm in 2019, representing a growth of 0.7% YOY. On the other hand, the net yield dropped from 4.6% in 2015 to 4.4% in 2019 and is expected to further lower down to 4.0% in 2022. With the gradual growth of rent and decrease in yield, it is expected that the capital value will keep increasing at a CAGR of 6.0% between 2019 and 2022 to achieve a level of RMB4,930 per sqm in 2022.

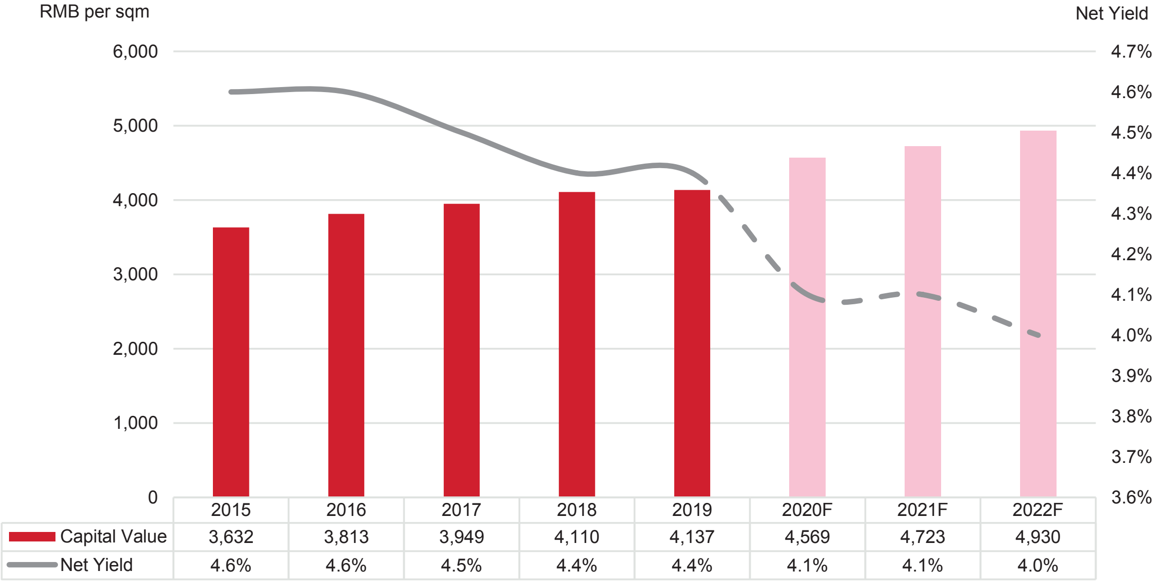
Exhibit 124 Rental Level of Grade A Warehouses in Jinan



	2015	2016	2017	2018	2019	2020F	2021F	2022F
🟥 Average Rent	0.77	0.80	0.82	0.84	0.85	0.89	0.92	0.95
— YOY Growth	4.1%	3.9%	2.5%	2.4%	1.2%	4.7%	3.4%	3.3%

Source: Knight Frank

Exhibit 125 Capital Value and Yield of Grade A Warehouses of Jinan



	2015	2016	2017	2018	2019	2020F	2021F	2022F
🟥 Capital Value	3,632	3,813	3,949	4,110	4,137	4,569	4,723	4,930
— Net Yield	4.6%	4.6%	4.5%	4.4%	4.4%	4.1%	4.1%	4.0%

Source: Knight Frank

Subject Property Analysis

5.96 Mapletree Jinan International Logistics Park is located in Lincheng District at central Jinan and is a 15-minute drive away from Jinan Yaoqiang International Airport. It enjoys proximity to various transport infrastructure and key population catchments which are shown in the table below: -

Exhibit 126 Distances to Major Destinations

Destination	Approximate Road Distance from Mapletree Jinan International Logistics Park
Jinan City Centre	45-minute drive
Jinan East Railway Station	20-minute drive
Jinan Railway Station	45-minute drive
Jinan Yaoqiang International Airport	15-minute drive
Nearest Highway	10-minute drive

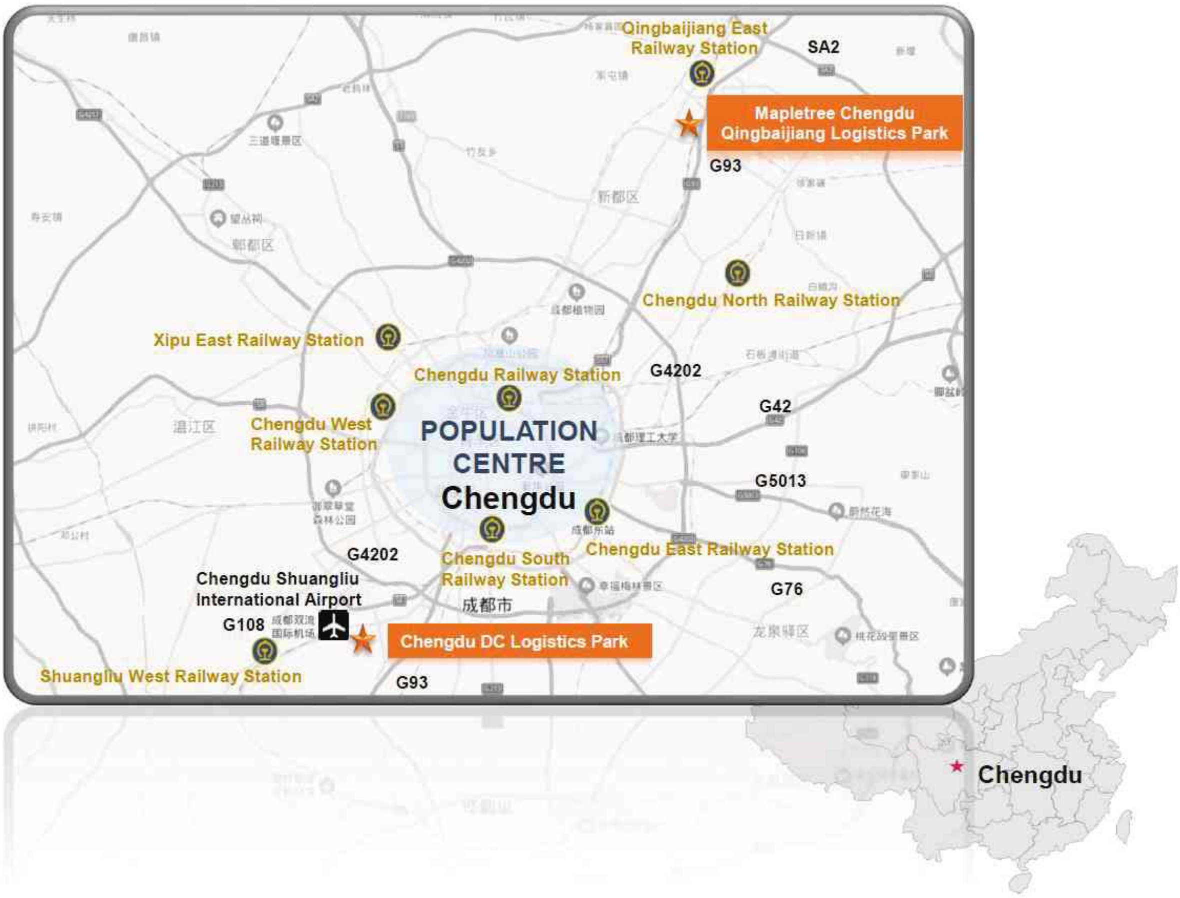
Source: Knight Frank

Performance Outlook

5.97 Mapletree Jinan International Logistics Park was developed in 2016 and achieves an occupancy of 80.2% after a tenant moved out in early 2020 upon lease expiry, with major tenants such as Havi Logistics and SF Express. Its success is attributed to its excellent location and relatively high building specifications. In the long run, amid robust logistics demand of Jinan brought by the e-commerce sector, it is expected that the rental levels and occupancy will rise steadily.

Chengdu Market Overview

Exhibit 127 Location of Chengdu



Source: Knight Frank

Economic Overview

5.98 Chengdu is the capital city of Sichuan Province located in Midwest China. Its area spans over 14,000 sqkm. Chengdu is a major business logistics hub and a high-tech industrial development base.

5.99 The population of Chengdu reached 16.6 million in 2019, representing a CAGR of 3.1% between 2015 and 2019. The GDP of Chengdu in 2019 grew to RMB1,701 billion with an average growth of 7.9% over the same period. The inflation rate increased from 1.1% in 2015 to 2.8% in 2019. The imports and exports surged at a CAGR of 23.9% and 19.2% respectively between 2015 and 2019. The urban disposable income and urban consumption expenditure in 2019 steadily grew to RMB45,878 per capita and RMB29,720 per capita respectively with a CAGR of 8.2% and 8.0%, while the FDI recorded a CAGR of 15.0% over the same period.

Exhibit 128 Macroeconomic Indicators of Chengdu

RMB billion (unless otherwise stated)	2015	2016	2017	2018	2019
GDP	1,080	1,217	1,389	1,534	1,701
Real GDP Growth	7.9%	7.7%	8.1%	8.0%	7.8%
GDP per Capita (RMB per capita)	74,273	76,960	86,911	94,782	103,386
FDI (USD billion)	7.5	8.6	10.0	12.0	13.2
FDI Growth	-14.2%	14.6%	16.5%	19.8%	9.5%
Imports (USD billion)	15.5	19.0	27.7	33.9	36.5
Imports Growth	-29.5%	22.7%	45.8%	22.2%	12.3%
Exports (USD billion)	23.8	21.9	30.6	41.5	48.1
Exports Growth	-29.7%	-7.9%	39.5%	35.8%	15.8%
Inflation Rate	1.1%	2.2%	2.0%	1.4%	2.8%
Population (million)	14.7	15.9	16.0	16.3	16.6
Population Growth	1.6%	8.5%	0.9%	1.8%	1.5%
Urban Disposable Income (RMB per capita)	33,476	35,9021	38,918	42,128	45,878
Urban Disposable Income Growth	2.5%	7.2%	8.4%	8.2%	8.9%
Urban Consumption Expenditure (RMB per capita)	21,825	23,514	25,314	27,312	29,720
Urban Consumption Expenditure Growth	0.5%	7.7%	7.7%	7.9%	8.8%

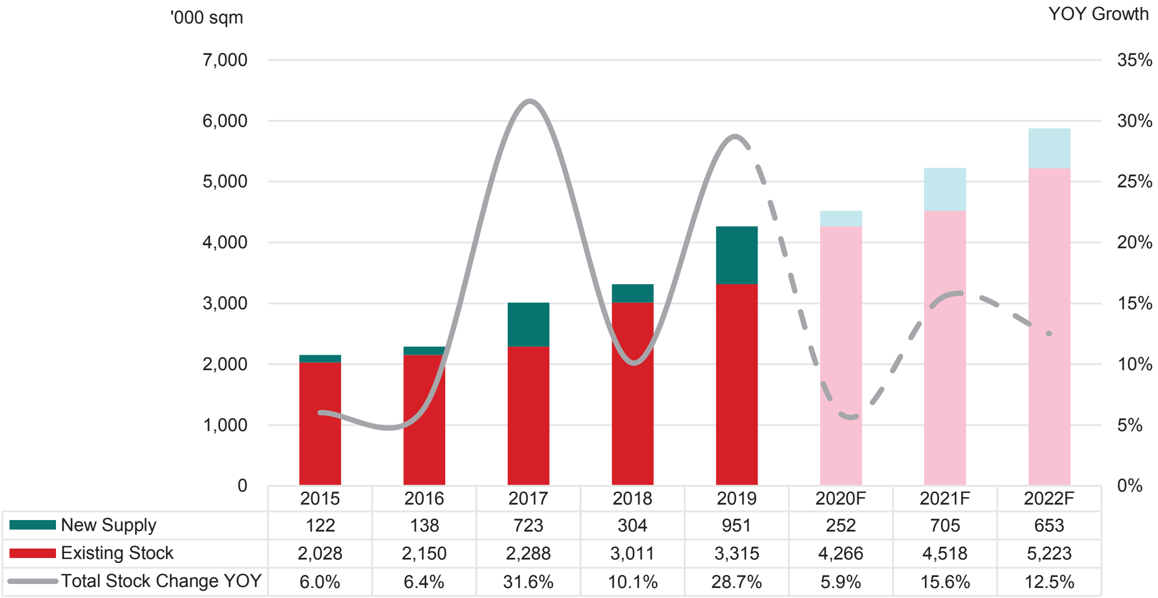
Source: Chengdu Statistics Bureau

Supply and Demand

5.100 The total size of Grade A warehouse has increased to 4.3 million sqm in 2019 at a CAGR of 18.7% between 2015 and 2019. The high growth rate is driven by the increased demand for logistics facilities due to Chengdu's core location in Midwest China, with key tenants such as SF Express and JD Logistics. It is expected the stock will expand at a CAGR of 11.3% between 2019 and 2022 and reach 5.9 million sqm in 2022.

5.101 Despite the substantial amount of new supply entering the market in recent years, the net absorption remained positive during the past five years, except 2016. The occupancy rate stood at a healthy level ranging from 81.0% to 87.0% between 2015 and 2019. The strong demand was brought by the surge of exposure of the e-commerce industry. Hence, it is forecasted that the net absorption in the future three years will keep in line with the new supply, supporting the occupancy rate to stay at 85.0% in 2021 and 2022.

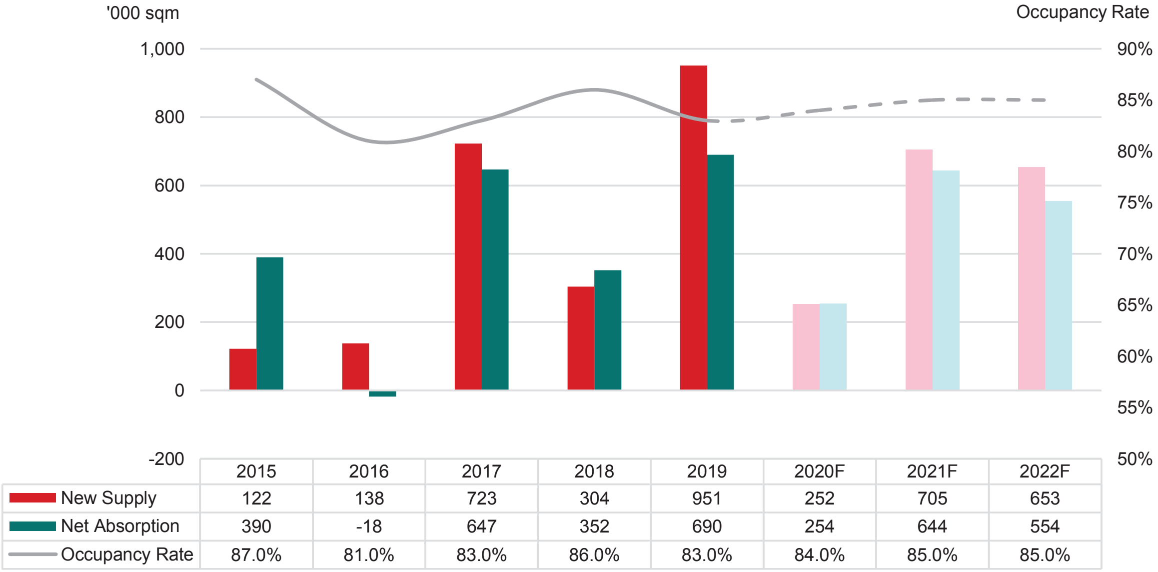
Exhibit 129 Existing Stock and New Supply of Grade A Warehouses in Chengdu



	2015	2016	2017	2018	2019	2020F	2021F	2022F
🟩 New Supply	122	138	723	304	951	252	705	653
🟥 Existing Stock	2,028	2,150	2,288	3,011	3,315	4,266	4,518	5,223
— Total Stock Change YOY	6.0%	6.4%	31.6%	10.1%	28.7%	5.9%	15.6%	12.5%

Source: Knight Frank

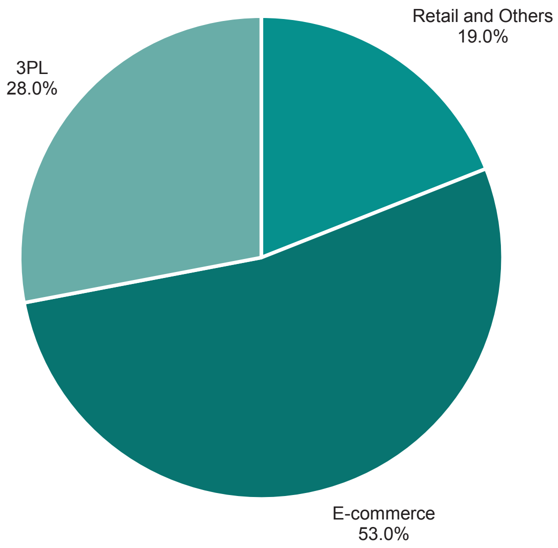
Exhibit 130 New Supply, Net Absorption and Occupancy Rate of Grade A Warehouses in Chengdu



	2015	2016	2017	2018	2019	2020F	2021F	2022F
🟥 New Supply	122	138	723	304	951	252	705	653
🟩 Net Absorption	390	-18	647	352	690	254	644	554
— Occupancy Rate	87.0%	81.0%	83.0%	86.0%	83.0%	84.0%	85.0%	85.0%

Source: Knight Frank

Exhibit 131 Tenant Composition of Grade A Warehouses in Chengdu in 2019



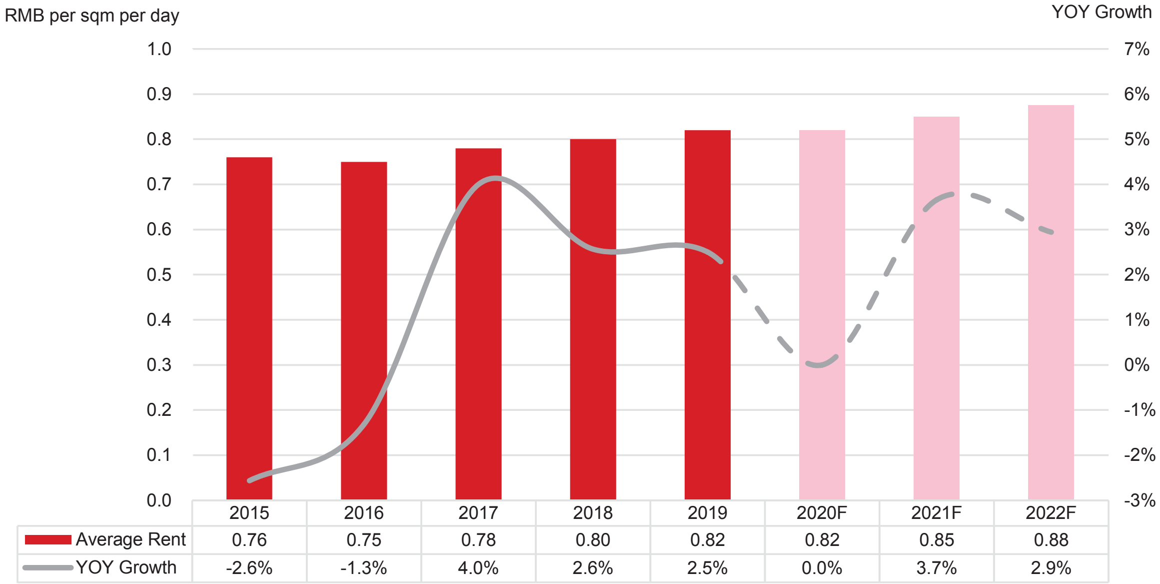
Source: Knight Frank

Rent, Yield and Value

5.102 The average rent of Grade A warehouses in Chengdu recorded a slight decrease from 2015 to 2016 and rebounded afterwards to RMB0.82 per sqm per day in 2019. As the logistics market is expected to expand gradually with the support of e-commerce industry, the rental level is anticipated to grow at a CAGR of 2.2% between 2019 and 2022 and reach an average rent of RMB0.88 per sqm per day in 2022.

5.103 The average capital value of Grade A warehouses in Chengdu increased to RMB4,033 per sqm in 2019, representing a growth of 2.0% YOY. On the other hand, the net yield dropped from 4.5% in 2015 to 4.3% in 2019 and is expected to further lower down to 4.1% in 2022. With the gradual growth of rent and decrease in yield, it is expected that the capital value will keep increasing at a CAGR of 3.7% between 2019 and 2022 to achieve a level of RMB4,492 per sqm in 2022.

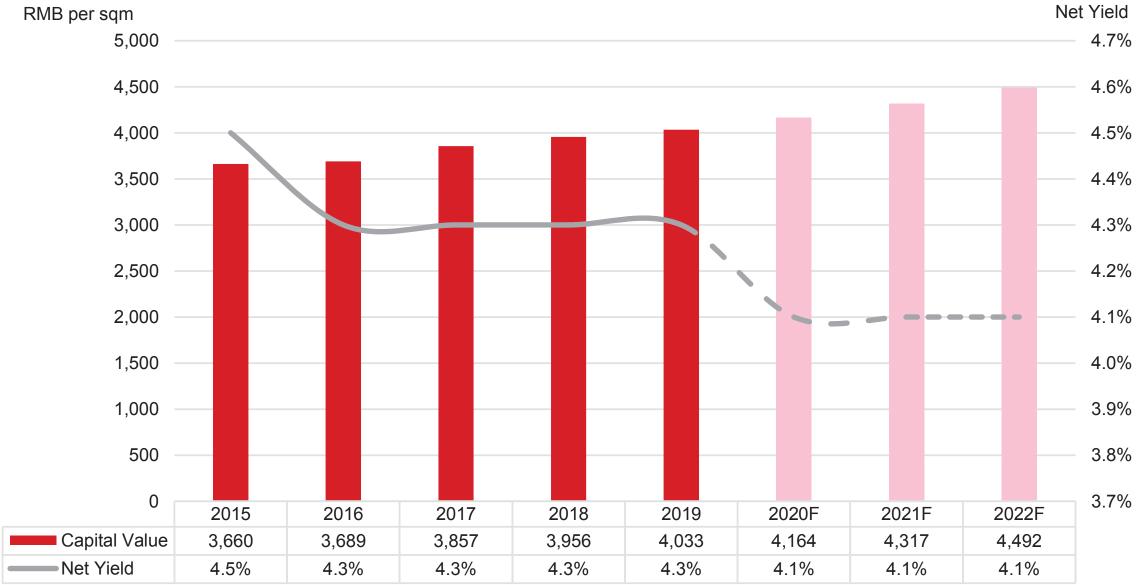
Exhibit 132 Rental Level of Grade A Warehouses in Chengdu



	2015	2016	2017	2018	2019	2020F	2021F	2022F
🟥 Average Rent	0.76	0.75	0.78	0.80	0.82	0.82	0.85	0.88
━ YOY Growth	-2.6%	-1.3%	4.0%	2.6%	2.5%	0.0%	3.7%	2.9%

Source: Knight Frank

Exhibit 133 Capital Value and Yield of Grade A Warehouses of Chengdu



	2015	2016	2017	2018	2019	2020F	2021F	2022F
🟥 Capital Value	3,660	3,689	3,857	3,956	4,033	4,164	4,317	4,492
━ Net Yield	4.5%	4.3%	4.3%	4.3%	4.3%	4.1%	4.1%	4.1%

Source: Knight Frank

Subject Property Analysis

5.104 Chengdu DC Logistics Park is located in Shuangliu District at the southern Chengdu and is a 15-minute drive away from Chengdu Shuangliu International Airport. Meanwhile, Mapletree Chengdu Qingbaijiang Logistics Park is located in Qingbaijiang District at the northern Chengdu is a 60-minute drive away from Chengdu Shuangliu International Airport. They enjoy proximity to various transport infrastructure and key population catchments which are shown in the table below:

Exhibit 134 Distances to Major Destinations

Destination	Approximate Road Distance from	
	Chengdu DC Logistics Park	Mapletree Chengdu Qingbaijiang Logistics Park
Chengdu City Centre	40-minute drive	60-minute drive
Chengdu Railway Station	40-minute drive	45-minute drive
Chengdu South Railway Station	25-minute drive	60-minute drive
Chengdu Shuangliu International Airport	15-minute drive	60-minute drive
Nearest Highway	15-minute drive	15-minute drive

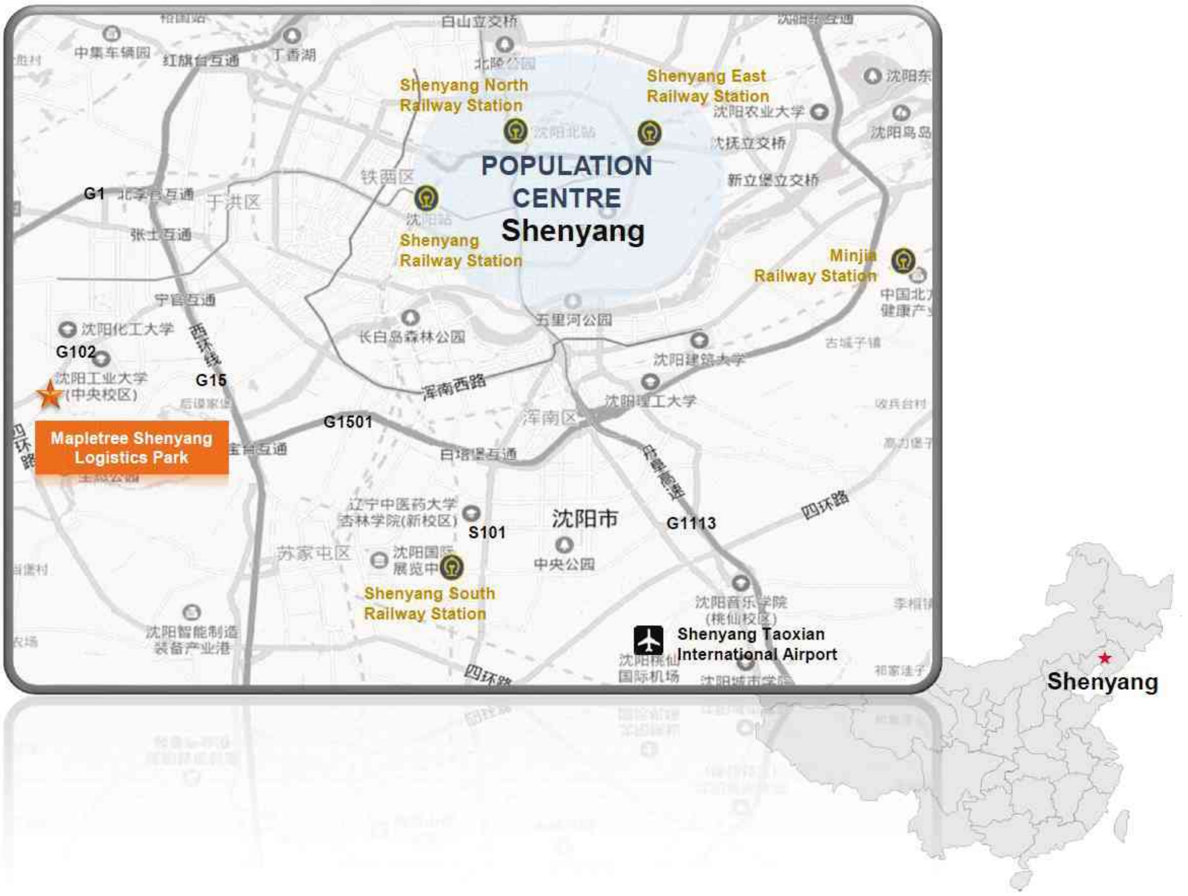
Source: Knight Frank

Performance Outlook

5.105 Chengdu DC Logistics Park and Mapletree Chengdu Qingbaijiang Logistics Park were newly developed in 2018 and 2019 respectively. While Chengdu DC Logistics Park has already achieved an occupancy of 100% with key tenants such as Jiuye Supply Chain and Yaleng, Mapletree Chengdu Qingbaijiang Logistics Park is at an occupancy level of 84.2% due to its decentralised location with JD Logistics as a major tenant. Their success is attributed to their excellent locations and relatively high building specifications. In the long run, amid robust logistics demand of Chengdu brought by the e-commerce sector, it is expected that the rental levels will rise steadily, and the high occupancy will be maintained.

Shenyang Market Overview

Exhibit 135 Location of Shenyang



Source: Knight Frank

Economic Overview

5.106 Shenyang is the capital city of Liaoning Province located in North China. Its area spans over 12,900 sqkm. Shenyang is one of the key administrative, logistics and financial centres in the Bohai Economic Rim.

5.107 The population of Shenyang reached 8.3 million in 2019, representing a CAGR of 0.1% between 2015 and 2019. The GDP of Shenyang in 2019 grew to RMB647 billion with an average growth of 9.7% over the same period. The inflation rate increased from 1.2% in 2015 to 2.4% in 2019. The imports surged at a CAGR of 10.8% while the exports contracted at a CAGR of 9.3% between 2015 and 2019. The urban disposable income and urban consumption expenditure in 2019 grew to RMB46,786 per capita and RMB34,137 per capita respectively with a CAGR of 6.3% and 7.2%, while the FDI recorded a CAGR of 11.7% over the same period.

Exhibit 136 Macroeconomic Indicators of Shenyang

RMB billion (unless otherwise stated)	2015	2016	2017	2018	2019
GDP	727	553	578	629	647
Real GDP Growth	3.2%	-4.7%	3.5%	5.4%	4.2%
GDP per Capita (RMB per capita)	87,697	66,663	69,754	75,766	77,777
FDI (USD billion)	1.1	0.8	1.0	1.4	1.7
FDI Growth	-53.3%	-22.6%	23.2%	41.6%	15.3%
Imports (USD billion)	7.3	7.1	8.2	9.7	11.0
Imports Growth	-15.8%	-2.8%	15.1%	19.2%	13.1%
Exports (USD billion)	6.8	4.2	4.7	5.2	4.6
Exports Growth	-4.9%	-37.5%	10.5%	10.4%	-11.4%
Inflation Rate	1.2%	1.7%	1.4%	3.0%	2.4%
Population (million)	8.3	8.3	8.3	8.3	8.3
Population Growth	0.0%	0.0%	0.0%	0.3%	0.1%
Urban Disposable Income (RMB per capita)	36,643	38,995	41,359	44,054	46,786
Urban Disposable Income Growth	15.5%	6.4%	6.1%	6.5%	6.2%
Urban Consumption Expenditure (RMB per capita)	25,870	27,655	29,958	32,235	34,137
Urban Consumption Expenditure Growth	6.8%	6.9%	8.3%	7.6%	5.9%

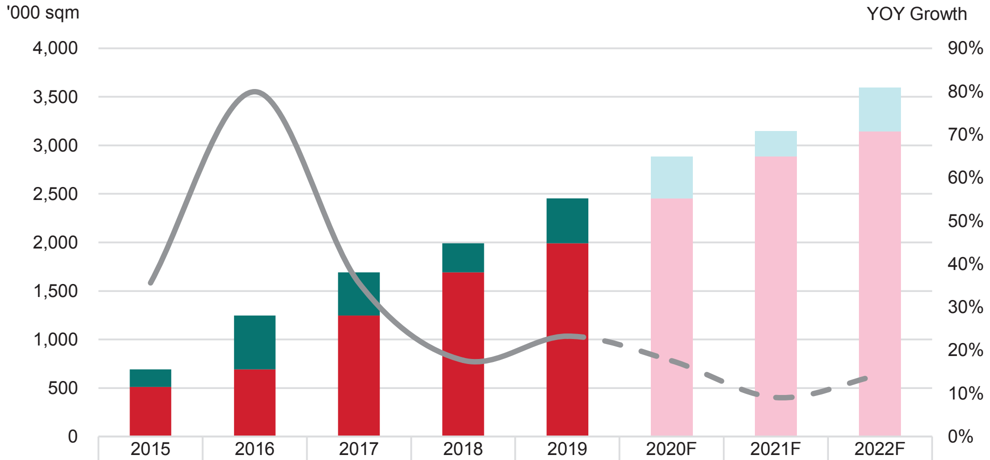
Source: Shenyang Statistics Bureau

Supply and Demand

5.108 The total size of Grade A warehouse has increased to 2.5 million sqm in 2019 at a CAGR of 37.1% between 2015 and 2019. The high growth rate is driven by the increased demand for logistics facilities due to its strategic location between Beijing, Hebei, Liaoning, Jilin and Heilongjiang Provinces, with key tenants such as SF Express and JD Logistics. It is expected that the stock will expand at a CAGR of 13.6% between 2019 and 2022 and reach 3.6 million sqm in 2022.

5.109 Despite the substantial amount of new supply entering the market in recent years, the net absorption remained positive during the past five years. The occupancy rate stood at a healthy level ranging from 80.0% to 84.0% between 2015 and 2019. The strong demand was brought by the surge of exposure of the e-commerce industry. Hence, it is forecasted that the net absorption in the future three years will remain in line with the new supply, supporting the occupancy rate at around 82.0% to 84.0% in the coming three years.

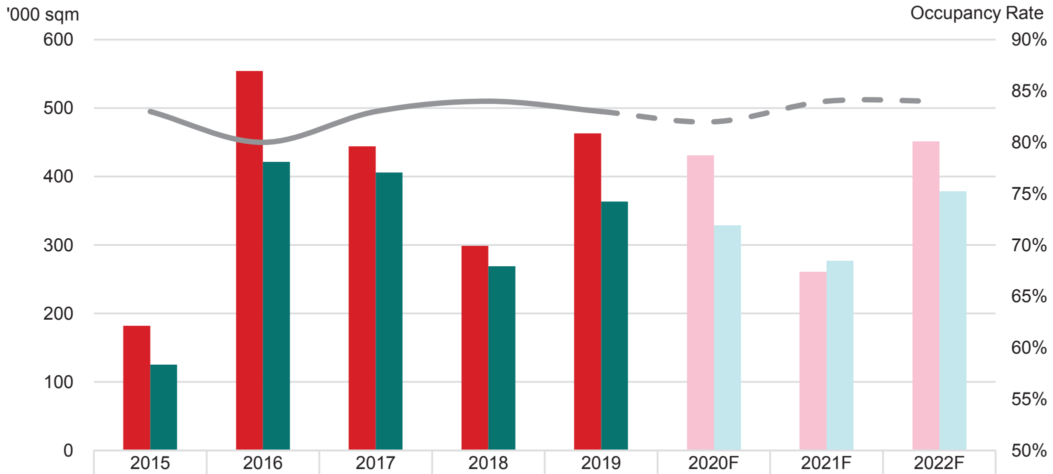
Exhibit 137 Existing Stock and New Supply of Grade A Warehouses in Shenyang



	2015	2016	2017	2018	2019	2020F	2021F	2022F
🟩 New Supply	182	554	444	299	463	431	261	451
🟥 Existing Stock	511	693	1247	1691	1990	2453	2884	3145
— Total Stock Change YOY	35.6%	79.9%	35.6%	17.7%	23.3%	17.6%	9.0%	14.3%

Source: Knight Frank

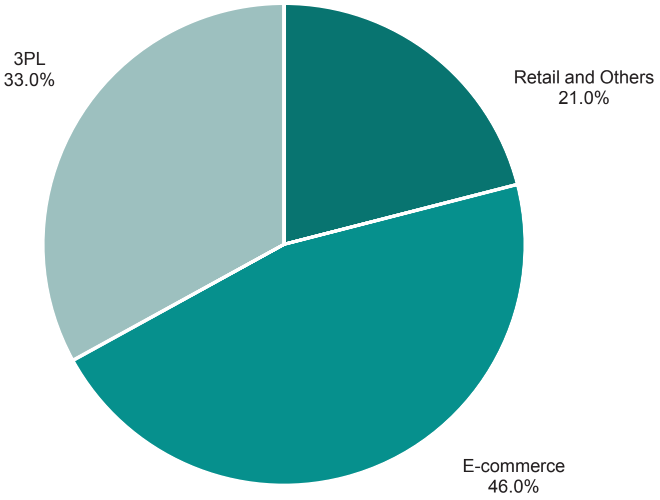
Exhibit 138 New Supply, Net Absorption and Occupancy Rate of Grade A Warehouses in Shenyang



	2015	2016	2017	2018	2019	2020F	2021F	2022F
🟥 New Supply	182	554	444	299	463	431	261	451
🟩 Net Absorption	126	422	406	269	364	329	277	378
— Occupancy Rate	83.0%	80.0%	83.0%	84.0%	83.0%	82.0%	84.0%	84.0%

Source: Knight Frank

Exhibit 139 Tenant Composition of Grade A Warehouses in Shenyang in 2019



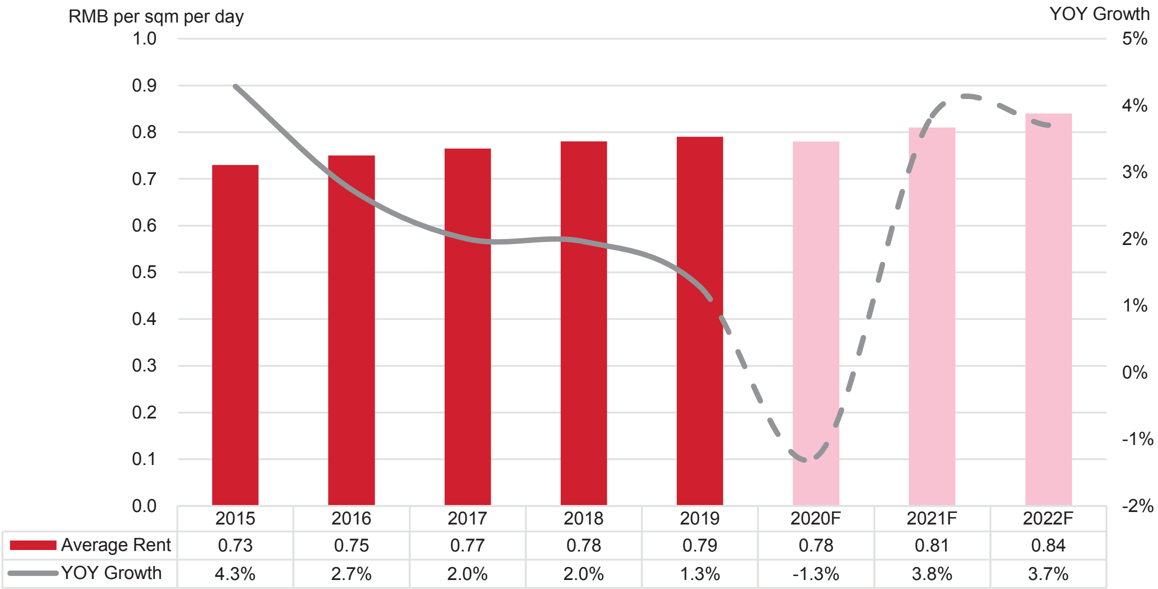
Source: Knight Frank

Rent, Yield and Value

5.110 The average rent of Grade A warehouses in Shenyang increased at CAGR of 2.0% between 2015 and 2019 to RMB0.79 per sqm per day. As the logistics market is expected to expand with the support of e-commerce industry, the rental level is anticipated to grow at a CAGR of 2.1% between 2019 and 2022 and reach an average rent of RMB0.84 per sqm per day in 2022.

5.111 The average capital value of Grade A warehouses in Shenyang increased to RMB3,886 per sqm in 2019, representing a growth of 1.8% YOY. On the other hand, the net yield dropped from 4.6% in 2015 to 4.3% in 2019 and is expected to further lower down to 4.1% in 2022. With the gradual growth of rent and decrease in yield, it is expected that the capital value will keep increasing at a CAGR of 3.5% between 2019 and 2022 to achieve a level of RMB4,312 per sqm in 2022.

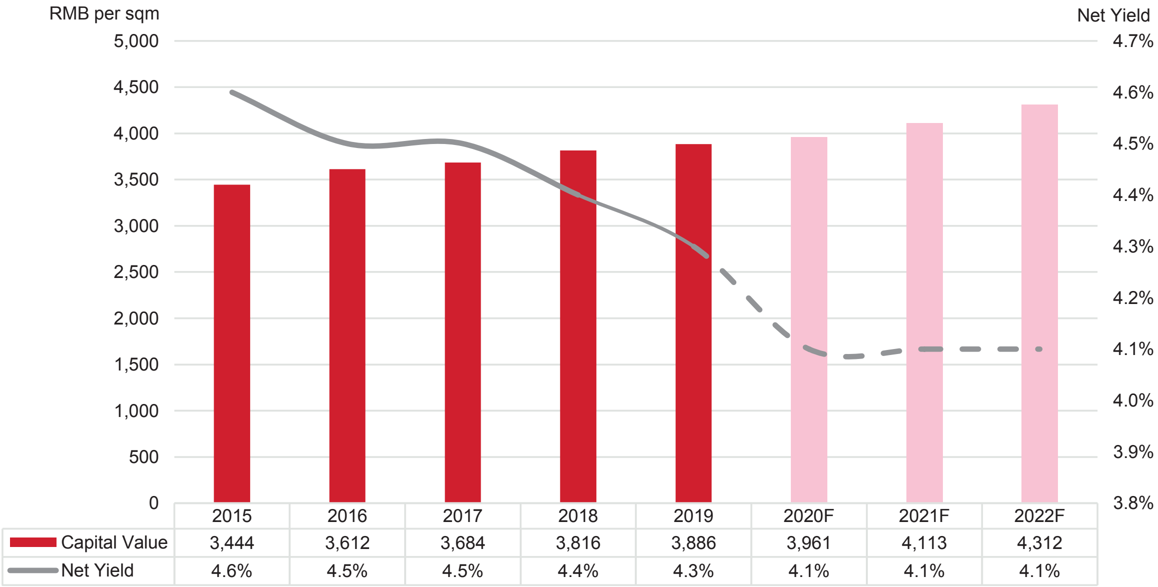
Exhibit 140 Rental Level of Grade A Warehouses in Shenyang



	2015	2016	2017	2018	2019	2020F	2021F	2022F
Average Rent	0.73	0.75	0.77	0.78	0.79	0.78	0.81	0.84
YOY Growth	4.3%	2.7%	2.0%	2.0%	1.3%	-1.3%	3.8%	3.7%

Source: Knight Frank

Exhibit 141 Capital Value and Yield of Grade A Warehouses of Shenyang



	2015	2016	2017	2018	2019	2020F	2021F	2022F
Capital Value	3,444	3,612	3,684	3,816	3,886	3,961	4,113	4,312
Net Yield	4.6%	4.5%	4.5%	4.4%	4.3%	4.1%	4.1%	4.1%

Source: Knight Frank

Subject Property Analysis

5.112 Mapletree Shenyang Logistics Park is located in Tiexi District at southern Shenyang and is a 45-minute drive away from Shenyang Taoxian International Airport. It enjoys proximity to various transport infrastructure and key population catchments which are shown in the table below: -

Exhibit 142 Distances to Major Destinations

Destination	Approximate Road Distance from Mapletree Shenyang Logistics Park
Shenyang City Centre	55-minute drive
Shenyang Railway Station	45-minute drive
Shenyang South Railway Station	35-minute drive
Shenyang Taoxian International Airport	45-minute drive
Nearest Highway	25-minute drive

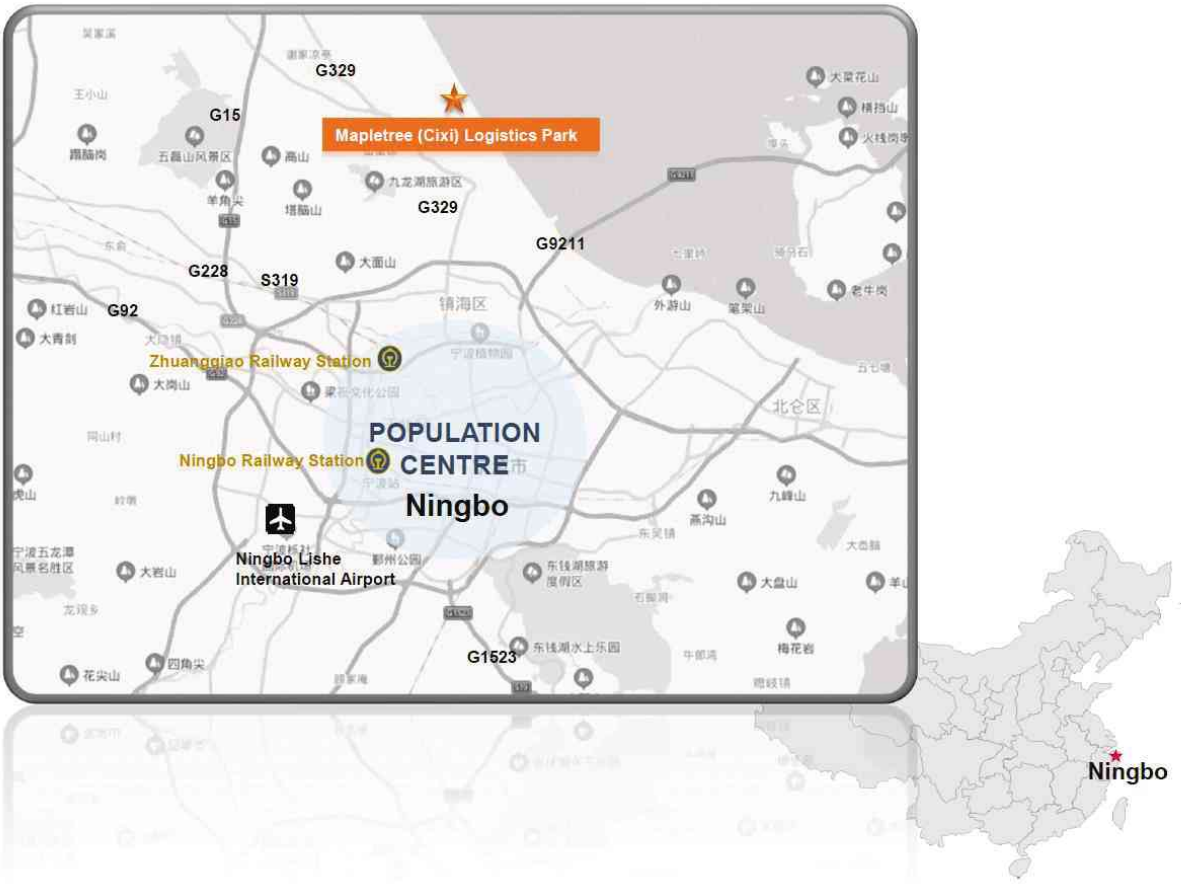
Source: Knight Frank

Performance Outlook

5.113 Mapletree Shenyang Logistics Park was developed in 2018 and enjoys an occupancy of 89.6%, with major tenants such as Three Squirrels and Xiaomi. Its success is attributed to its excellent locations and relatively high building specifications. In the long run, amid robust logistics demand of Shenyang brought by the e-commerce sector, it is expected that the rental levels will rise steadily, and the high occupancy will be maintained.

Ningbo Market Overview

Exhibit 143 Location of Ningbo



Source: Knight Frank

Economic Overview

5.114 Ningbo is a sub-provincial city in northeast Zhejiang located in East China. Its area spans over approximately 9,816 sqkm. Ningbo is an important port city located 220 kilometres south of Shanghai, with a port second to Shanghai around the world in terms of annual cargo throughput.

5.115 The population of Ningbo increased to 8.5 million in 2019, representing a CAGR of 2.2% between 2015 and 2019. The GDP of Ningbo in 2019 grew to RMB1,199 billion with an average growth of 7.4% over the same period. The inflation rate increased from 1.8% in 2015 to 3.0% in 2019. The imports and exports surged at a CAGR of 12.5% and 5.0% respectively between 2015 and 2019. The urban disposable income and urban consumption expenditure in 2019 steadily grew to RMB64,886 per capita and RMB38,274 per capita respectively with a CAGR of 7.9% and 6.6%, while the FDI recorded a CAGR of 5.1% over the same period.

Exhibit 144 Macroeconomic Indicators of Ningbo

RMB billion (unless otherwise stated)	2015	2016	2017	2018	2019
GDP	800	869	984	1,075	1,199
Real GDP Growth	8.1%	7.1%	7.8%	7.0%	6.8%
GDP per Capita (RMB per capita)	102,374	110,656	123,955	132,603	143,157
FDI (USD billion)	4.2	4.5	4.0	4.3	5.2
FDI Growth	5.2%	6.6%	-10.7%	7.2%	19.7%
Imports (USD billion)	29.0	28.8	38.7	45.9	46.5
Imports Growth	-8.1%	-0.7%	34.1%	18.8%	1.2%
Exports (USD billion)	71.4	66.1	73.5	84.2	86.7
Exports Growth	-2.3%	-7.5%	11.3%	14.5%	3.0%
Inflation Rate	1.8%	2.1%	1.8%	2.2%	3.0%
Population (million)	7.8	7.9	8.0	8.2	8.5
Population Growth	1.9%	0.6%	1.7%	2.5%	4.1%
Urban Disposable Income (RMB per capita)	47,852	51,560	55,656	60,134	64,886
Urban Disposable Income Growth	8.4%	7.7%	7.9%	8.0%	7.9%
Urban Consumption Expenditure (RMB per capita)	29,645	31,584	33,197	36,712	38,274
Urban Consumption Expenditure Growth	6.3%	6.5%	5.1%	10.6%	4.3%

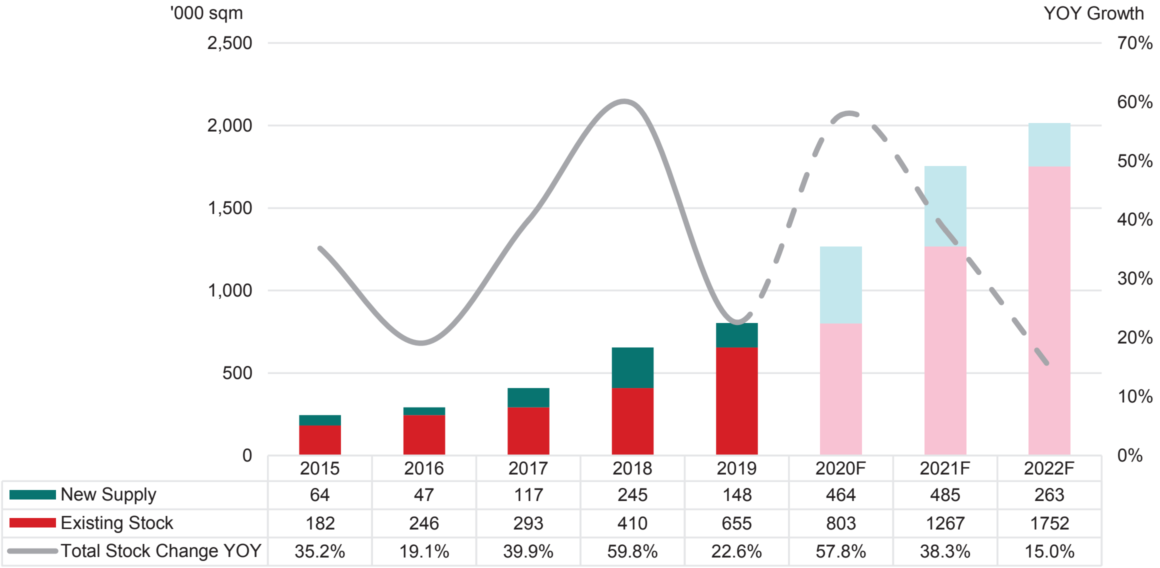
Source: Ningbo Statistics Bureau

Supply and Demand

5.116 The total size of Grade A warehouse has increased to 0.8 million sqm in 2019 at a CAGR of 34.4% between 2015 and 2019. Supply grew steadily over the years, where each year, on average, there was about 125,000 sqm of new space. With a growing demand from e-commerce industry, it is believed that the demand for logistics space shall be strong, with key tenants such as SF Express and GXG. It is expected that the stock will expand at a CAGR of 35.9% between 2019 and 2022 and reach 2.0 million sqm in 2022.

5.117 The net absorption remained positive and kept in line with new supply for the past five years. The occupancy rate maintained at a high level, ranging from 76.0% to 90.0%, amid a relatively early stage of the development of Grade A warehouse market since 2014. As the logistics market continues to grow due to the emerging e-commerce industry and substantial supply in the market in the coming years, it is believed that the net absorption could still be in line with the supply and occupancy rate in 2022 could reach 87.0%.

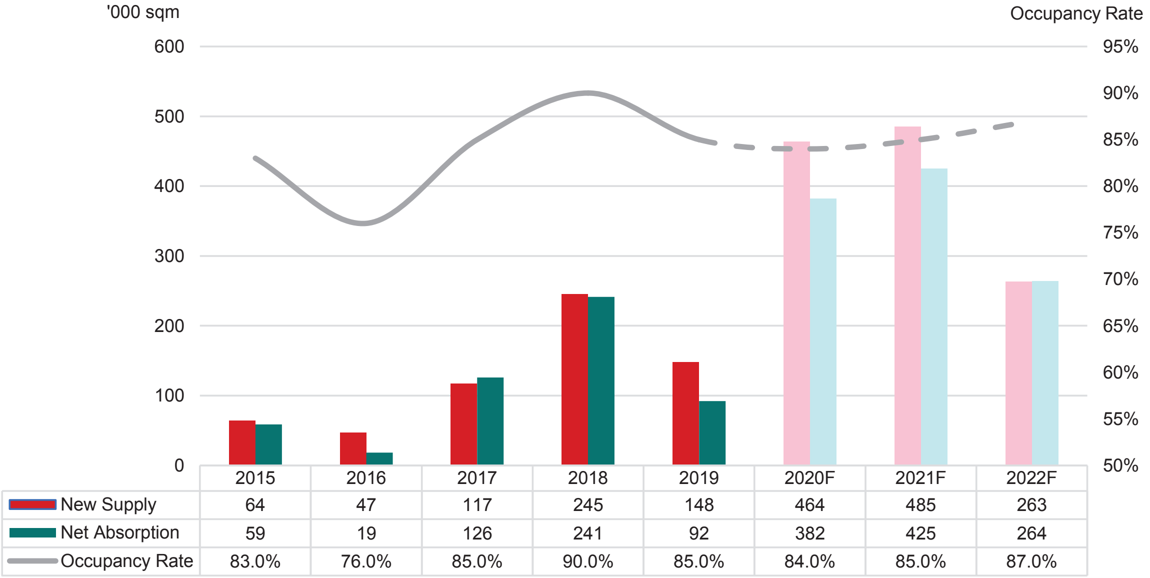
Exhibit 145 Existing Stock and New Supply of Grade A Warehouses in Ningbo



	2015	2016	2017	2018	2019	2020F	2021F	2022F
🟩 New Supply	64	47	117	245	148	464	485	263
🟥 Existing Stock	182	246	293	410	655	803	1267	1752
— Total Stock Change YOY	35.2%	19.1%	39.9%	59.8%	22.6%	57.8%	38.3%	15.0%

Source: Knight Frank

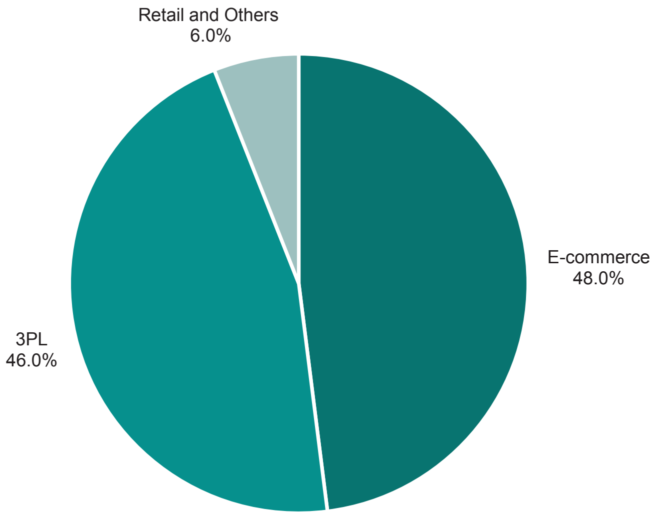
Exhibit 146 New Supply, Net Absorption and Occupancy Rate of Grade A Warehouses in Ningbo



	2015	2016	2017	2018	2019	2020F	2021F	2022F
🟥 New Supply	64	47	117	245	148	464	485	263
🟩 Net Absorption	59	19	126	241	92	382	425	264
— Occupancy Rate	83.0%	76.0%	85.0%	90.0%	85.0%	84.0%	85.0%	87.0%

Source: Knight Frank

Exhibit 147 Tenant Composition of Grade A Warehouses in Ningbo in 2019



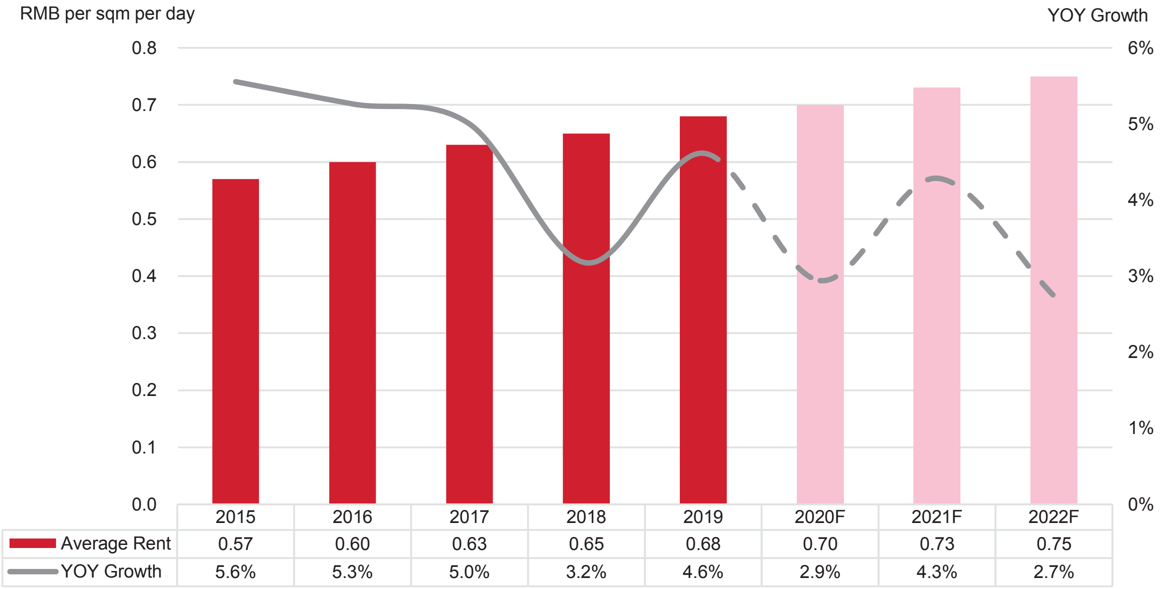
Source: Knight Frank

Rent, Yield and Value

5.118 The average rent of Grade A warehouses in Ningbo recorded an increase from RMB0.57 per sqm per day in 2015 to RMB0.68 per sqm per day in 2019. As the logistics market is expected to expand gradually with the support of e-commerce industry, the rental level is anticipated to grow steadily at a CAGR of 3.3% between 2019 and 2022 and reach an average rent of RMB0.75 per sqm per day in 2022.

5.119 The average capital value of Grade A warehouses in Ningbo increased to RMB3,327 per sqm in 2019, representing a growth of 4.6% YOY. On the other hand, the net yield dropped from 4.6% in 2015 to 4.4% in 2019 and is expected to further lower down to 4.1% in 2022. With the gradual growth of rent and decrease in yield, it is expected that the capital value will continue to grow at a CAGR of 4.6% between 2019 and 2022 and achieve a level of RMB3,809 per sqm in 2022.

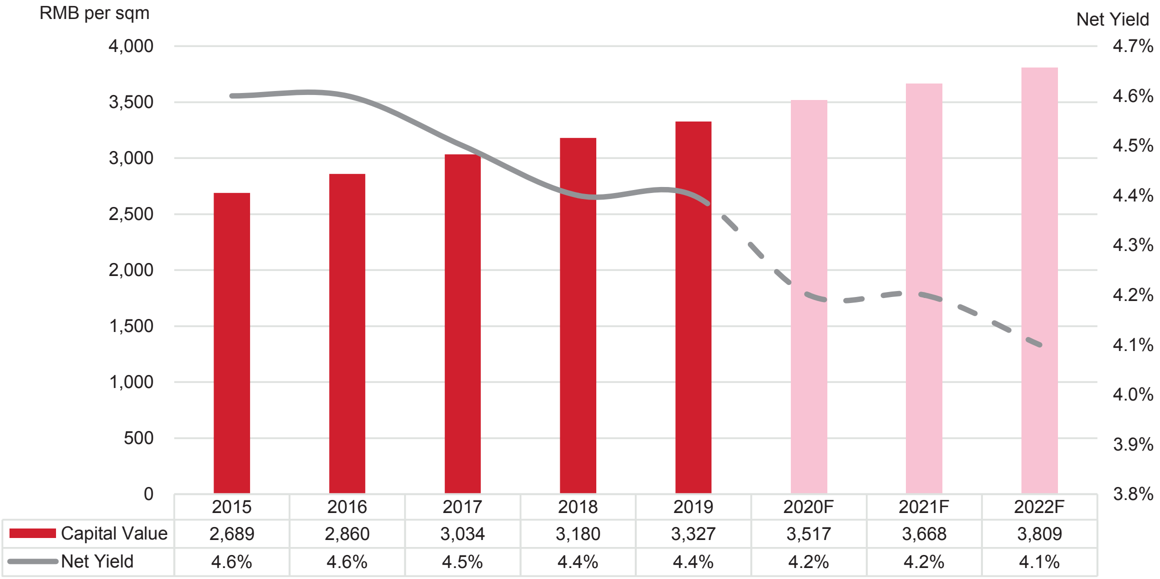
Exhibit 148 Rental Level of Grade A Warehouses in Ningbo



	2015	2016	2017	2018	2019	2020F	2021F	2022F
Average Rent	0.57	0.60	0.63	0.65	0.68	0.70	0.73	0.75
YOY Growth	5.6%	5.3%	5.0%	3.2%	4.6%	2.9%	4.3%	2.7%

Source: Knight Frank

Exhibit 149 Capital Value and Yield of Grade A Warehouses of Ningbo



	2015	2016	2017	2018	2019	2020F	2021F	2022F
Capital Value	2,689	2,860	3,034	3,180	3,327	3,517	3,668	3,809
Net Yield	4.6%	4.6%	4.5%	4.4%	4.4%	4.2%	4.2%	4.1%

Source: Knight Frank

Subject Property Analysis

5.120 Mapletree (Cixi) Logistics Park is located in Cixi City located at northern Ningbo. It is one-hour drive away from Ningbo Lishe International Airport. The property enjoy proximity to various transport infrastructure and key population catchments which are shown in the table below:

Exhibit 150 Distances to Major Destinations

Destination	Approximate Road Distance from Mapletree (Cixi) Logistics Park
Ningbo City Centre	60-minute drive
Zhuangqiao Railway Station	40-minute drive
Ningbo Lishe International Airport	60-minute drive
Ningbo Zhoushan Port	60-minute drive
Nearest Highway	30-minute drive

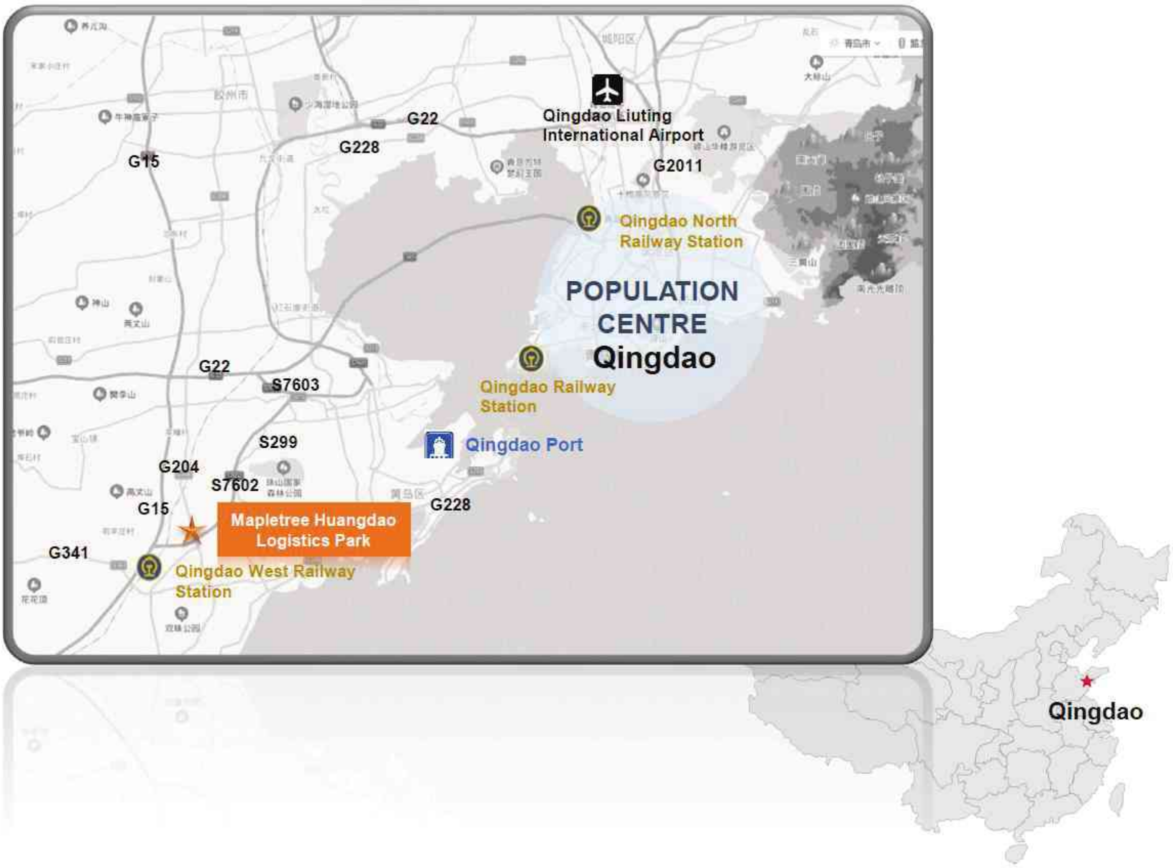
Source: Knight Frank

Performance Outlook

5.121 Mapletree (Cixi) Logistics Park was completed in 2018. It was leased to several reputable tenants and achieves an occupancy rate of 100.0%, with major tenants such as GXG and Wang Long. In the long run, amid robust logistics demand of Ningbo brought by the emerging e-commerce industry and its locational advantage being highly convenient to Shanghai, it is expected that the rental levels will rise steadily, and the high occupancy could be maintained.

Qingdao Market Overview

Exhibit 151 Location of Qingdao



Source: Knight Frank

Economic Overview

5.122 Qingdao is a major sub-provincial city in eastern Shandong Province located in North China. Its area spans over approximately 11,067 sqkm. Qingdao is a major nodal city on the 21st Century Maritime Silk Road, arm of the Belt and Road Initiative that connects East Asia with Europe.

5.123 The population of Qingdao increased to 9.5 million in 2019, representing a CAGR of 1.1% between 2015 and 2019. The GDP of Qingdao in 2019 grew to RMB1,174 billion with an average growth of 7.5% over the same period. The inflation rate went up from 1.2% in 2015 to 3.3% in 2019. The imports and exports surged at a CAGR of 10.1% and 2.2% respectively between 2015 and 2019 backed by the Belt and Road Initiative. The urban disposable income and urban consumption expenditure in 2019 both steadily grew to RMB54,484 per capita and RMB35,266 per capita respectively with a CAGR of 7.8% and 7.9%.

Exhibit 152 Macroeconomic Indicators of Qingdao

RMB billion (unless otherwise stated)	2015	2016	2017	2018	2019
GDP	947	1,018	1,102	1,200	1,174
Real GDP Growth	8.1%	7.9%	7.5%	7.4%	6.5%
GDP per Capita (RMB per capita)	104,418	111,302	119,215	128,459	124,282
FDI (USD billion)	6.7	7.0	7.7	5.8	5.8
FDI Growth	10.0%	4.7%	10.5%	-25.0%	0.7%
Imports (USD billion)	24.9	22.6	30.3	31.7	36.5
Imports Growth	-26.3%	-9.2%	34.3%	4.5%	15.2%
Exports (USD billion)	45.4	41.7	45.9	46.8	49.5
Exports Growth	0.3%	-8.1%	10.2%	1.9%	5.9%
Inflation Rate	1.2%	2.5%	2.0%	2.1%	3.3%
Population (million)	9.1	9.2	9.3	9.4	9.5
Population Growth	0.6%	1.2%	0.9%	1.1%	1.1%
Urban Disposable Income (RMB per capita)	40,370	43,598	47,176	50,817	54,484
Urban Disposable Income Growth	8.1%	8.0%	8.2%	7.7%	7.2%
Urban Consumption Expenditure (RMB per capita)	26,052	28,285	30,569	32,890	35,266
Urban Consumption Expenditure Growth	8.0%	8.6%	8.1%	7.6%	7.2%

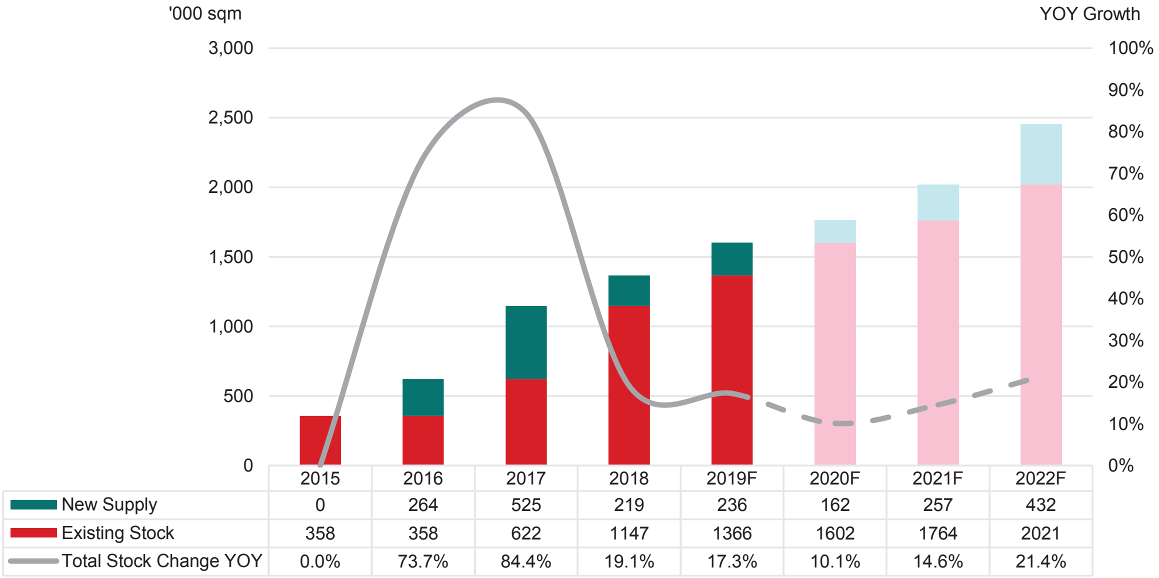
Source: Qingdao Statistics Bureau

Supply and Demand

5.124 The total size of Grade A warehouse has increased to 1,602 million sqm in 2019 at a CAGR of 45.4% between 2015 and 2019. Supply grew rapidly over the years, especially in 2017 and 2018, adding a total of 744,000 sqm to the total stock. With a growing demand from e-commerce industry, and the increasing trade due to Belt and Road Initiative, it is believed that the demand for logistics space shall continue to be strong. Key tenants for logistics facilities include SF Express and Qingdao Port International. It is expected that the stock will expand at a CAGR of 15.3% between 2019 and 2022 and reach 2.5 million sqm in 2022.

5.125 The net absorption remained positive and kept in line with new supply for the past five years. The occupancy rate maintained at a high level, ranging from 82.0% to 92.0%. As the logistics market continues to grow and there is adequate supply in the market in the coming years, it is believed that the net absorption could still be in line with the supply and occupancy rate in 2022 could reach 84.0%.

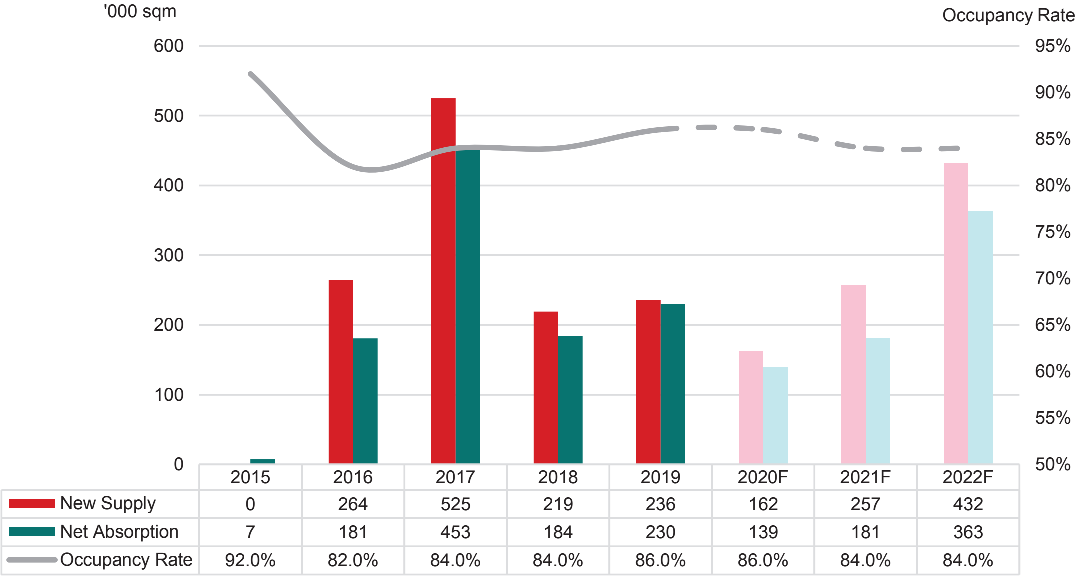
Exhibit 153 Existing Stock and New Supply of Grade A Warehouses in Qingdao



	2015	2016	2017	2018	2019F	2020F	2021F	2022F
New Supply	0	264	525	219	236	162	257	432
Existing Stock	358	358	622	1147	1366	1602	1764	2021
Total Stock Change YOY	0.0%	73.7%	84.4%	19.1%	17.3%	10.1%	14.6%	21.4%

Source: Knight Frank

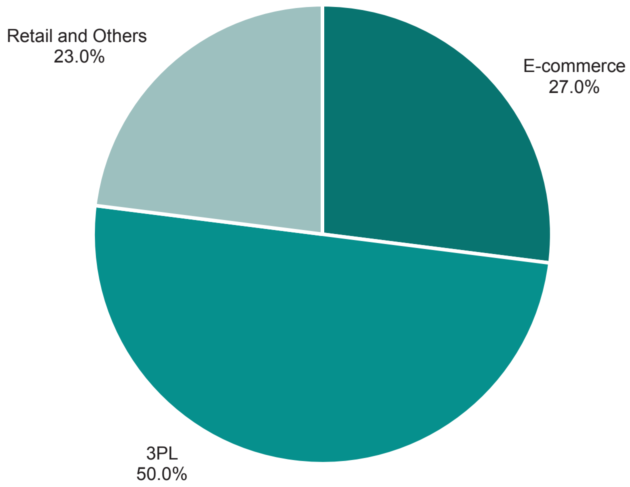
Exhibit 154 New Supply, Net Absorption and Occupancy Rate of Grade A Warehouses in Qingdao



	2015	2016	2017	2018	2019	2020F	2021F	2022F
New Supply	0	264	525	219	236	162	257	432
Net Absorption	7	181	453	184	230	139	181	363
Occupancy Rate	92.0%	82.0%	84.0%	84.0%	86.0%	86.0%	84.0%	84.0%

Source: Knight Frank

Exhibit 155 Tenant Composition of Grade A Warehouses in Qingdao in 2019



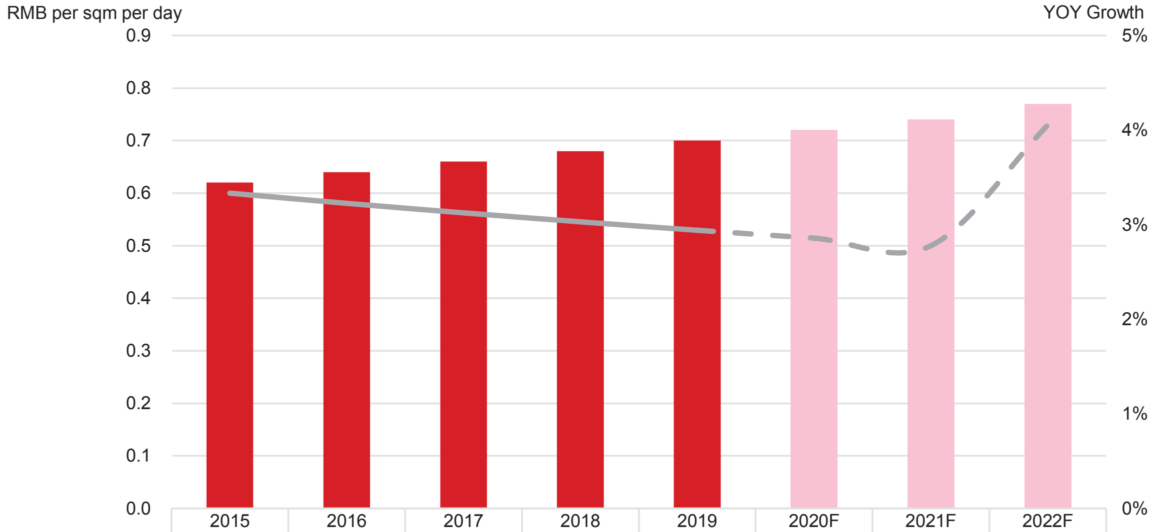
Source: Knight Frank

Rent, Yield and Value

5.126 The average rent of Grade A warehouses in Qingdao recorded an increase from 2015 to 2019 from RMB0.62 per sqm per day to RMB0.70 per sqm per day. As the logistics market is expected to expand gradually with the support of e-commerce industry, the rental level is anticipated to grow steadily at a CAGR of 3.2% between 2019 and 2022 and reach an average rent of RMB0.77 per sqm per day in 2022.

5.127 The average capital value of Grade A warehouses in Qingdao increased to RMB3,425 per sqm in 2019, representing a growth of 2.9% YOY. On the other hand, the net yield dropped from 4.6% in 2015 to 4.4% in 2019 and is expected to further lower down to 4.1% in 2022. With the gradual growth of rent and decrease in yield, it is expected that the capital value will continue to grow at a CAGR of 4.5% between 2019 and 2022 and achieve a level of RMB3,910 per sqm in 2022.

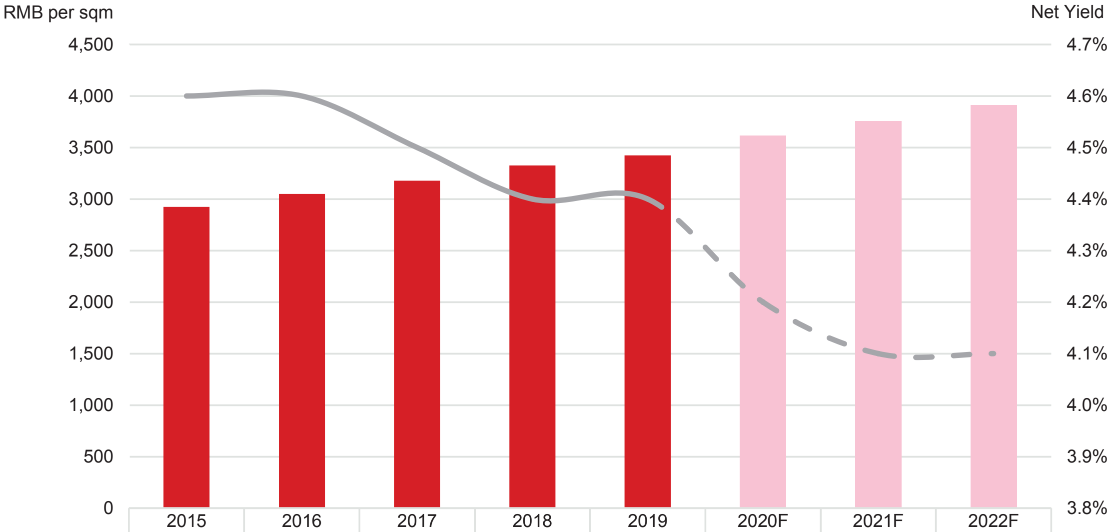
Exhibit 156 Rental Level of Grade A Warehouses in Qingdao



	2015	2016	2017	2018	2019	2020F	2021F	2022F
🟥 Average Rent	0.62	0.64	0.66	0.68	0.70	0.72	0.74	0.77
— YOY Growth	3.3%	3.2%	3.1%	3.0%	2.9%	2.9%	2.8%	4.1%

Source: Knight Frank

Exhibit 157 Capital Value and Yield of Grade A Warehouses of Qingdao



	2015	2016	2017	2018	2019	2020F	2021F	2022F
🟥 Capital Value	2,925	3,051	3,179	3,327	3,425	3,617	3,758	3,910
— Net Yield	4.6%	4.6%	4.5%	4.4%	4.4%	4.2%	4.1%	4.1%

Source: Knight Frank

Subject Property Analysis

5.128 Mapletree Huangdao Logistics Park is located in Huangdao District located at southern Qingdao. It is 1.5-hour drive away from Qingdao Liuting International Airport. The property enjoy proximity to various transport infrastructure and key population catchments which are shown in the table below:

Exhibit 158 Distances to Major Destinations

Destination	Approximate Road Distance from Mapletree Huangdao Logistics Park
Qingdao City Centre	90-minute drive
Qingdao West Railway Station	15-minute drive
Qingdao Liuting International Airport	90-minute drive
Qingdao Port	35-minute drive
Nearest Highway	1-minute drive

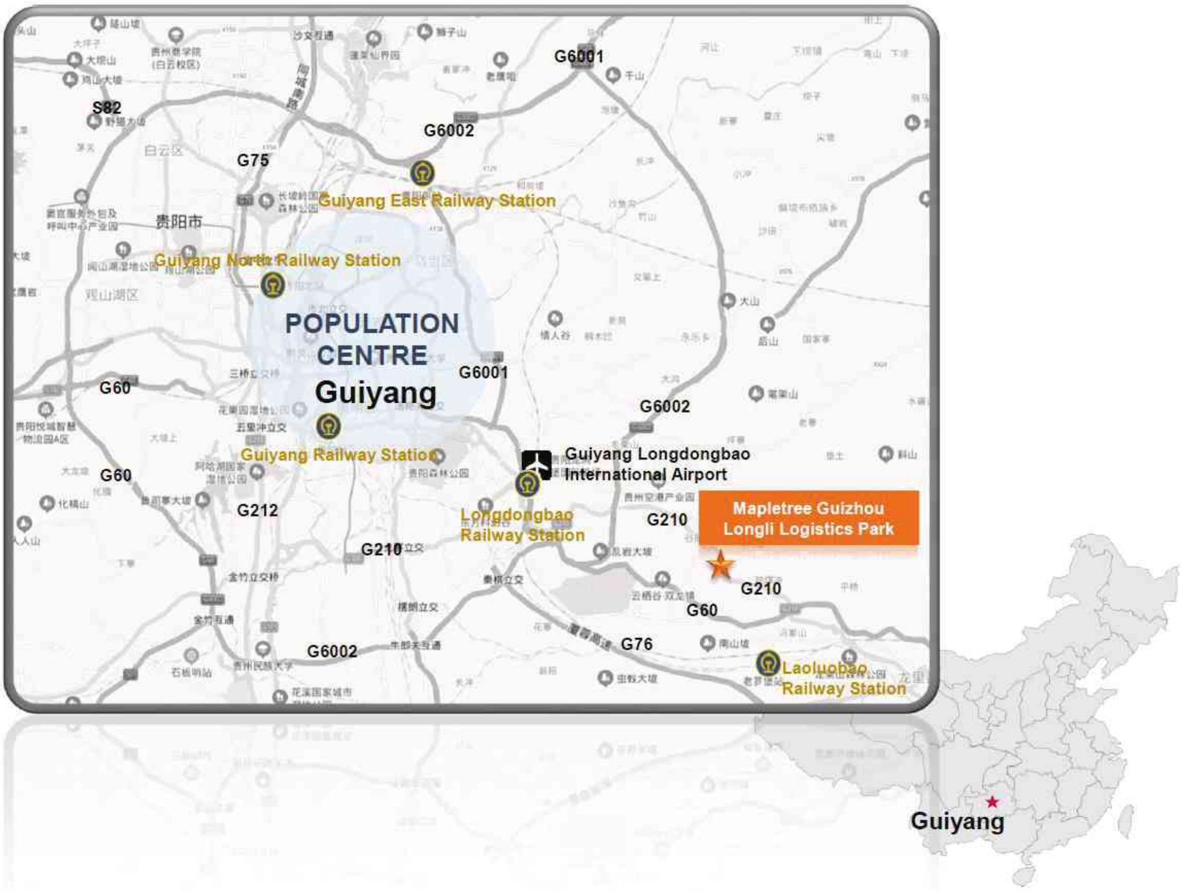
Source: Knight Frank

Performance Outlook

5.129 Mapletree Huangdao Logistics Park was newly completed in 2019. It is 100.0% occupied by multiple reputable tenants such as Qingdao Port International and Foshan Tuojian Stomatological Medical Instrument due to its close proximity to Qingdao Port. In the long run, amid robust logistics demand of Qingdao brought by the emerging e-commerce industry and its strategic location as a transport hub of the 21st Century Maritime Silk Road, it is expected that the rental levels will rise steadily, and a high occupancy could be maintained.

Guiyang Market Overview

Exhibit 159 Location of Guiyang



Source: Knight Frank

Economic Overview

5.130 Guiyang is the capital city of Guizhou Province located in Midwest China. Its area spans over approximately 8,034 sqkm. Guiyang is an economic and commercial hub of Guizhou Province. The city is also a large centre for retail and wholesale commercial activities with operations of major domestic and international general retailers.

5.131 The population of Guiyang reached 5.0 million in 2019, representing a CAGR of 1.8% between 2015 and 2019. The GDP of Guiyang in 2019 grew to RMB404 billion with an average growth of 10.6% over the same period. The inflation rate increased from 2.3% in 2015 to 2.7% in 2019. The imports and exports contracted at a CAGR of 2.5% and 21.2% respectively between 2015 and 2019. The urban disposable income in 2019 steadily grew to RMB38,240 per capita with a CAGR of 8.8%, while the FDI recorded a CAGR of 17.7% over the same period.

Exhibit 160 Macroeconomic Indicators of Guiyang

RMB billion (unless otherwise stated)	2015	2016	2017	2018	2019
GDP	289	316	354	380	404
Real GDP Growth	12.5%	11.7%	11.3%	9.9%	7.4%
GDP per Capita (RMB per capita)	63,003	67,771	74,493	78,449	81,995
FDI (USD billion)	0.9	1.1	1.3	1.6	1.8
FDI Growth	21.8%	20.8%	20.1%	18.1%	12.0%
Imports (USD billion)	1.2	0.6	0.7	1.0	1.1
Imports Growth	114.6%	-47.7%	12.5%	36.0%	13.0%
Exports (USD billion)	7.9	3.3	2.3	2.5	3.0
Exports Growth	8.6%	-58.4%	-30.9%	10.7%	21.1%
Inflation Rate	2.3%	1.1%	1.0%	1.7%	2.7%
Population (million)	4.6	4.7	4.8	4.9	5.0
Population Growth	1.1%	1.6%	2.2%	1.7%	1.8%
Urban Disposable Income (RMB per capita)	27,241	29,502	32,186	35,115	38,240
Urban Disposable Income Growth	9.1%	8.3%	9.1%	9.1%	8.9%
Urban Consumption Expenditure (RMB per capita)	22,532	24,335	26,063	28,250	N/A
Urban Consumption Expenditure Growth	15.5%	8.0%	7.1%	8.4%	N/A

Source: Guiyang Statistics Bureau

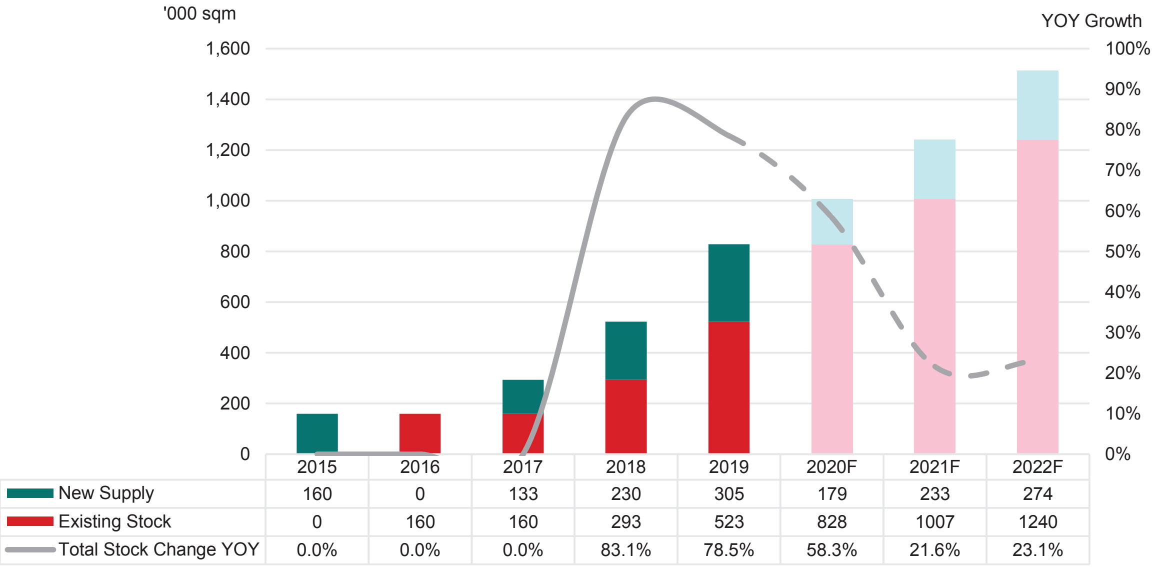
Remarks: Urban consumption expenditure of Guiyang in 2019 is not available as of the date of publication of this report.

Supply and Demand

5.132 The total size of Grade A warehouse has increased to 828,000 sqm in 2019 at a CAGR of 50.8% between 2015 and 2019. The high growth rate is due to a boom in supply in 2017 and 2018 specifically. It is expected that the stock will expand at a CAGR of 22.3% between 2019 and 2022 and reach 1.5 million sqm in 2022.

5.133 Despite the substantial amount of new supply entering the market in recent years, the net absorption remained positive during the past five years. The occupancy rate surged from a moderate 75.0% to a high 90.0% in the past five years. This shows that the supply is slowly responding to the market demand as occupancy remains high, with key tenant such as SF Express. With a continuous growth in the e-commerce industry, it is expected that the net absorption in the future three years will keep in line with the new supply, supporting the occupancy rate to stay at 90.0% to 92.0% in 2021 and 2022.

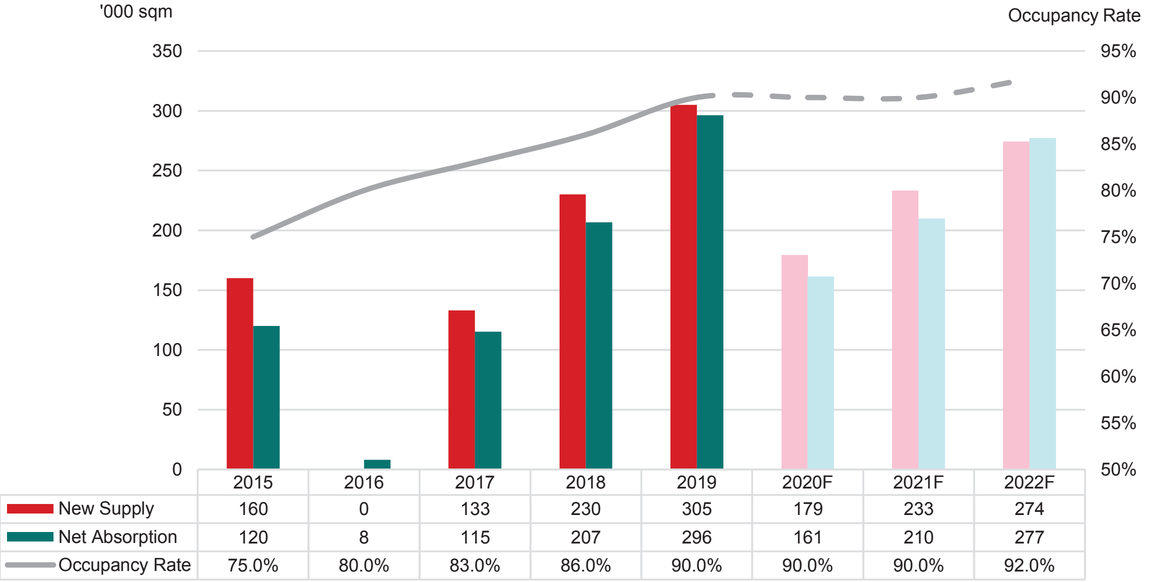
Exhibit 161 Existing Stock and New Supply of Grade A Warehouses in Guiyang



	2015	2016	2017	2018	2019	2020F	2021F	2022F
🟩 New Supply	160	0	133	230	305	179	233	274
🟥 Existing Stock	0	160	160	293	523	828	1007	1240
— Total Stock Change YOY	0.0%	0.0%	0.0%	83.1%	78.5%	58.3%	21.6%	23.1%

Source: Knight Frank

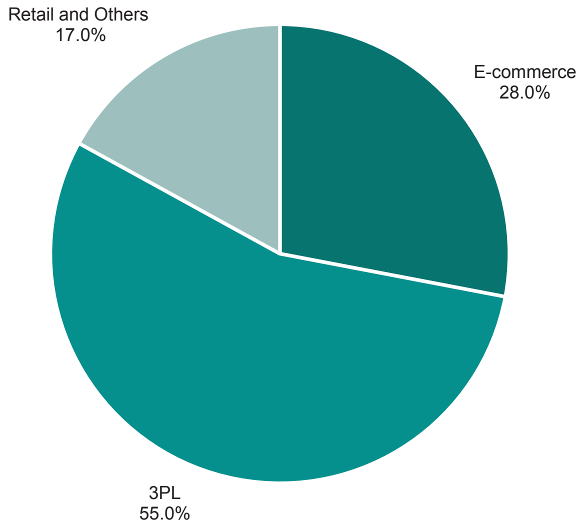
Exhibit 162 New Supply, Net Absorption and Occupancy Rate of Grade A Warehouses in Guiyang



	2015	2016	2017	2018	2019	2020F	2021F	2022F
🟥 New Supply	160	0	133	230	305	179	233	274
🟩 Net Absorption	120	8	115	207	296	161	210	277
— Occupancy Rate	75.0%	80.0%	83.0%	86.0%	90.0%	90.0%	90.0%	92.0%

Source: Knight Frank

Exhibit 163 Tenant Composition of Grade A Warehouses in Guiyang in 2019



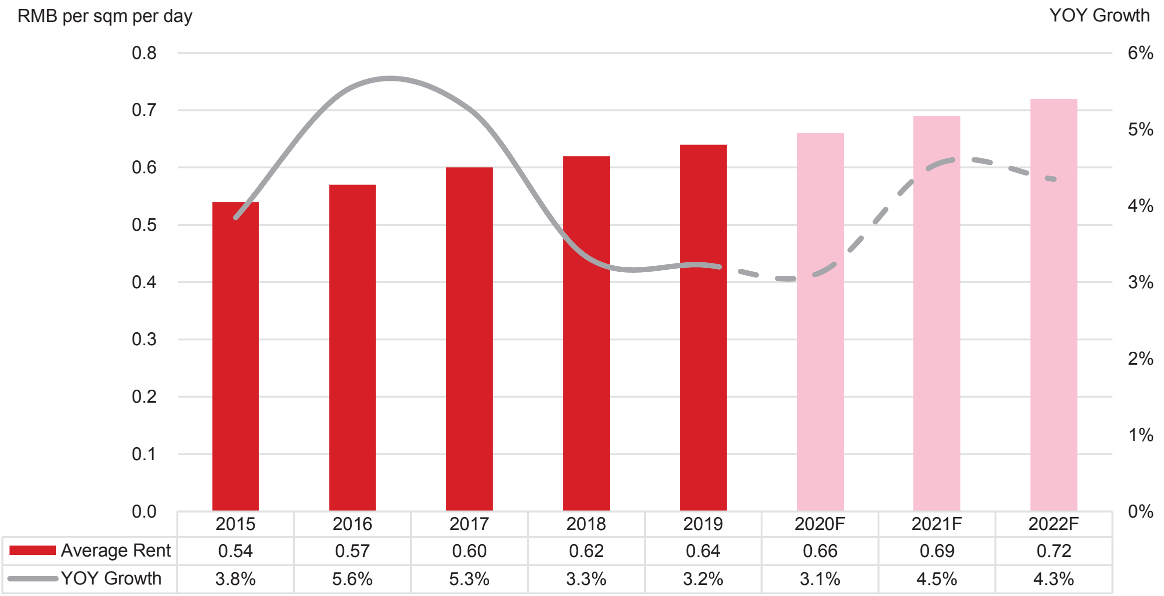
Source: Knight Frank

Rent, Yield and Value

5.134 The average rent of Grade A warehouses in Guiyang increased gradually from 2015 to 2019 from RMB0.54 per sqm per day to RMB0.64 per sqm per day. As the logistics market is expected to expand gradually with the support of e-commerce industry, the rental level is anticipated to grow steadily at a CAGR of 4.0% between 2019 and 2022 and reach an average rent of RMB0.72 per sqm per day in 2022.

5.135 The average capital value of Grade A warehouses in Guiyang increased to RMB3,131 per sqm in 2019, representing a growth of 3.2% YOY. On the other hand, the net yield dropped from 4.6% in 2015 to 4.4% in 2019 and is expected to further lower down to 4.2% in 2022. With the gradual growth of rent and decrease in yield, it is expected that the capital value will continue to grow at a CAGR of 4.9% between 2019 and 2022 and achieve a level of RMB3,617 per sqm in 2022.

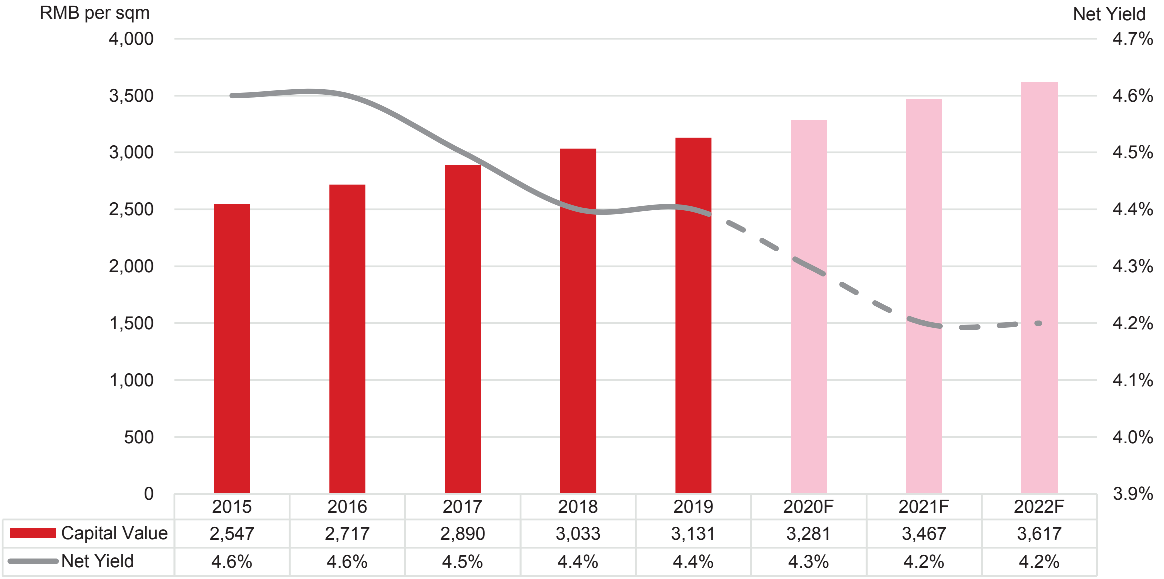
Exhibit 164 Rental Level of Grade A Warehouses in Guiyang



	2015	2016	2017	2018	2019	2020F	2021F	2022F
Average Rent	0.54	0.57	0.60	0.62	0.64	0.66	0.69	0.72
YOY Growth	3.8%	5.6%	5.3%	3.3%	3.2%	3.1%	4.5%	4.3%

Source: Knight Frank

Exhibit 165 Capital Value and Yield of Grade A Warehouses of Guiyang



	2015	2016	2017	2018	2019	2020F	2021F	2022F
Capital Value	2,547	2,717	2,890	3,033	3,131	3,281	3,467	3,617
Net Yield	4.6%	4.6%	4.5%	4.4%	4.4%	4.3%	4.2%	4.2%

Source: Knight Frank

Subject Property Analysis

5.136 Mapletree Guizhou Longli Logistics Park is located in Longli County at the east of Guiyang and is 20-minute drive away from Guiyang Longdongbao International Airport. It enjoys proximity to various transport infrastructure and key population catchments which are shown in the table below:

Exhibit 166 Distances to Major Destinations

Destination	Approximate Road Distance from Mapletree Guizhou Longli Logistics Park
Guiyang City Centre	60-minute drive
Guiyang Railway Station	45-minute drive
Guiyang Longdongbao International Airport	20-minute drive
Kaiyang Port	95-minute drive
Nearest Highway	5-minute drive

Source: Knight Frank

Performance Outlook

5.137 Mapletree Guizhou Longli Logistics Park was newly developed in 2019 and is 100.0% occupied with SF Express as a major tenant. Given the fact that the tenant is a reputable e-commerce company with expected growth in revenue in the future due to the growing demand from the public, it is expected that the property will be able to generate a stable income and the rental levels will rise steadily.

6. Limitations on the Report

Data Accuracy

6.1 Knight Frank has prepared this report based on its in-house database, independent third-party reports and publicly available data from what it considers to be reputable industry organisations. Knight Frank has assumed that the information and data which it has relied on are complete and accurate. The information contained herein has been obtained from sources expected by Knight Frank to be reliable, but there can be no assurance as to the accuracy or completeness of any such information.

6.2 We have also relied on the information provided by Mapletree Logistics Trust Management Limited and have not verified the correctness of any information including their translation supplied to us concerning this property. We assume that this information is complete and correct.

Future Matters

6.3 To the extent that this report includes any statement relating to future matters, that statement is provided as an estimate or an opinion based on the information known to Knight Frank as at the date of this report. The process of making forecasts involves assumptions about a considerable number of variables, which are very sensitive to changing conditions. Variations of any one may significantly affect outcomes. Knight Frank therefore can give no assurance that the forecasts outlined in this report will be achieved or that such forecasts and forward-looking statements will prove to have been correct and you are cautioned not to place undue reliance on them. Knight Frank undertakes no obligation to publicly update or revise any forward-looking statements contained in this report, whether as a result of new information, future events or otherwise, except as required by law and all forward-looking statements contained in this report are qualified by reference to this cautionary statement.

Market Variations

6.4 While current market is influenced by various policies and regulations, increased complexity in social movements and international trade tensions geopolitics, has also resulted in more fluctuations in real estate market. It must be recognised changes in policy direction, social and international tensions could be immediate and have sweeping impact on the real estate market apart from typical market variations. It should therefore be noted that any market violation, policy, geopolitical and social changes or other unexpected incidents after the date of data collection or report date may affect the findings and conclusions.

6.5 The outbreak of COVID-19, declared by the World Health Organisation as a “Global Pandemic” on the 11 March 2020, has and continues to impact many aspects of daily life and the global economy – with real estate markets having experienced lower levels of transactional activity and liquidity. Travel restrictions have been implemented by many countries and “lockdowns” applied to varying degrees. Whilst restrictions have now been lifted in some cases, local lockdowns may continue to be deployed as necessary and the emergence of significant further outbreaks is possible.

6.6 The pandemic and the measures taken to tackle COVID-19 continues to affect economies and real estate markets both locally and globally. Nevertheless, as at the report date some property markets have started to function again, with transaction volumes and other relevant evidence returning to levels where an adequate quantum of market evidence exists upon which to base opinions of value.

Others

6.7 All charts, photos, maps, renderings and images are for illustration only and may not be drawn to scale. No representations or warranties of any nature whatsoever are given, intended or implied. Knight Frank will not be liable for negligence, or for any direct or indirect consequential losses or damages arising from the use of this information.

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Date: 9th October 2020

Ref: R&C/20/MMM/013/omc

INDEPENDENT MARKET RESEARCH REPORT

LOGISTICS / DISTRIBUTION CENTRES

MAPLETREE LOGISTICS HUB – PORT OF TANJUNG PELEPAS, ISKANDAR (MLHPTP)

LOTS D40 AND D44, TANJUNG PELEPAS FREE ZONE,
PORT OF TANJUNG PELEPAS,
GELANG PATAH, JOHOR,
MALAYSIA.

Prepared for:
HSBC Institutional Trust Services (Singapore) Limited
(in its capacity as trustee of Mapletree Logistics Trust);
Mapletree Logistics Trust Management Limited
(in its capacity as manager of Mapletree Logistics Trust); and
Mapletree Malaysia Management Sdn Bhd

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1.0 INTRODUCTION

1.1 Objective of Study

We have been instructed by HSBC Institutional Trust Services (Singapore) Limited (in its capacity as trustee of Mapletree Logistics Trust), Mapletree Logistics Trust Management Limited (in its capacity as manager of Mapletree Logistics Trust) and Mapletree Malaysia Management Sdn Bhd (hereinafter collectively referred to as the **'Client'**) to prepare an Independent Market Research (IMR) Report on Logistics / Distribution Centres for MapleTree Logistics Hub – Port of Tanjung Pelepas, Iskandar (MLHPTP) held under the asset company of Mapletree Malaysia Management Sdn Bhd.

MLHPTP occupies a site measuring 112,988 sq m (27.92 acres or 1,216,195 sq ft) and has gross floor area and net lettable area of 133,698 sq m and 131,638 sq m respectively. It bears postal address Lots D40 and D44, Tanjung Pelepas Free Zone, Port of Tanjung Pelepas, Gelang Patah, Johor, Malaysia (hereinafter referred to as the **'Subject Property'**).

The report will also provide an overview and market outlook of logistics / distribution centres.

The IMR is required for **Internal Management** purpose and inclusion in the **Prospectus / Circular to the Unitholders of Mapletree Logistics Trust**.

1.2 Scope of Work

Our deliverables of the Independent Market Research Report are as follows:

1) **Introduction**

2) **Overview of Macro-Economic Indicators**

   - **Key Economic Indicators:** Indicators under review include gross domestic product (GDP); unemployment rate and inflation.
   - **Other Indicators:** Domestic and foreign direct investment focusing on manufacturing sector; Malaysia international trade statistics and industrial production index (IPI).

3) **Population and Demography**

   - Data on estimated population / average annual growth rate, median age and gender ratio; household number / income, unemployment trend, etc. on national / state / administrative district level, where data are available.

4) **Impact of COVID-19: Market Outlook**

   - This section provides commentary on the market outlook including the impact of COVID-19 towards the industrial market/ manufacturing sector and review some of the emerging trends, strategies and opportunities.

5) Overview of Logistics Trends in Malaysia

- Transportation and Storage Services (TSS) Statistics (2015 to current available year data).
- Items under review (where information are available) include:
  - ✓ GDP contribution by TSS
  - ✓ Handling of cargo and container by rail, ports and airports
- Commentary of e-commerce trends
- Commentary of COVID-19 impact towards the logistics sector

6) Property Market Analysis: Logistics and Distribution Centres in Johor

- This section reviews selected notable logistics and distribution centres in Johor / sub-locality.
- Items under review (where information are available) include:
  - ✓ Supply: existing and incoming (logistics, distribution centres and warehouses).
  - ✓ Commentary of Grade A facilities
  - ✓ Estimated occupancy levels and rental rates
  - ✓ Notable transactions
  - ✓ Yield analysis

7) Review of Subject Property (Mapletree Logistics Hub – Port of Tanjung Pelepas)

- To review the location; site details including physical attributes; accessibility and traffic flow; planning provision; surrounding developments and impact on the Subject Property.
- SWOT Analysis (strengths, weaknesses, opportunities and threats) in relation to the Subject Property.

8) Summary & Conclusion

- Summary of market findings: supply / demand, pricing, rental, occupancy, etc.
- With findings from the property market research, we will conclude on the estimated rental range for the Subject Property.

1.3 Limiting Conditions

This report has been prepared based on current market conditions. Should there be any unforeseen events that materially affect economic conditions and market conditions, our findings / recommendations set forth would have to be reviewed in light of new market conditions. Where it is stated in the report that information has been supplied by the sources listed, this information is believed to be reliable and no responsibility is accepted should it prove not to be so.

This report has been prepared on the basis that full disclosure of all information and facts have been made known to us. All information that have been obtained from third parties has been verified to the best of our abilities and is believed to be correct. We, however, do not vouch for the accuracy of the information and shall not be held liable for any inaccuracy thereof.

This report is confidential to **HSBC Institutional Trust Services (Singapore) Limited** (in its capacity as trustee of Mapletree Logistics Trust); **Mapletree Logistics Trust Management Limited** (in its capacity as manager of Mapletree Logistics Trust); and **Mapletree Malaysia Management Sdn Bhd** for the specific purpose to which it refers. No responsibility is accepted to any other party and neither the whole, nor any, nor reference thereto may be included in any published document, statement or circular, or published in any way, nor in any communication with third parties, without the prior written approval of the firm and context in which it will appear.

1.4 Sources of Information

References have been made to relevant government / government linked organisations, private organisations and various property managements, operators and agents in order to establish matters in relation to the selected comparable projects and other relevant information. References have been made to relevant publications, periodicals and news articles. Additional references have been made to our in-house data that has been gathered from numerous sources.

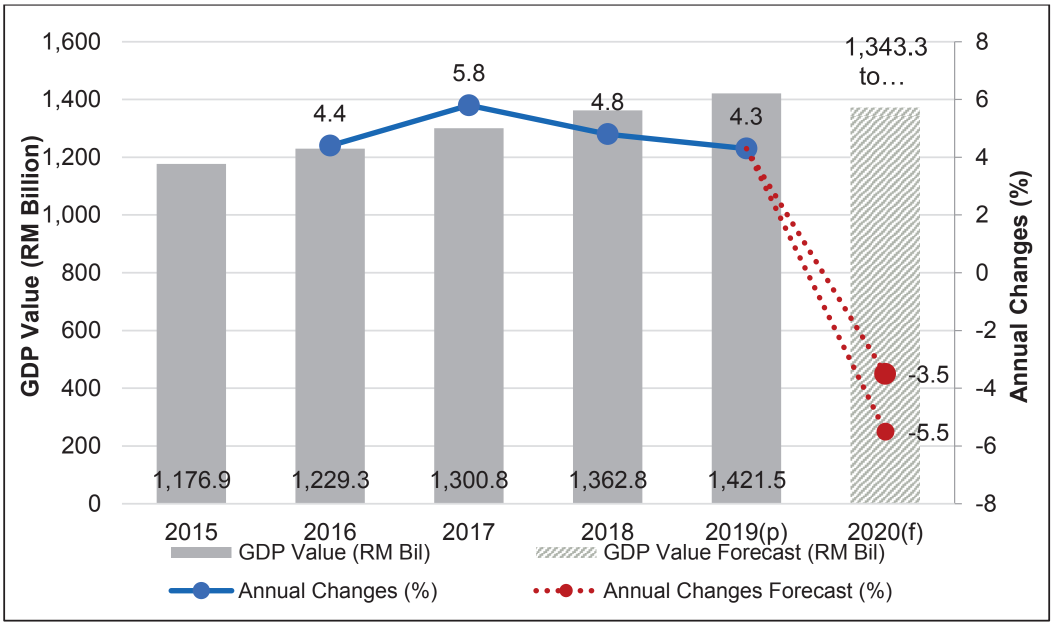
2.0 OVERVIEW OF MACROECONOMIC INDICATORS

2.1 Gross Domestic Product (GDP)

The Malaysian economy continued with its moderate expansion with the national real gross domestic product (GDP) at 2015 constant prices growing at a compound annual growth rate (CAGR) of 4.8% from 2015 to 2019, supported by resilient private expenditure. The services and manufacturing sectors continued to be the main drivers of growth.

The unprecedented COVID-19 pandemic has weakened global growth prospect for 2020 with the International Monetary Fund (IMF) predicting a deeper global downturn of -4.9%. Malaysia's economy, which has also been severely impacted by the pandemic, is projected to contract between -5.5% and -3.5% in 2020 *(source: Bank Negara Malaysia)*.

Chart 1: Malaysia - Real Gross Domestic Product (GDP) Value and Annual Changes (%), 2015 to 2020$^{(f)}$



Sources: Bank Negara Malaysia (BNM) / MIER / Ministry of Finance

Notes: (p) = preliminary data; (f) = forecast

(1) Malaysia's 2015 to 2019 GDP figures are based on 2015 constant prices

The destructive impact of the prolonged nationwide Movement Control Order (MCO), implemented since 18 March 2020 to contain the spread of the novel coronavirus and which is now in the extended recovery phase, is reflected in the country's poor economic performance for 2Q2020. Malaysia's GDP contracted 17.1% on the quarter (1Q2020: +0.7%) as measures such as travel restrictions, enforced business closures and restricted social activities left many businesses and economic sectors struggling to stay afloat.

With the re-opening of more business activities and services sector (including education) subject to conditions and standard operating procedures (SOPs) set by the relevant authorities, the economy is expected to rebound from the third quarter onwards. Malaysia's economy, supported by strong fundamentals including a diversified economic structure, sound financial system and proactive macroeconomic policy support, is expected to rebound strongly in 2021.

2.1.1 Gross Domestic Product by Sector and by State

Table 1 below illustrates the performance of specific economic sectors from 2016 to 2Q2020$^{(p)}$.

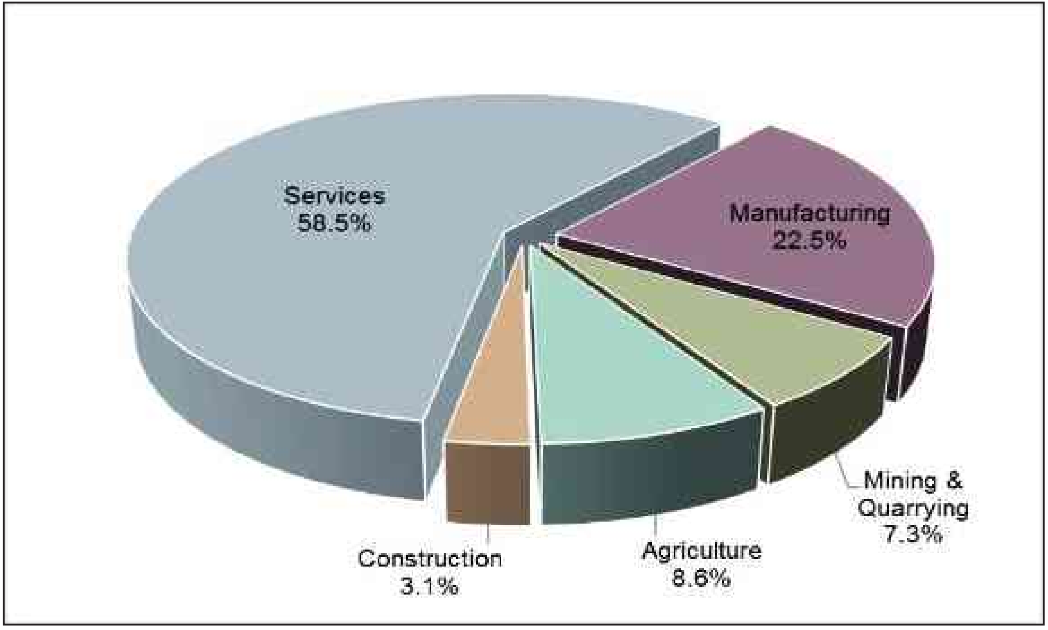
Table 1: Real GDP Growth by Sector (at constant 2015 prices), 2016 to 2Q2020$^{(p)}$

Sector	2016	2017	2018$^{(r)}$	2019$^{(p)}$	1Q2020$^{(p)}$	2Q2020$^{(p)}$
	Annual Change (%)					
Agriculture	-3.7	5.9	0.1	2	-8.7	1
Mining and Quarrying	2.2	0.4	-2.2	-2	-2	-20
Manufacturing	4.4	6	5	3.8	1.5	-18.3
Construction	7.4	6.7	4.2	0.1	-7.9	-44.5
Services	5.7	6.3	6.8	6.1	3.1	-16.2
Plus: Import Duties$^{(1)}$	8.8	13	-11.5	-1.2	-16	-17.7
GDP (at purchaser's prices)	**4.4**	**5.8**	**4.8**	**4.3**	**0.7**	**-17.1**

Source: Department of Statistics, Malaysia (DOSM)
Notes: (r) = revised; (p) = preliminary data
(1) Import duties refer to customs duties, or other import charges, which are payable on goods of a particular type from the sectors mentioned above.

The chart below illustrates the sectorial breakdown in contribution to GDP by economic activity in 2Q2020$^{(p)}$.

Chart 2: Real GDP by Type of Economic Activity (Sector), 2Q2020$^{(p)}$



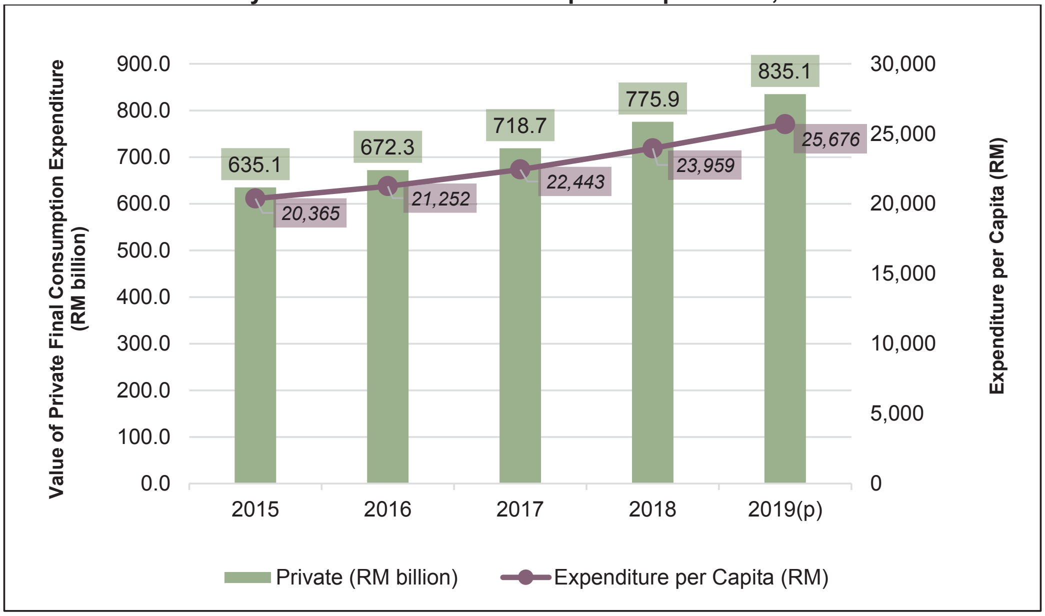
Source: Department of Statistics, Malaysia (DOSM)
Note: (p) = preliminary data

In 2019, Malaysia's GDP was recorded at RM1,421 billion or RM43,706 per capita while Johor's GDP of RM134.0 billion, accounts for 9.4% of the nation's GDP. The state has a GDP per capita of RM35,631.

2.1.2 Private Final Consumption Expenditure

In 2019, domestic demand remained the main contributor to the nation's economic growth, underpinned by an expansion in private sector spending amid weaker public sector expenditure. Between 2015 and 2019, the private final consumption expenditure has grown at a CAGR of 7.1% while on a per capita basis, it grew at a CAGR of 6.0%, from RM20,365 in 2015 to RM25,676 in 2019.

Chart 3: Malaysia – Private Final Consumption Expenditure, 2015 to 2019$^{(p)}$

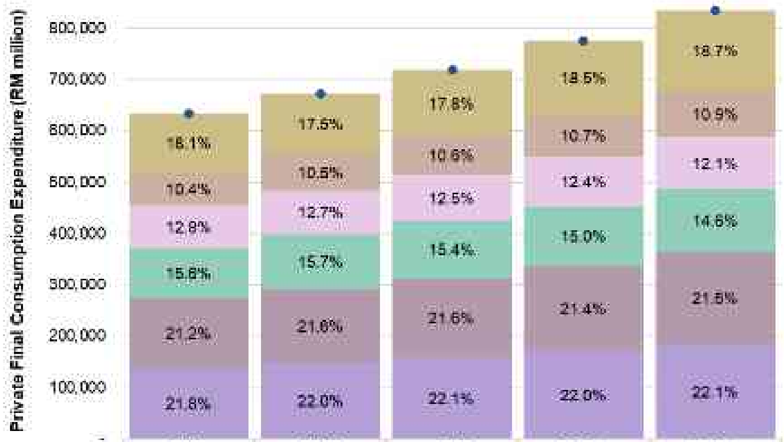


Sources: Department of Statistics, Malaysia (DOSM) / Knight Frank Malaysia

Notes: (p) = preliminary data
(1) Value from 2016 to 2018 are based on 2015 constant prices
(2) Expenditure per capital is estimated by dividing the private final consumption expenditure over the population

In 2019, expenditure for food and non-alcoholic beverages made up the largest share of private consumption at 22.1%, followed by transportation and communication expenditure with 21.6% share of total private final consumption expenditure.

Chart 4: Malaysia – Private Final Consumption Expenditure by Type, 2015 to 2019$^{(p)}$



	2015	2016	2017	2018(e)	2019(p)
■ Others	114,810	117,631	127,877	143,564	156,480
■ Restaurants and hotels	66,155	70,745	76,089	82,938	90,885
■ Miscellaneous goods and services	81,550	85,256	90,083	96,366	101,193
■ Housing, water, electricity, gas and other fuels	99,383	105,778	110,969	116,461	121,782
■ Transport & communication	134,634	145,139	154,894	166,208	180,023
■ Food and non-alcoholic beverages	138,568	147,711	158,811	170,817	184,742
● Total Private Final Consumption Expenditure	635,100	672,280	718,703	775,852	835,065

Sources: Department of Statistics, Malaysia (DOSM) / Knight Frank Malaysia

Notes: (p) = preliminary data

(1) Value from 2016 to 2019 are based on 2015 constant prices

(2) Expenditure per capital is estimated by dividing the private final expenditure over the population

2.2 Unemployment Rate

Between 2011 and 2019, the country’s unemployment rate hovered between 2.9% and 3.4%.

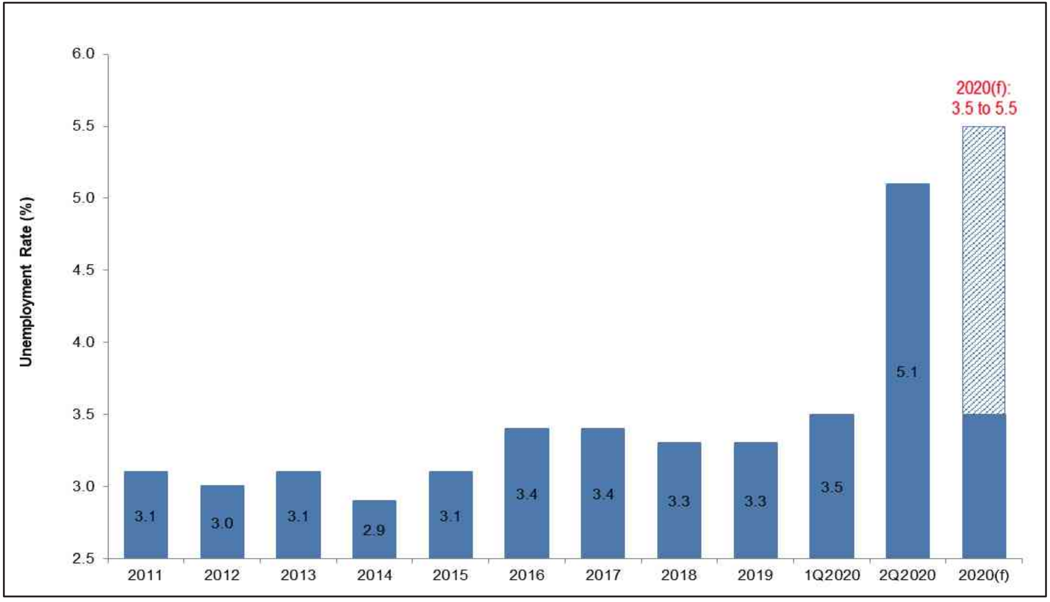
Labour force in Malaysia increased 2.0% to nearly 15.6 million persons in 2019 as compared to 15.3 million persons in 2018. The unemployment rate remained steady at 3.3% in 2019, same as 2018, driven by higher employment supported mainly by the services and manufacturing sectors.

The onset of the COVID-19 pandemic early this year, however, continues to weaken labour market conditions. The unemployment rate, which was marginally higher at 3.5% in 1Q2020 (4Q2019: 3.2%), jumped significantly to 5.1% in 2Q2020 due to the sharp rise in the May 2020 unemployment data. This MCO has led to job losses in many economic and business sectors as non-essential services slowed down or ground to a halt during the earlier phases of MCO implementation.

The unemployment rate for 2020 is expected to peak and range from 3.5% to 5.5%, the highest since 1995 impacted by weaker demand, travel restrictions and border closures.

Year-to-date (January to July 2020), the job market was the weakest in May with the unemployment rate peaking at 5.3%. Subsequently, as the country restarts its economy with further easing of restrictions, the labour force situation improved in June and July with the unemployment rate trending down to 4.9% and 4.7% respectively.

Chart 5: Unemployment Rate Trend, 2011 to 2020$^{(f)}$



Sources: Department of Statistics Malaysia (DOSM) / Bank Negara Malaysia (BNM)
Note: (f) = forecast

2.3 Inflation

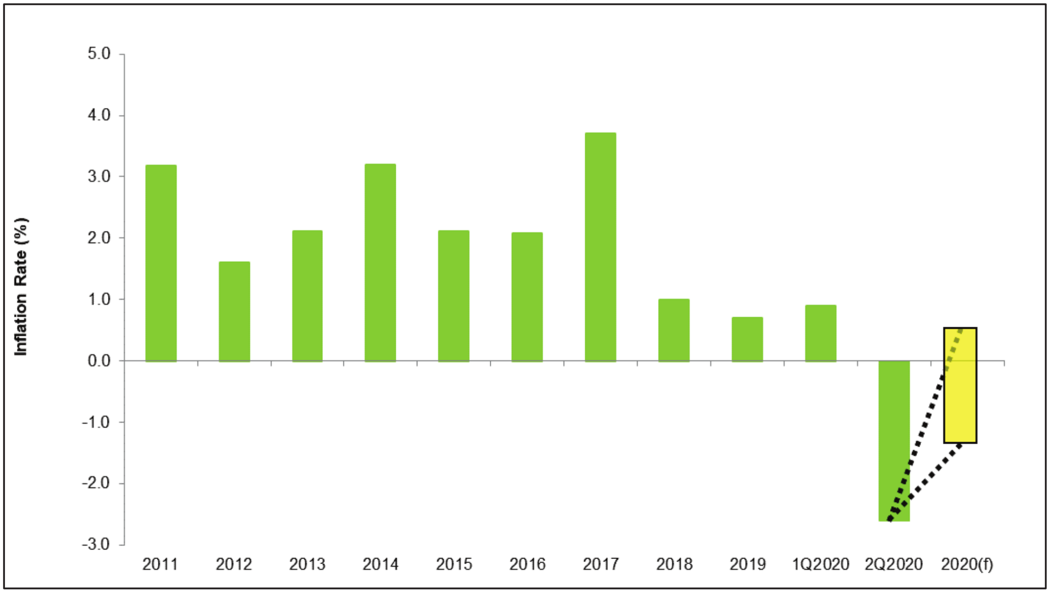
In 2018, headline inflation fell to 1.0% from 3.7% in 2017 due to the fixing of retail fuel prices and zero rating of the Goods and Services Tax (GST).

Headline inflation continued to dip to 0.7% in 2019, mainly due to the decline in prices of transport, lower global oil prices and the implementation of price ceilings on domestic retail fuel prices. Headline inflation in 1Q2020 remained modest at 0.9%, reflecting the lapse in the remaining impact from Sales and Services Tax (SST) implementation and lower price-volatile inflation.

During 2Q2020, Malaysia experienced deflation of 2.6%, primarily due to lower domestic retail fuel prices and the implementation of the tiered electricity tariff rebate that began in April 2020.

The country's headline inflation is expected to be negative with overall projected annual average of -1.5% to 0.5% in 2020, offset by the expectation of significantly lower global oil and commodity prices coupled with weaker domestic growth prospects and labour market conditions.

Chart 6: Inflation Rate, 2011 to 2020$^{(f)}$

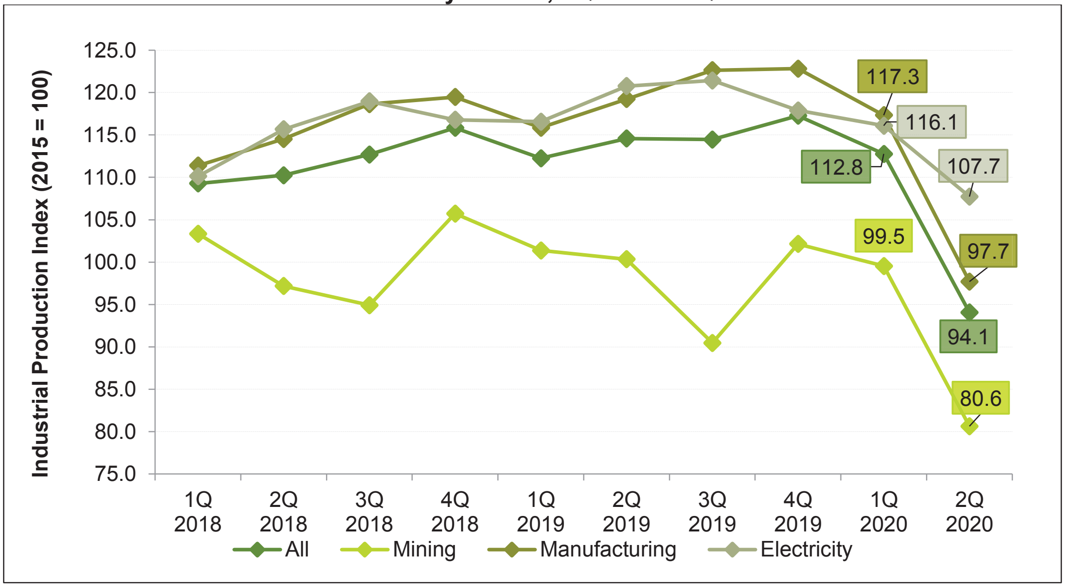


Sources: Department of Statistics Malaysia (DOSM) / Bank Negara Malaysia (BNM)
Note: (f) = forecast

2.4 Industrial Production Index (IPI)

The IPI expanded by 2.3% in 2019, supported by growth in the manufacturing sector (3.6%) and electricity sector (3.3%).

Chart 7: Malaysia – IPI, 1Q2018 to 2Q2020



Sources: Department of Statistics Malaysia (DOSM) / Knight Frank Research

In the second quarter of 2020, the overall IPI contracted by 16.6% (1Q2020: -3.8%) due to decline in the nation's industrial output in April and May 2020 as a result of the COVID-19 pandemic. The manufacturing sector also experienced a decline of 16.7%.

2.5 Private Investment

The following tabulates private investments in various economic sectors, namely the primary, manufacturing and services sectors.

Table 2: Malaysia – Private Investments in Various Economic Sectors, 2015 to 1H2020

Sector	Private Investment (RM million)					
	2015	2016	2017	2018	2019	1H2020
Manufacturing	74,693.00	58,492.70	63,684.80	87,375.60	82,732.50	35,677.70
Services	114,548.40	146,188.80	121,062.90	106,070.70	121,632.60	28,641.30
Primary	3,786.60	8,228.80	12,417.80	10,908.70	7,018.30	471.00
TOTAL	**193,028.00**	**212,910.30**	**197,165.50**	**204,355.10**	**211,383.50**	**64,790.00**

Source: Malaysian Investment Development Authority (MIDA)
Note: Due to rounding, figures presented in this table may not add up precisely to the totals provided

In 2019, Malaysia attracted investments worth RM211.4 billion in the manufacturing, services and primary sectors, 3.4% higher than preceding year with investments of RM204.4 billion.

Between 2015 and 2019, the approved investments in the manufacturing sector grew at a CAGR of 2.6% while for the services and primary sectors, the CAGR were at 1.5% and 16.7% respectively.

In the primary sector, investment in the mining sub-sector, comprising oil and gas exploration and mining in other minerals, accounted for the bulk of investments in 2019 with a total of 38 approved projects with investments of RM6.6 billion or 93.9% of total investments in the sector.

As of 1H2020, Malaysia had attracted RM64.8 billion of private investments. The manufacturing sector was the largest recipient with RM35.7 billion worth of investment while the services and primary sectors received RM28.6 billion and RM0.5 billion of investment respectively.

During the same period, Iskandar Malaysia recorded a cumulative investment of RM16 billion compared to committed investment of RM16.75 billion in 1H2019. This brought the main southern development corridor's total cumulative investment from 2006 to June 2020 to RM332.11 billion of which 60% or RM199.27 billion comprise of domestic investment with the remaining 40% or RM132.84 billion made up of foreign investment led by China, Singapore, United States, Japan and the Netherlands.

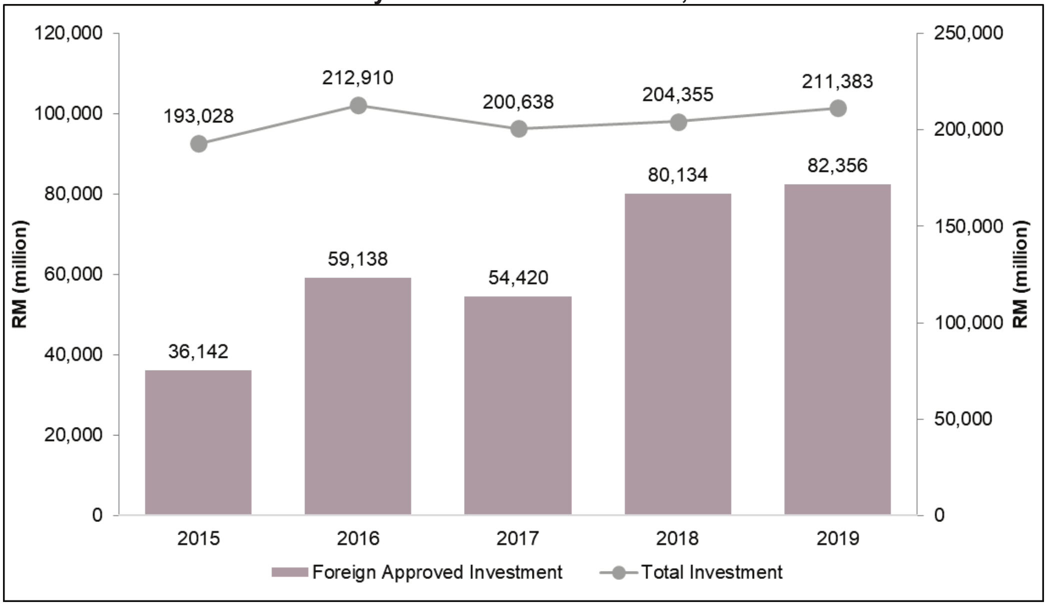
Iskandar Malaysia remains optimistic of achieving its cumulative investment target of RM383 billion by 2025 supported by the region's attractiveness as an investment destination. The Johor government recently announced seven initiatives to further boost investors' confidence in the state that include establishment of the Ibrahim Johor Economic Council, Johor Digital Masterplan, Singapore-Johor-Riau Growth Triangle Development, Johor Economic Trade and Cultural Office in Singapore, New Economic Alignment, Johor Food Bank and Johor Sustainable Development Plan 2019-2030.

2.5.1 Foreign Direct Investment (FDI)

In 2019, the value of foreign direct investment (FDI) approved was RM82.4 billion, the highest since 2015 at RM36.1 billion. This represents a CAGR of 22.9%, evident of Malaysia's attractiveness in the eyes of foreign investors. Poised to be a global supply chain hub in Asia, Malaysia has a strong presence of high-quality local suppliers.

The United States (RM26.8 billion), China (RM15.7 billion) and Japan (RM12.1 billion) accounted for 66.3% of total FDI approved in 2019.

Chart 8: Malaysia - Investment Overview, 2015 to 2019



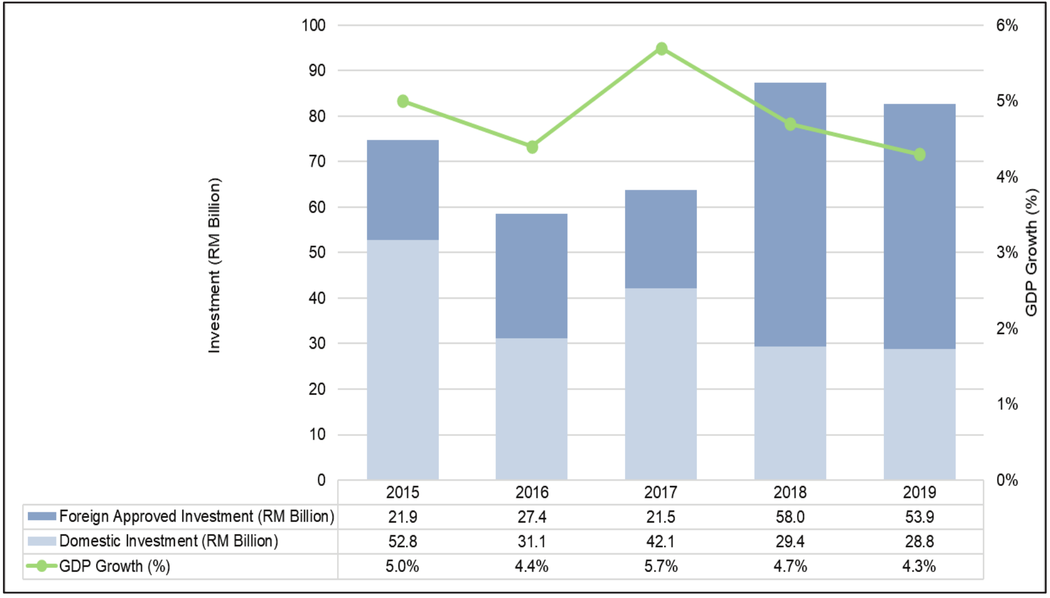
Source: Malaysian Investment Development Authority (MIDA)

2.5.2 Manufacturing Sector

The manufacturing sector continues to maintain its position as the second key engine (after the services sector) to the country's growth. The sector's contribution to the country's total GDP has been fairly consistent on an annual basis, in the region of 22.3%.

Most projects that came in the form of FDI involve the production of high-technology, high-value-added goods. Examples of foreign firms that are looking to further expand their existing operations in the country include Intel's, Smith+Nephew's and AAC Technologies.

Chart 9: Malaysia Manufacturing Sector - Investment Overview, 2015 to 2019



	2015	2016	2017	2018	2019
Foreign Approved Investment (RM Billion)	21.9	27.4	21.5	58.0	53.9
Domestic Investment (RM Billion)	52.8	31.1	42.1	29.4	28.8
GDP Growth (%)	5.0%	4.4%	5.7%	4.7%	4.3%

Sources: Bank Negara Malaysia (BNM) / Malaysian Investment Development Authority (MIDA)

In 2019, the number of approved projects in the manufacturing sector was higher by 37.0% (988 projects with investments of RM82.7 billion) when compared to the previous year (2018: 721 projects). These projects are expected to generate 78,606 employment opportunities. Foreign investments formed the bulk of total investment with about 65.2% share (or RM53.9 billion), whilst domestic investments made up the remaining 34.8% share (or RM28.8 billion). The main sources of FDI in the manufacturing sector come from China (RM15.3 billion or 28.4%) and the United States of America (USA) (RM14.2 billion or 26.4%) - collectively these two countries contributed more than half of the total foreign investments approved.

Among the notable approved projects were Intel's RM10 billion investment which will see its advanced assembly and test technology brought to Malaysia, as well as UK-based Smith+Nephew's orthopaedics manufacturing facility in Pulau Pinang.

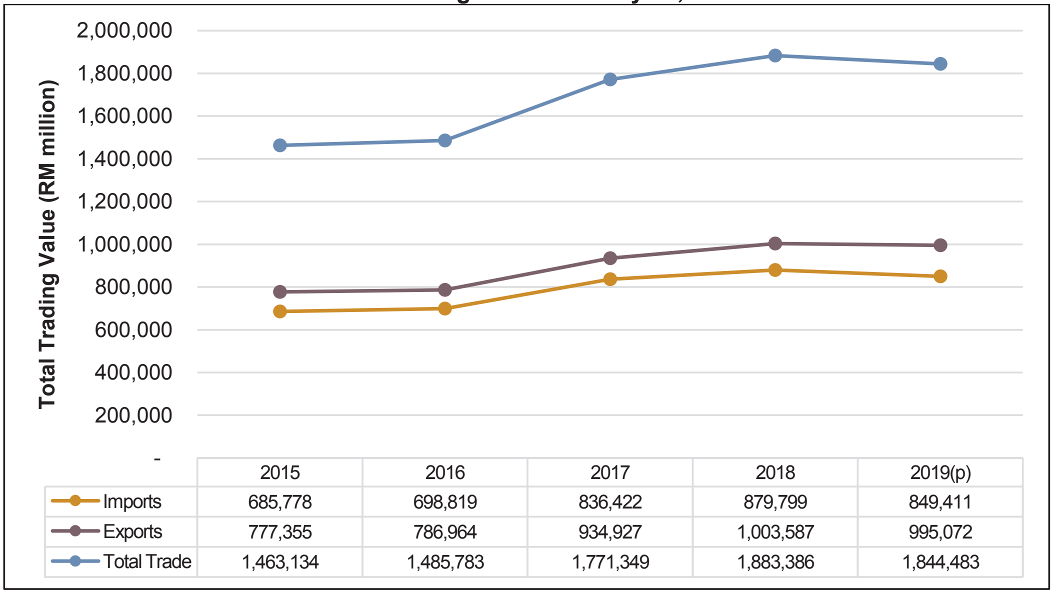
During the 1H2020, the manufacturing sector led the country's approved investment with a contribution of 55.1% of total investment. Some 398 projects with a total investment of RM35.7 billion were approved, of which 49.9% or RM17.8 billion were foreign investment while domestic investment totalled RM17.9 billion (50.1%). During the review period, investment from Singapore was top with RM4.7 billion, followed by Switzerland (RM2.7 billion), the United States (RM2.2 billion), China (RM1.9 billion) and Thailand (RM1.8 billion).

2.6 Malaysia International Trades

2.6.1 Total Trades

Based on the Malaysia External Trade Statistics (METS) by Department of Statistics Malaysia (DOSM), total imports into Malaysia grew at a CAGR of 5.5% from RM685,778 million in 2015 to RM849,411 million in 2019, while exports grew at a CAGR of 6.4% from RM777,355 million to RM995,072 million over the same period.

Chart 10: Total Trading Value of Malaysia, 2015 to 2019$^{(p)}$



	2015	2016	2017	2018	2019(p)
Imports	685,778	698,819	836,422	879,799	849,411
Exports	777,355	786,964	934,927	1,003,587	995,072
Total Trade	1,463,134	1,485,783	1,771,349	1,883,386	1,844,483

Sources: Malaysia External Trade Statistics, Department of Statistics, Malaysia
Note: (p) = preliminary data

Malaysia's total trading value improved to RM1,844,483 million in 2019 from RM1,463,134 million in 2015, indicating a 26.1% increase over the said period. Between 2015 and 2019, the trading value grew at a CAGR of 6.0%.

Year to date (January to July 2020), Malaysia recorded total trade of RM159.92 billion. Due to the severe disruption arising from the MCO coupled with weaker global demand, total trade declined in the month of April (RM133.21 billion) and May (RM114.91 billion) before rebounding in June (RM144.79 billion) and July (RM159.92 billion) as the country began to restart its economy in the recovery phase.

Table 3: Total Trading Value of Malaysia in 2020$^{(p)}$

Period	Exports (RM million)	Imports (RM million)	Total Trade (RM million)
Jan	84,114	72,081	156,195
Feb	74,451	61,832	136,283
Mac	80,119	67,805	147,924
Apr	64,787	68,420	133,207
May	62,650	52,263	114,913
Jun	82,819	61,966	144,785
Jul	92,531	67,384	159,915

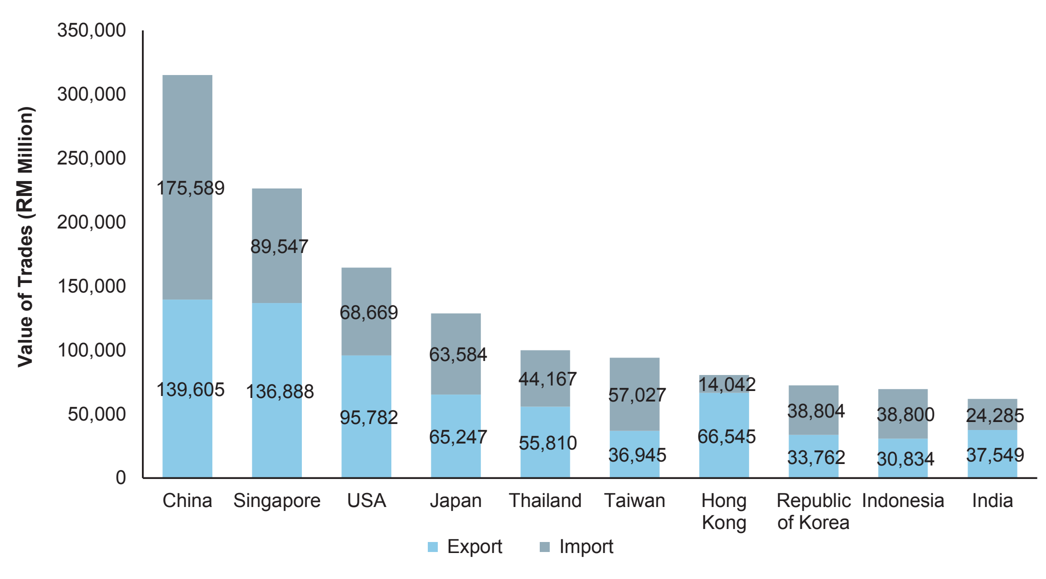
Sources: Malaysia External Trade Statistics, Department of Statistics, Malaysia
Note: (p) = preliminary data

2.6.2 Top Trading Partners

Malaysia recorded a trade surplus of RM145.7 billion in 2019, 17.7% higher compared to RM123.8 billion in 2018, this also represents the country's largest trade surplus since 2009. Malaysia has achieved 22 consecutive years of trade surpluses.

China remained as the country's leading trade partner for 11 consecutive years with total trade of RM315.2 billion in 2019, followed by Singapore (RM226.4 billion), the United States (RM164.5 billion) and Japan (RM128.8 billion).

Chart 11: Trading Partners of Malaysia - Breakdown of Exports & Imports, 2019$^{(p)}$



Sources: Malaysia External Trade Statistics, Department of Statistics, Malaysia
Note: (p) = preliminary data

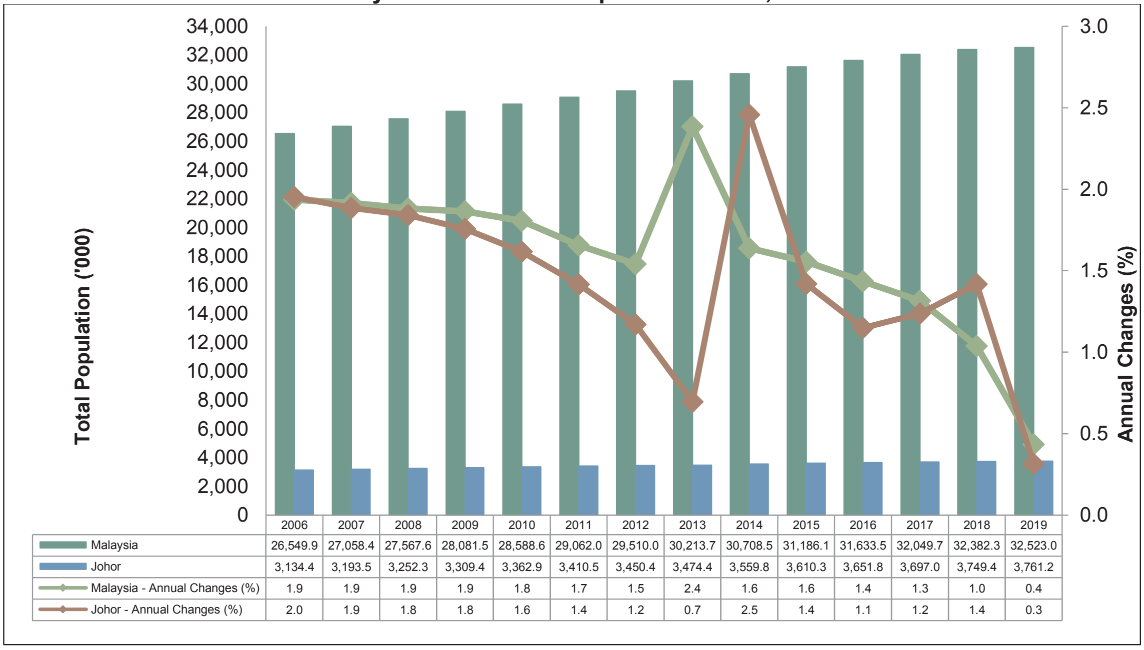
3.0 POPULATION AND DEMOGRAPHY

3.1 Growth of Population

As of 2019, the total population for Malaysia stood at 32.52 million persons. The country's population is projected to increase to 33.78 million persons by 2020. Meanwhile, the population for Johor, estimated at 3.76 million persons, accounts for 11.6% of the nation's population.

The statistical graph below illustrates the population growth in Malaysia and Johor from years 2006 to 2019.

Chart 12: Malaysia and Johor – Population Trend, 2006 to 2019



	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Malaysia	26,549.9	27,058.4	27,567.6	28,081.5	28,588.6	29,062.0	29,510.0	30,213.7	30,708.5	31,186.1	31,633.5	32,049.7	32,382.3	32,523.0
Johor	3,134.4	3,193.5	3,252.3	3,309.4	3,362.9	3,410.5	3,450.4	3,474.4	3,559.8	3,610.3	3,651.8	3,697.0	3,749.4	3,761.2
Malaysia - Annual Changes (%)	1.9	1.9	1.9	1.9	1.8	1.7	1.5	2.4	1.6	1.6	1.4	1.3	1.0	0.4
Johor - Annual Changes (%)	2.0	1.9	1.8	1.8	1.6	1.4	1.2	0.7	2.5	1.4	1.1	1.2	1.4	0.3

Sources: Department of Statistics Malaysia (DOSM) / Knight Frank Research

Table 4: Malaysia and Johor– Population Projection, 2020 to 2040$^{(p)}$

Projection Population	2020	2025	2030	2035	2040
Malaysia	33,782,400	36,022,700	38,062,200	39,879,300	41,503,100
Johor	3,926,500	4,183,700	4,411,800	4,603,700	4,758,000

Sources: Department of Statistics Malaysia (DOSM) / Knight Frank Research
Note: (p) = projection

Between 2006 and 2019, the CAGR for the country's population was stable at 1.6%. From 2006 to 2012, the country's population grew moderately between 1.5% and 1.9% annually. In 2013, there was a spike in growth of 2.4% where the non-citizen population grew 13.3% to 2.89 million persons from 2.55 million persons a year earlier. This suggests that Malaysia experienced a spike in migration of non-citizens during the year. Subsequently, from 2014 onwards, the annual growth rates slowed to between 1.0% and 1.6% and in 2019, it dropped to 0.4% due to the reduction of non-citizens' population.

Primary factors contributing to a declining growth rate include a lower fertility rate, an increase in the number of Malaysians pursuing careers leading to delayed marriages as well as the formation of smaller families.

Unlike the national trend, the population growth for Johor slowed to 0.7% in 2013 as its working population travelled to other states / neighbouring country for more working opportunities. The CAGR for the state's population, from 2006 to 2019, stood at 1.4%.

3.2 Working Age Population

Malaysia has a young population with median age of 28.9 years as of 2019. With increasing healthcare facilities and technology, the median age is estimated to increase to 29.2 years in 2020. *(Source: Department of Statistics Malaysia)*

In Malaysia, the labour force is defined as working age population in the category of 15 years to 64 years old *(Source: Department of Statistics Malaysia)*. It was noted that a high proportion of the population falls under the working age category (70%).

In Johor, the labour force population (69.4%) has a similar proportion to the national average (69.8%) as diverse job opportunities are available in this region.

3.3 Average Household Income

The national mean monthly household income increased from RM3,686 in 2007 to RM7,901 in 2019. Meanwhile, the average household income in Johor was RM8,013 in 2019, registering a CAGR of 7.3% from 2007 to 2019.

Table 5: Malaysia and Johor – Mean Monthly Household Income by State, 2007 to 2019

Country / State	Mean Monthly Household Income (RM)						CAGR 2007 to 2019 (%)
	2007	2009	2012	2014	2016	2019	
Malaysia	3,686	4,025	5,000	6,141	6,958	7,901	6.6
Johor	3,457	3,835	4,658	6,207	6,928	8,013	7.3

Sources: Department of Statistics Malaysia (DOSM) / Knight Frank Research
Note: CAGR = Compound Annual Growth Rate

4.0 IMPACT OF COVID-19: MARKET OUTLOOK

4.1 Impact of COVID-19

The COVID-19 pandemic has driven the global economy into recession and many countries, including Malaysia, are responding with stimulus packages to avoid a cascade of bankruptcies and emerging market debt defaults. The country's dependency on oil revenue will further strain the government's fiscal position amid dropping oil prices.

The nationwide MCO implemented on 18 March 2020 to contain the escalating number of infected cases in the country has left a severe impact on the economy as majority of non-essential services literally slowed or came to a complete halt during the initial phase of MCO. The subsequent easing of restrictions (conditional MCO) and recovery MCO (RMCO) phases effective 4 May 2020 and 10 June 2020 respectively experienced the gradual resumption of most economic sectors and business activities subject to conditions and standard operating procedures (SOPs).

The national GDP retreated 0.7% in 1Q2020 and in 2Q2020, it contracted further by -17.1%, its worst performance since the Asian Financial Crisis in 1998. Weaker global growth amid the prolonged outbreak is expected to weigh down further on the country's economy moving forward.

At the onset of the outbreak early this year, the hospitality, tourism and aviation related segments are the hardest hit with cancellations of flights, tour packages and hotel bookings following international and domestic travel restrictions and lockdown of countries. All foreign travellers have been barred from entering the country and Malaysian citizens, permanent residents are not allowed to travel abroad during the MCO and CMCO phases. Although the country is now in the extended RMCO phase till 31 December 2020, foreign tourists are still barred from entering Malaysia during this period to prevent the spread of imported cases into the country.

On a positive note, the RM35 billion National Economic Recovery Plan (PENJANA), which was unveiled on 5 June 2020, contains 40 initiatives strategically designed to stimulate growth as the country restarts its economy. To further boost economic recovery, several initiatives and additional assistance were recently announced under the RM10 billion Prihatin Supplementary Initiative Package (Kita Prihatin).

The government and central bank have also introduced significant fiscal and monetary intervention measures to contain the severe impact from the pandemic. Bank Negara Malaysia has in July, reduced the OPR to 1.75%, its fourth revision this year in addition to the earlier lowering of the SRR by 100 basis points. Other noteworthy relief measures include the 6-month moratorium for loan and financing payments (extended by another 3 months for targeted groups).

Meanwhile, Malaysia's IPI grew by 1.2% year-on-year (y-o-y) in July, the first positive growth in production since the MCO took effect. Malaysia's third quarter (3Q2020) GDP is expected to rebound strongly should the momentum of production growth remains as it is or improves. Also, in line with the reopening of more sectors, Malaysia's unemployment rate which peaked at 5.3% in May 2020, continued to improve to 4.9% in June and 4.7% in July respectively.

For the whole year of 2020, Malaysia's economic growth, as measured by GDP, is projected at between -3.5% and -5.5%. Underpinned by improvements in external conditions and a gradual normalisation in economic activities and labour market conditions, the country's central bank is forecasting a growth range of between 5.5% and 8.0% for 2021.

4.2 Impact of COVID-19 on Manufacturing / Industrial Sector

The IPI fell 8.8% y-o-y during the first half of 2020 to read at 103.4 points (1H2019: 113.4 points) due to the adverse impact of the nationwide MCO which slowed or halted the operations of non-essential services.

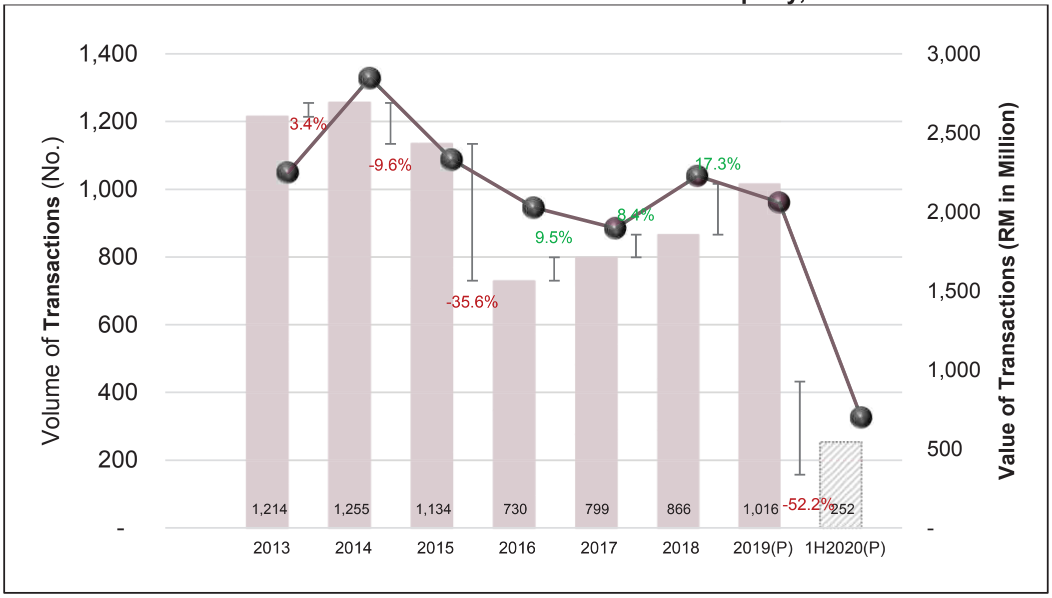
Among the manufacturing activities which experienced the highest decline in output during the first half of 2020 were non-metallic mineral products, basic metal and fabricated metal products group (-20.7%); textiles, wearing apparel, leather products and footwear group (-20.5%); wood products, furniture, paper products and printing group (-16.0%); and transport equipment and other manufactures group (-16.7%). Meanwhile, among the industrial activities, the manufacturing of rubber and plastics products as well as that of basic pharmaceutical products and pharmaceutical preparation expanded 15.2% and 9.1% respectively.

The COVID-19 pandemic, which has disrupted supply chains, has severely impacted the manufacturing segment with reduced capacity, lower productivity and cancelled orders. The magnitude of effects upon the real estate market is currently unknown and will largely depend on both the scale and longevity of the outbreak.

The demand for industrial properties, with reference to transacted volume, has been lacklustre since 2015. Supported by government initiatives, and coupled with the Chinese Belt and Road Initiative (BRI), the industrial segment began to see an uptick since 2017. The volume of industrial transactions was 17.3% higher in 2019 when compared to the preceding year under review.

The COVID-19 pandemic which continues to bring much uncertainty, has however, derailed the growth momentum. During the first half of the year (1H2020), the Johor industrial market was less active with only 252 industrial units changing hands. This depicts a y-o-y contraction of 52.2% (1H2019: 527 units), likely attributed to the MCO which caused disruptions to the property transaction process, including difficulties in conducting property viewings and title searches, among others.

Chart 13: Johor – Volume of Transactions of Industrial Property, 2013 to 1H2020



Sources: NAPIC / Knight Frank Research

Notes: (p) = preliminary data

(1) The above figures have been arithmetically re-calculated and thus may differ from those as stated in the NAPIC publications due to rounding.

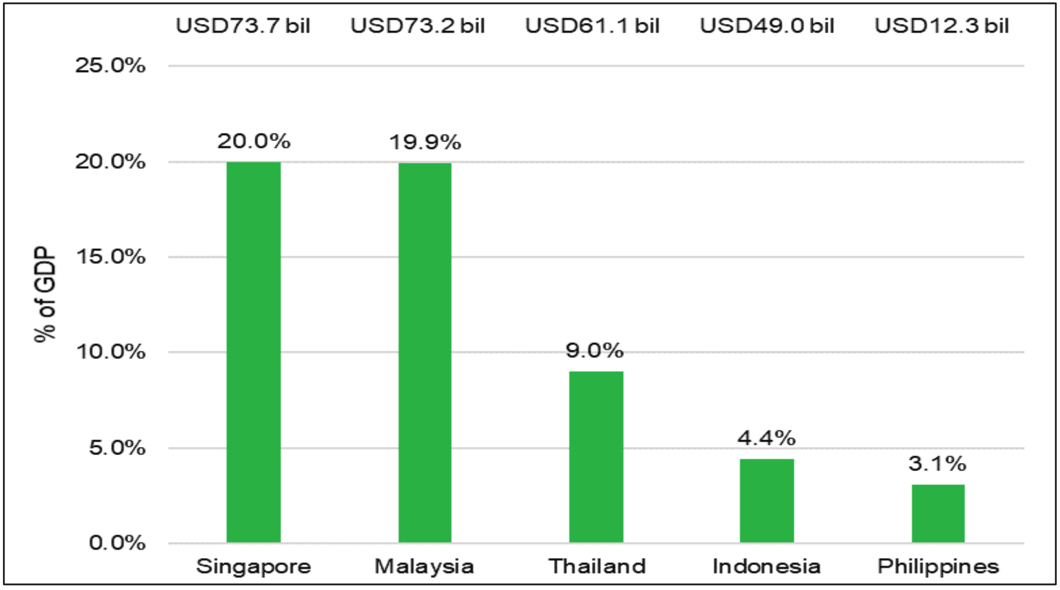
4.3 Government Incentives

The COVID-19 pandemic has severely hit global supply chains, resulting in declining global and local manufacturing and trade performances.

According to the United Nations Conference on Trade and Development (UNCTAD) World Investment Report 2020, global FDI flows may fall by 30% to 40% due to the pandemic. This potentially may intricate inter-dependence of global value chains and affect earnings of large MNCs.

Even though the COVID-19 pandemic has created substantial supply chain disruptions and unprecedented challenges for global and local economies, the country’s fundamentals remain intact supported by the various economic stimulus packages.

Chart 14: Top Five Stimulus Packages Rolled Out by Governments in ASEAN, September 2020



Sources: MIDA / Macrobond/ Various

Notes:

(1) As at September 2020.

(2) Include both fiscal and monetary measures

Among the ASEAN countries, the Malaysian government has collectively rolled out one of the highest values of stimulus packages of USD73.2 billion or RM305 billion as of September 2020.

The additional package unveiled by the government on 5 June 2020, was a RM35 billion Short-Term Economic Recovery Plan (PENJANA) to address the current economic challenges (refer to Appendix C: Malaysia’s Economic Stimulus Packages prior to PENJANA).

On 23 September 2020, the government unveiled the RM10 billion Kita Prihatin Programme to assist micro entrepreneurs, the country's workforce and those from the B40 as well as the M40 income groups.

4.3.1 PENJANA - Short-Term Economy Recovery Plan

The country, which has entered into the recovery MCO (RMCO) phase (from 10 June till 31 December), sees further easing of restrictions as it began to restart its economy with the latest stimulus programme – PENJANA. The RM35 billion short-term economy recovery plan (ERP), consisting of 40 initiatives, aims to empower the people, propel businesses and stimulate the economy. The residential property, manufacturing and hospitality sectors are among the beneficiaries.

PENJANA also provides generous tax incentives to attract foreign companies to relocate to Malaysia. The incentives are deemed timely to capture potential FDI flows arising from the US-China Supply Chain Reconfigurations. Earlier incentives such as the likes of Pioneer Status and Principal Hubs are varied across different sectors and generally dependent on fulfilment of certain conditions, i.e. creation of high value jobs, number of qualifying services housed within Malaysia, etc. (*Refer to Appendix D for Other Relevant Incentives*).

The qualifying criteria under PENJANA are simplified to the value of capital investments. There is a generous tax holiday period of up to 15 years for corporates with capital investments of more than RM500 million. This, coupled with the fast track approval mechanism for manufacturing licences and tax incentives with the establishment of Project Acceleration and Coordination (PACU) under the Malaysian Investment Development Authority (MIDA), will help to raise the country’s attractiveness in the eyes of foreign investors.

With these timely incentives, Malaysia is poised to be a beneficiary in the on-going major restructuring of global supply chains arising from the aftermath of the pandemic, as well as the US-China trade war.

Post COVID-19, more major companies may be looking for ways to diversify and decentralize their supply chains across countries and regions to mitigate geographical risks on production lines / material sourcing. The decoupling of US-China supply chains is also evident as trade tensions continue to intensify. As companies explore relocation of some of their operations in efforts to navigate through the on-going trade conflict, these new incentives under PENJANA will help position Malaysia as a strong contender in seizing these relocation opportunities as well as next shoring for their manufacturing businesses.

The promotion of FDIs is also lauded by players in the market as it will generate a multiplier effect in boosting Malaysia’s GDP and help to create more employment opportunities. As it stands, the manufacturing sector is the second largest contributor to the nation’s GDP and its growth will help bolster the economy amid this crisis.

In line with the concerted efforts by the government in promoting FDI flows to help sustain employment and the country’s economy at large, there may be potential for positive spill-over effect onto the industrial property market, predominantly in larger purpose-built factories / large tracts of industrial lands with the potential entry / relocation of new global industrial players. The logistics and real estate sectors will benefit by way of demand from set-ups of new manufacturing operations.

Table 6: Summary of PENJANA Incentives for Manufacturing Sector

Manufacturing Sector
Objective: To encourage investment and the relocation of manufacturing into Malaysia. There are two types of incentives: (1) Zero tax rate for foreign companies; and (2) Investment tax allowance for Malaysian companies
Zero tax rate for foreign companies
Foreign companies which make new investments in the manufacturing sector in Malaysia will qualify for a zero tax rate as follows:

Incentive	Conditions	
	Value of fixed asset investment (to be made within a period of 3 years)	Commencement of operation
0% tax rate for 10 years	RM300 million to RM500 million	Within 1 year from approval
0% tax rate for 15 years	RM500 million and above	

The incentive is effective for applications received from 1 July 2020 to 31 December 2021

Investment tax allowance for Malaysian companies
Malaysian companies which relocate their overseas manufacturing facility to Malaysia will qualify for investment tax allowance of 100% for 5 years. The incentive is effective for applications received from 1 July 2020 to 31 December 2021

Sources: MOF/ PWC

5.0 OVERVIEW: LOGISTICS TRENDS IN MALAYSIA

5.1 Introduction

Presently, the logistics industry in Malaysia is fragmented with a large number of players across the value chain. Moving forward, logistics players and e-commerce players are expected to undergo market consolidation to gain scale and network. In tandem with increasing trade, the industry is expected to grow, by capitalising on the e-commerce wave.

Various policies to resolve bottlenecks in the logistics sector, strengthen regulation and deploy technologies and human capital have been introduced under the Logistics and Trade Facilitation Masterplan (2015 – 2020) to elevate Malaysia to become a regional player.

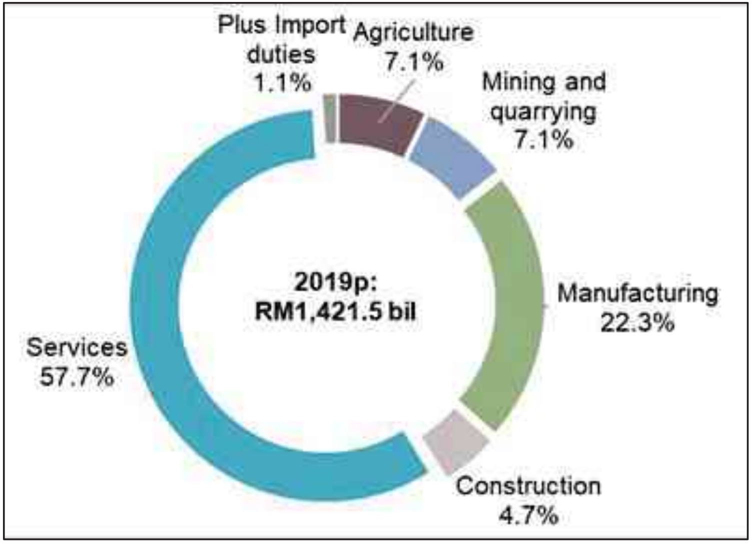
This section reviews the potential of the logistics industry by assessing performances of the transportation and storage services (TSS) and cargo / container segments.

5.2 Transportation and Storage Services (TSS)

The national economy expanded 4.3% in 2019, with the value of gross domestic product (GDP) recorded at RM1,421.5 billion. The services sector, which served as the major contributor to the country's economy, accounted for 57.7% share of GDP with RM820.1 billion.

Wholesale & retail trade activity dominates the services sector with 29.6% share, followed by the government services (14.5%), financial & insurance (11.4%) and information & communication (10.3%).

Chart 15: Malaysia GDP - Percentage Share by Sector, 2019$^{(p)}$



Sources: Department of Statistics Malaysia (DOSM) / Knight Frank Research
Notes: (p) = preliminary data
GDP at constant 2015 price

In 2019, the transportation & storage services (TSS) made up 6.5% of the services sector or RM53.65 billion, representing a y-o-y growth of 6.8% (2018: RM50.21 billion) as well as a healthy CAGR of 6.5% for the period from 2016 to 2019.

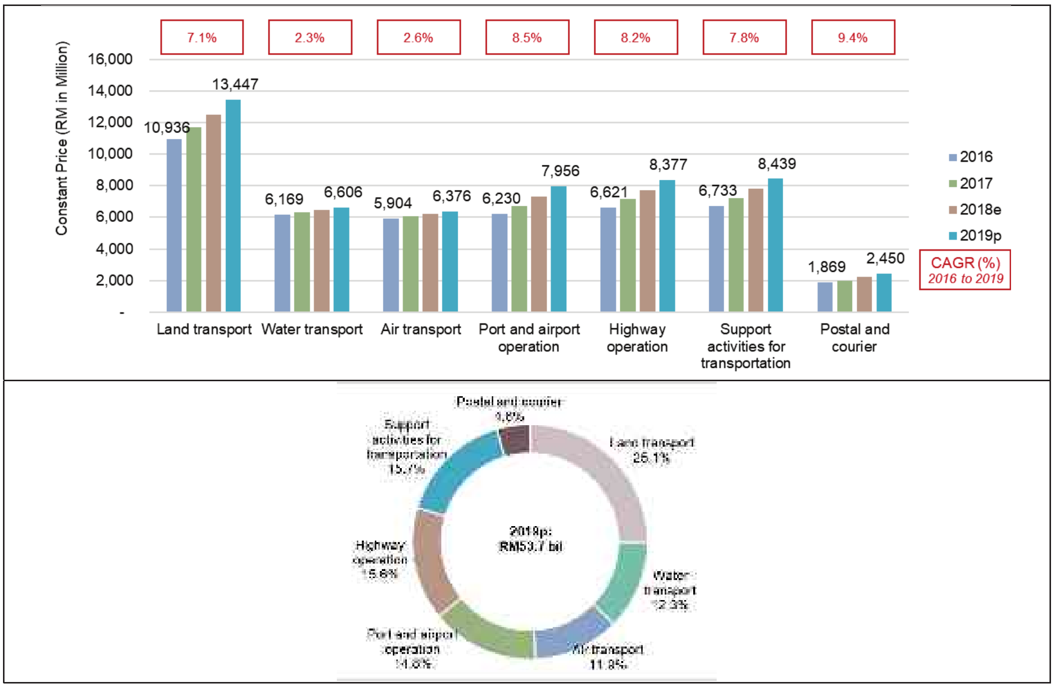
There are seven major key economic activities within the TSS segment, namely land transport; water transport; air transport; port and airport operation; highway operation; support activities for transportation and postal & courier.

Land transport activity continues to dominate the TSS segment, registering a value of RM13.5 billion (in constant 2015 price) or 25.1% share in 2019. Postal and courier activity contributed the least with 4.6% share while contribution from the remaining key activities ranges from 12% to 16%.

From 2016 to 2019, postal & courier activity experienced rapid growth with CAGR analysed at 9.4%, followed by port & airport operation and highway operation activities with CAGR of 8.5% and 8.2% respectively. Support activities for transportation and land transport activity also grew at a fast pace of 7.8% and 7.1% respectively while water transport and air transport activities grew moderately with CAGR of 2.3% and 2.6% respectively.

The demand for logistics services and strategically located warehouse space is expected to remain in expansionary mode to support the entire supply chain in the primary and manufacturing sectors.

Chart 16: Malaysia – Transportation & Storage Services Contribution by Economic Activity, 2016 to 2019$^{(p)}$



Sources: DOSM / Knight Frank Research
Notes: (p) = preliminary data
GDP at constant 2015 price

5.3 Cargo and Containers

The logistics industry in Malaysia has evolved in recent years. With the rising of e-commerce transactions in the country, industrial players are capitalizing on this emerging trend. As a result of the high margins and rising demand, the interest of the companies in emerging areas, such as cold chain logistics and last-mile delivery services, is growing.

Initiatives from related stakeholders and concerted efforts from the government continue to support the handling of greater volumes of freight in the logistics sector, speeding up the delivery time for goods and lowering the cost of delivery. The adoption of containerisation, an alternative system of intermodal freight transport where the handling system is automated / mechanised coupled with the National Policy on Industry 4.0 have greatly encourage the positive container movements for both rail and water.

The demand for strategically located well-equipped warehousing and e-commerce logistics space is expected to increase driven by the rapid growth of containerisation and e-commerce transactions.

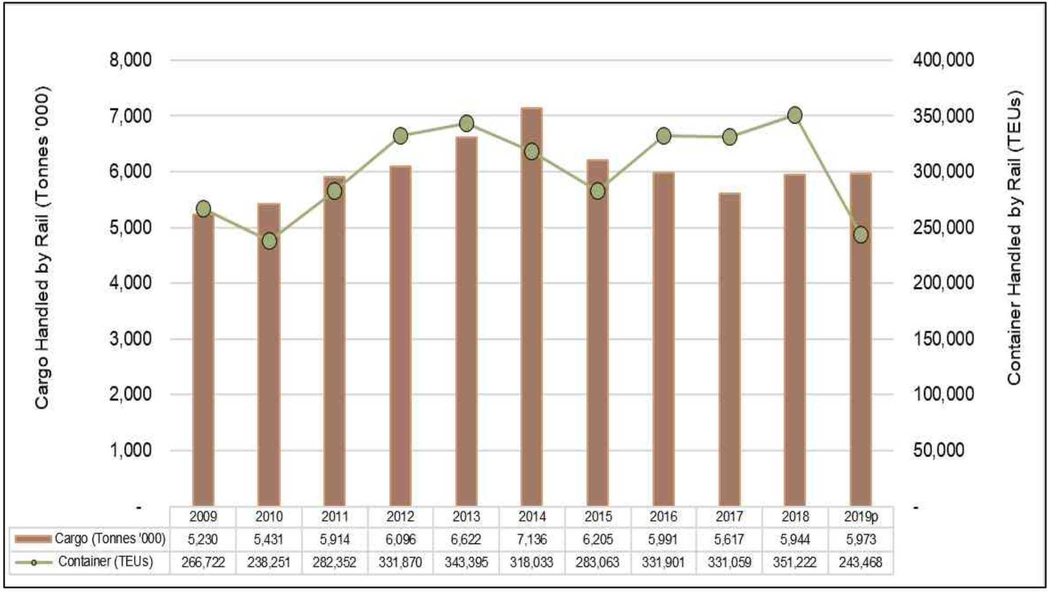
5.3.1 Freight Traffic by Rail

Railway has been an important transportation method in the conveyance of inter-state cargo and container. From 2009 to 2019, a total of 66.2 million tonnes of cargo and 3.3 million twenty-foot equivalent units (TEUs) of containers were handled by rail.

An estimated 5.2 million tonnes to 7.1 million tonnes of cargo and 238,251 TEUs to 351,222 TEUs of containers are conveyed via rail annually.

The freight weight tonnes (FWT) of cargo peaked in 2014 at 7.1 million tonnes and thereafter has been on a downtrend from 2015 to 2017 before picking up in 2018 and 2019 with 5.9 million tonnes and 6.0 million tonnes of transported cargo via rail respectively. The FWT of cargo transported via rail reflect a CAGR of 1.3% over the 10-year period.

Chart 17: Malaysia – Freight Traffic by Rail, 2009 to 2019$^{(p)}$



	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019p
Cargo (Tonnes '000)	5,230	5,431	5,914	6,096	6,622	7,136	6,205	5,991	5,617	5,944	5,973
Container (TEUs)	266,722	238,251	282,352	331,870	343,395	318,033	283,063	331,901	331,059	351,222	243,468

Sources: Ministry of Transport Malaysia (MOT) / Keretapi Tanah Melayu Berhad (KTMB) / Knight Frank Research
Note: (p) = preliminary data

As for containers handled by rail, the FWT have shown positive growth since 2010 to record 343,395 TEUs in 2013 before trending downward for two consecutive years in 2014 and 2015. The containers handled by rail subsequently improved in 2016 to peak at 351,222 TEUs in 2018. From 2010 to 2019, the CAGR of container freight is 0.2%.

5.3.2 Cargo and Container Throughput by Ports

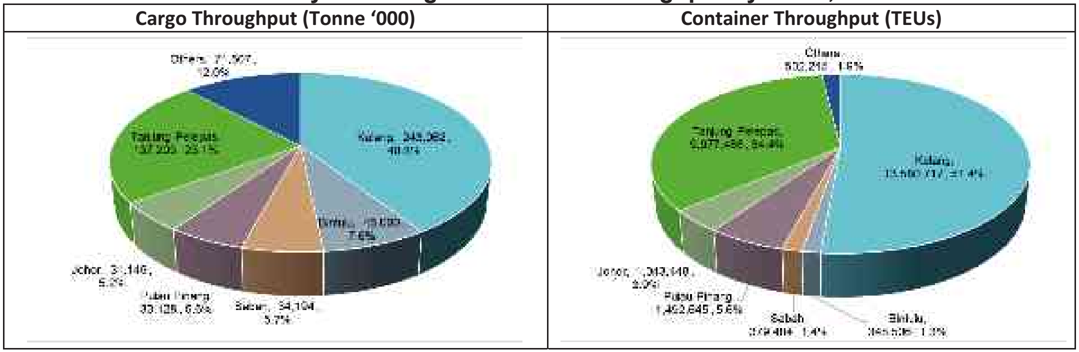
Cargo and container throughput by ports mainly support the cross-border export and import of goods. There are nine ports in Peninsular and 13 ports in East Malaysia.

In 2019, cargo and container throughput (including trans-shipment) via Malaysia ports are estimated to be 595.2 million tonnes and 26.4 million TEUs respectively. Around 40.8% and 51.4% of the cargo and container throughput via ports in Malaysia are handled by Port Kelang (Northport and Westport) with an estimated 243.1 million tonnes of cargo and 13.6 million TEUs of containers.

In Johor, Johor Port and Port of Tanjung Pelepas handled 31.1 million tonnes and 137.2 million tonnes of cargo throughput (including trans-shipment) respectively in 2019. In terms of container throughput, Johor Port and Port of Tanjung Pelepas handled 1.0 million TEUs and 9.1 million TEUs of containers throughput (including trans-shipment) respectively.

Meanwhile, there is plan to expand the Port of Tanjung Pelepas to meet current and future demands as the port is expected to reach its maximum capacity of 12.5 million TEUs in the next three to four years. Following the expansion, the Port of Tanjung Pelepas is expected to handle 30 million TEUs by 2030.

Chart 18: Malaysia – Cargo / Container Throughput by Ports, 2019$^{(p)}$

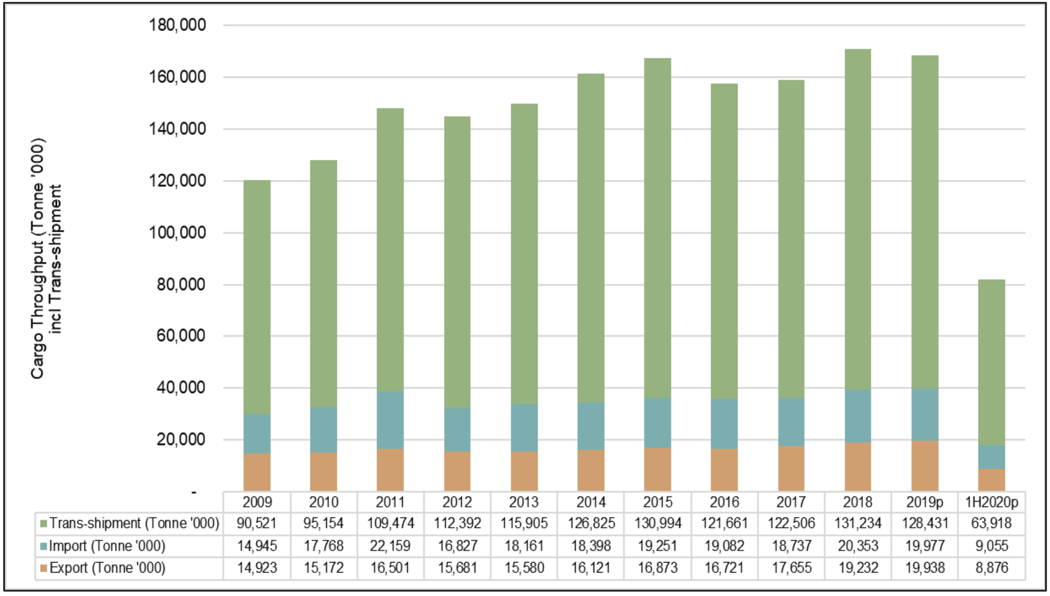


Sources: Ministry of Transport Malaysia (MOT) / All Ports and Marine Department / Knight Frank Research

Notes: (p) = preliminary data

(1) The total cargo / container throughput includes export, import and trans-shipment.
(2) Other ports include: Kuching, Kuantan, Rajang, Miri, Teluk Ewa, Kemaman, Tanjung Bruas and Port Dickson.
(3) Kelang consists of Northport and Westport of Port Klang

Chart 19: Johor Port & Port of Tanjung Pelepas – Cargo Throughput, 2009 to 1H2020$^{(p)}$



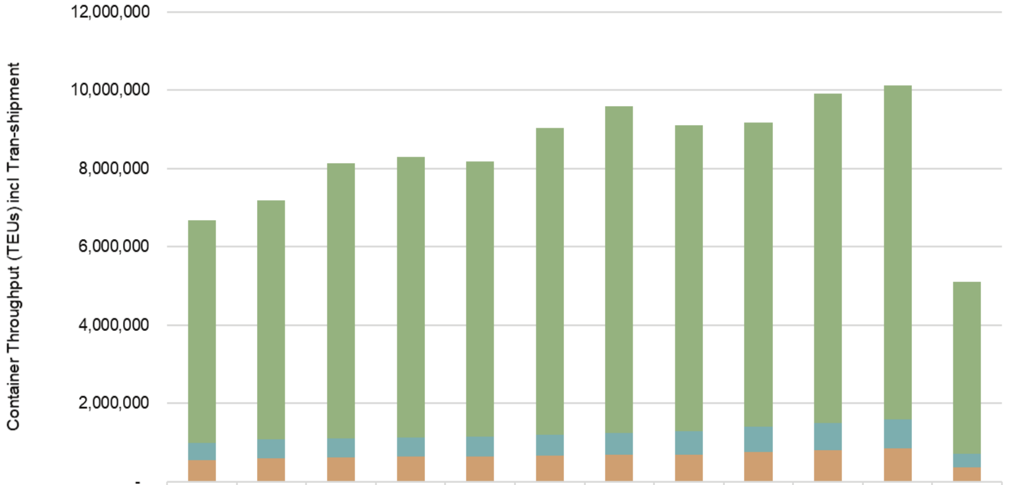
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019p	1H2020p
🟩 Trans-shipment (Tonne '000)	90,521	95,154	109,474	112,392	115,905	126,825	130,994	121,661	122,506	131,234	128,431	63,918
■ Import (Tonne '000)	14,945	17,768	22,159	16,827	18,161	18,398	19,251	19,082	18,737	20,353	19,977	9,055
■ Export (Tonne '000)	14,923	15,172	16,501	15,681	15,580	16,121	16,873	16,721	17,655	19,232	19,938	8,876

Sources: Ministry of Transport Malaysia (MOT) / All Ports and Marine Department / Knight Frank Research

Notes: (p) = preliminary data

(1) The total cargo / container throughput includes export, import and trans-shipment.

Chart 20: Johor Port & Port of Tanjung Pelepas – Container Throughput, 2009 to 1H2020$^{(p)}$

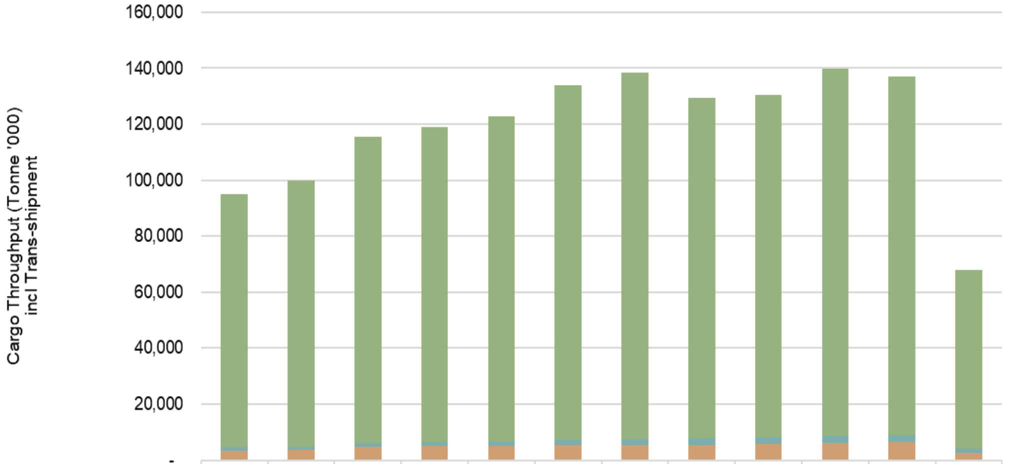


	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019p	1H2020p
🟩 Trans-shipment (TEUs)	5,681,82	6,098,67	7,021,95	7,163,17	7,010,74	7,823,80	8,352,46	7,821,14	7,760,53	8,412,44	8,524,66	4,398,52
🟦 Import (TEUs)	439,795	473,920	481,536	490,159	512,286	527,293	556,329	586,026	652,691	680,658	751,867	333,871
🟧 Export (TEUs)	558,321	602,402	629,306	641,530	650,511	673,513	690,480	700,555	748,075	809,354	844,404	371,455

Sources: Ministry of Transport Malaysia (MOT) / All Ports and Marine Department / Knight Frank Research
Notes: (p) = preliminary data
(1) The total cargo / container throughput includes export, import and trans-shipment.

Between 2009 and 2019, the cargo and container throughputs (including trans-shipment) via ports in Johor, including Johor Port and Port of Tanjung Pelepas, have grown with a CAGR of 3.4% and 4.2% respectively. In 1H2020, the cargo and container throughputs via these ports were recorded at 81.8 million tonnes and 5.1 million TEUs respectively.

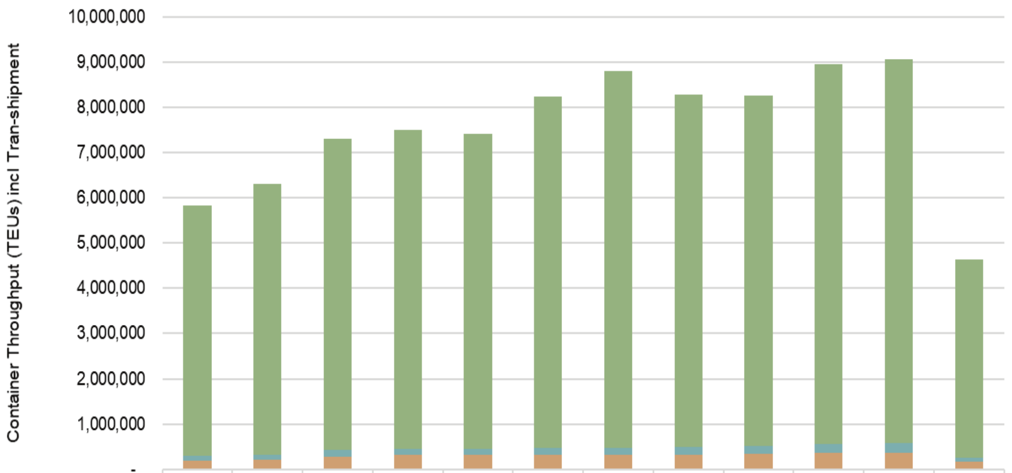
Chart 21: Port of Tanjung Pelepas – Cargo Throughput, 2009 to 1H2020$^{(p)}$



	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019p	1H2020p
🟩 Trans-shipment (Tonne '000)	90,521	95,154	109,474	112,392	115,905	126,825	130,994	121,661	122,506	131,234	128,431	63,918
🟦 Import (Tonne '000)	1,312	1,224	1,259	1,412	1,584	1,823	1,988	2,134	2,203	2,342	2,500	1,147
🟧 Export (Tonne '000)	3,322	3,587	4,727	5,187	5,178	5,393	5,484	5,547	5,813	6,231	6,272	2,719

Sources: Ministry of Transport Malaysia (MOT) / All Ports and Marine Department / Knight Frank Research
Notes: (p) = preliminary data
(2) The total cargo / container throughput includes export, import and trans-shipment.

Chart 22: Port of Tanjung Pelepas – Container Throughput, 2009 to 1H2020$^{(p)}$



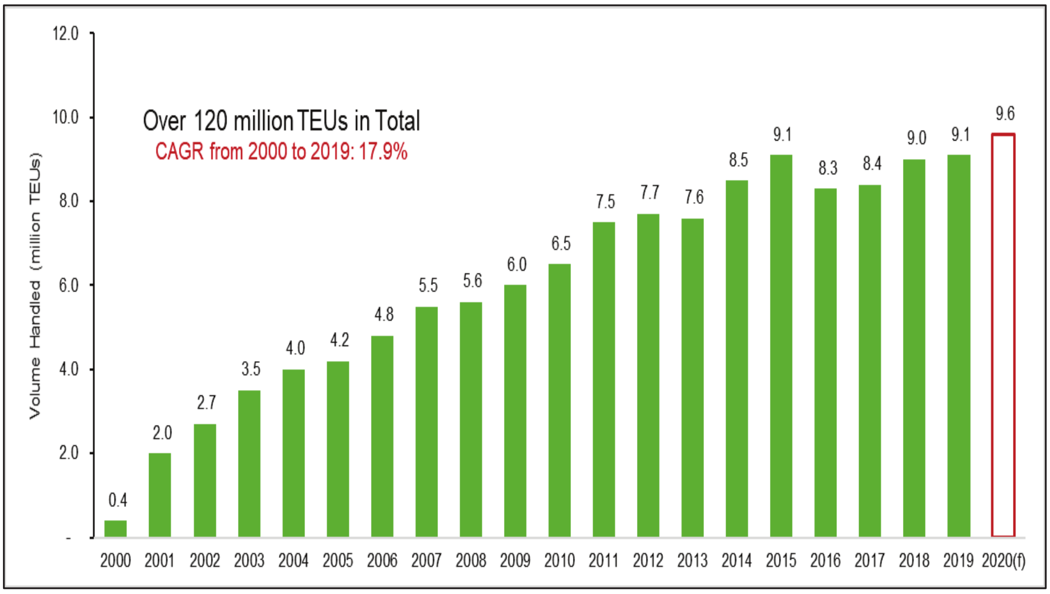
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019p	1H2020p
🟩 Trans-shipment (TEUs)	5,538,477	5,988,066	6,885,463	7,045,848	6,973,716	7,765,434	8,325,125	7,796,909	7,745,929	8,402,409	8,509,676	4,392,629
🟦 Import (TEUs)	105,655	102,457	131,904	139,333	132,231	143,886	147,848	157,233	178,595	190,134	203,468	91,055
🟧 Export (TEUs)	190,953	208,210	285,093	308,625	310,572	322,792	325,775	326,569	336,086	368,322	364,343	158,202

Sources: Ministry of Transport Malaysia (MOT) / All Ports and Marine Department / Knight Frank Research
Notes: (p) = preliminary data
(1) The total cargo / container throughput includes export, import and trans-shipment.

The cargo and container throughputs (including trans-shipment) via the Port of Tanjung Pelepas were recorded at 67.8 million tonnes and 4.6 million TEUs respectively in 1H2020. Between 2009 and 2019, the CAGR for cargo and container throughputs (including trans-shipment) were 3.7% and 4.5% respectively.

In terms of container throughput, the Port of Tanjung Pelepas recorded a CAGR of 4.4% in terms of trans-shipment of container throughput from 5.5 million TEUs in 2009 to 8.5 million TEUs in 2019 while the import and export of container throughput (excluding trans-shipment) grew at a CAGR of 6.7% from 0.3 million TEUs to 0.6 million TEUs. Collectively, the port recorded 9.1 million of the container throughputs in 2019.

Chart 23: Port of Tanjung Pelepas – Volume Handled in Container Throughput, 2000 to 2020$^{(f)}$

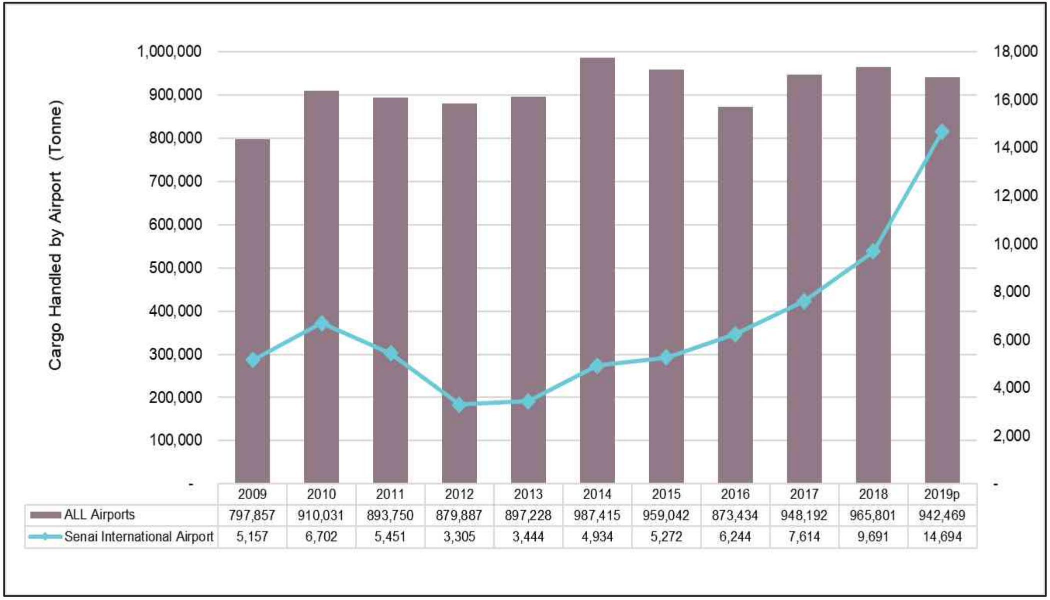


Source: Pelabuhan Tanjung Pelepas Sdn Bhd Official Website
Note: (f) = forecast

5.3.3 Cargo Handled by Airports

There are seven international airports and 16 domestic airports in Malaysia. There is one international airport in Johor which is the Senai International Airport.

Chart 24: All Airports and Senai International Airport – Cargo Handled, 2009 to 2019$^{(p)}$



	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019p
ALL Airports	797,857	910,031	893,750	879,887	897,228	987,415	959,042	873,434	948,192	965,801	942,469
Senai International Airport	5,157	6,702	5,451	3,305	3,444	4,934	5,272	6,244	7,614	9,691	14,694

Sources: Ministry of Transport Malaysia (MOT) / Malaysia Airports Holdings Berhad / Senai Airport Terminal Services Sdn Bhd / Knight Frank Research
Notes: (p) = preliminary data
(1) Cargo handled excludes cargo in transit

Senai International Airport in Johor Bahru had been handling more than 5,000 tonnes of cargo between 2009 and 2011 before the cargo declined to record at 3,305 tonnes in 2012. Air cargo came under pressure from a slowdown in world trade growth and the shift in the freight commodity mix towards bulk items carried by sea, driven by expanding emerging economies.

Since then, however, the cargo handling has been growing to peak at 14,694 tonnes of cargo in 2019, recording a CAGR of 11.0% over the last 10 years. Flight frequencies from Senai International Airport continue to increase with new airlines choosing the airport as its regional destination for flights to Malaysia and South East Asia. Located within Iskandar Malaysia, Senai International Airport also benefits from the ensuing spill-over effects arising from growth within the Iskandar region.

During the first half of 2020, Senai International Airport recorded cargo handling of 4,311 tonnes.

5.3.4 Review of Neighbouring Countries

This section analyses Malaysia's competitiveness among the selected neighbouring countries in terms of value of international trade in goods, goods transported by railways (million ton-km), cargo / container throughputs by ports and freight handled by airports

Table 7: Neighbouring Countries – Cargo, Container and Freight Handled, 2018

Indicators	Malaysia	Singapore	Thailand	Vietnam	Philippines	Indonesia
1 TRADE OF GOODS						
Extra-ASEAN Trade in Goods (US$ million)	339,819	582,228	330,756	424,120	147,163	293,476
2 BY RAIL						
Railways Goods Transported (million ton-km)	1,315	-	2,769	4,025	-	15
3 THROUGHPUT BY PORTS						
International Cargo Throughput ('000 ton)	570,701	630,125	228,760	316,940	169,966	20,861(1)
International Container ('000 TEUs)	24,941	36,599	9,430	12,305	4,871	16,184(1)
4 HANDLED BY AIRPORT						
International Air Cargo Loaded ('000 ton)	361	990	863	486	234	208

Sources: ASEAN Secretariat, ASEAN-Japan Transport Partnership (AJTP)
Note: (1) Source for Indonesia: Directorate General of Sea Transportation, Indonesia

Singapore recorded the highest value of Extra-ASEAN trade in goods at US$582.2 billion, followed by Vietnam (US$424.1 billion). Malaysia came in third with US$339.8 billion worth of trade in goods while Thailand, Indonesia and Philippines recorded US$330.8 billion, US$293.5 billion and US$147.2 billion respectively.

In terms of throughput by ports, Malaysia ranked second after Singapore in the international cargo and container throughput with 570.7 million tonnes and 24.9 million TEUs respectively (Singapore: cargo throughput – 630.1 million tonnes; container throughput – 36.6 million TEUs).

5.4 COVID-19 Watch: Emerging Opportunities and Strategies

Players in the industrial / logistics sector seek strategies to minimise the impact of the pandemic and explore opportunities amid the COVID-19 doom and gloom.

The exponential growth of the e-commerce market took centre stage and became a boon for the logistics industry. Meanwhile, logistics experts revisit the need of more warehousing space, "just-in-case" (JIC) instead of "just-in-time" as a strategy to shelter against potential hit of another supply chain disruption in the future.

Despite the signing of 'phase one' trade agreement by the world's two biggest economies on 15 January 2020, the US-China tensions, which peaked after the trade war last year, have escalated sharply again amid the current pandemic. The decoupling is expected to gain momentum unless there are major policy shifts within China.

Organisations in China are fretful that the prolonged trade war or changes in policy would affect their operations, profitability and sustainability. This will inevitably influence investors to reassess their organisations risk mitigation and views of the global markets to diversity their investment into other countries.

5.4.1 A boom in e-commerce, a boon for logistics industry

The booming e-commerce business appears to be a silver lining consequential to the pandemic, The Malaysia Digital Economy Corporation (MDEC) has forecasted the e-commerce sector to set a record high 20% growth to RM170 billion this year.

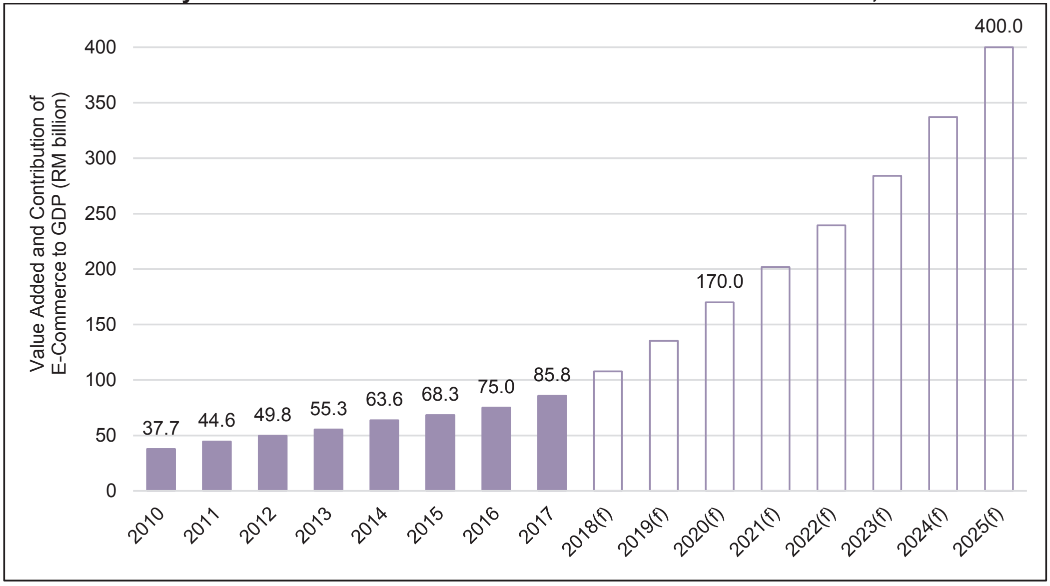
The COVID-19 outbreak, which led to the implementation of the MCO with stringent SOPs such as physical (social) distancing, temperature screenings and hygiene guidelines etc., have accelerated the sales of consumer goods through online channels with many late adopters of e-commerce trying out online shopping. Subsequently, retailers have also jumped into the e-commerce bandwagon, increasing their online presence and reducing the presence of physical stores.

Evidently, F&N has launched its own e-commerce site as well as smartphone application allowing its consumers to purchase its products at bulk and at competitive prices online. E-commerce reconfigure the supply chain flows allowing goods to be distributed to the end-users directly from the warehouses / distribution centres, bypassing the physical stores.

Meanwhile, Mastercard has signed a memorandum of understanding (MoU) with the Malaysian Digital Economy Corporation (MDEC) on 2 September 2020 as a collaboration effort to enable e-commerce for micro, small-and-medium enterprises (MSMEs), on top of fostering financial inclusion in rural communities. Under the collaboration, Mastercard will work together with MDEC to support industry partners and facilitate the rollout of Mastercard payments and business technologies giving MSMEs a ready-made infrastructure they need, to kick-start in e-commerce.

The exponential growth of e-commerce increases the demand for warehousing in more locations including non-central locations to serve the rural communities. The emerging trends also encourage logistics players to increase efficiency by digitalizing their operations and this has led to higher demand for smart warehousing and e-fulfilment centres.

Chart 25: Malaysia – Value Added and Contribution of E-Commerce to GDP, 2010 to 2025(f)



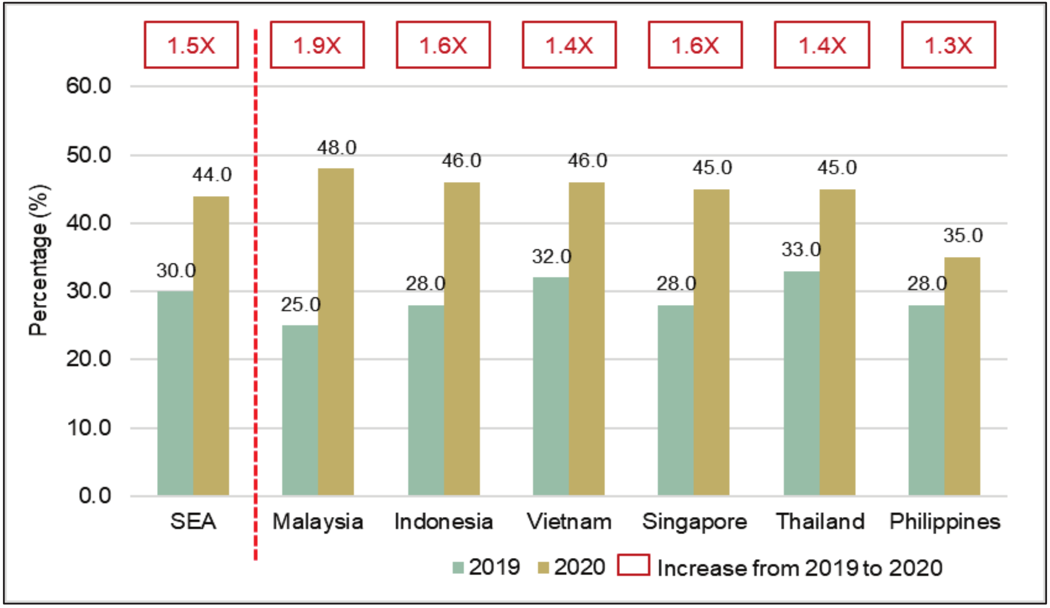
Sources: Department of Statistics Malaysia (DOSM)/ Malaysia Digital Economy Corporation (MDEC) / Knight Frank Research
Note: (f) = forecast

COVID-19 is intensifying the move online and has led consumers to alter their spending habits. Online purchasing, digital consumption and average online basket size have risen substantially and will continue to grow, providing an opportunity for traditional businesses, large marketplaces and disruptive business models to thrive.

A survey was conducted by Facebook and Bain & Company to better understand Southeast Asia's digital consumers in May 2020. This survey attracted 16,491 respondents across six Southeast Asian countries, namely Indonesia, Malaysia, Philippines, Singapore, Thailand, and Vietnam.

During the pandemic, consumers stockpiled basic goods, cut back on apparel and consumer electronics and started buying online. Fear of contacting with others, online platforms became the safest option, for everything from groceries to consumer goods. The analysis of buying patterns of 8,600 consumers in six Southeast Asian countries found that while 47% of consumers decreased offline purchases, 30% increased their online spending. Overall, the percentage of survey respondents citing online as the most adopted channel in 2020 was 1.9 times for Malaysia, a reflection of a growing preference for online shopping.

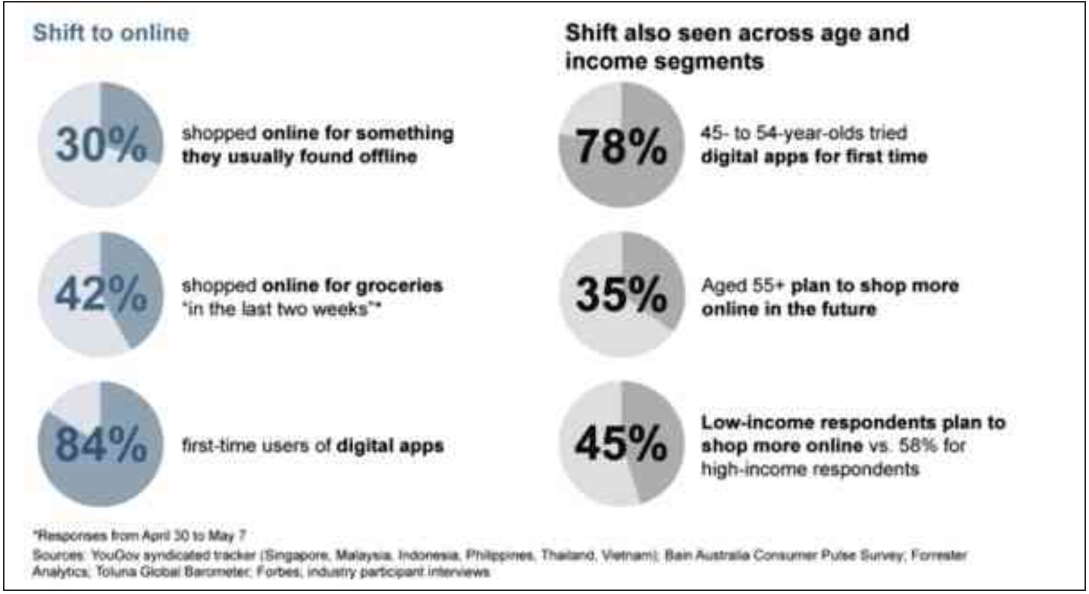
Chart 26: Percentage of Responses Citing Online as Most Used Channel



Source: Facebook and Bain & Company Survey

Consumers are spending more online as shopping of essentials goods can be done online. Among the respondents, 42% had shopped online for groceries in the previous two weeks. Essential goods such as fresh or packaged grocery account for the majority of their purchases. Across the board, the number of categories purchased online had jumped by nearly one and a half times the volume last year.

Exhibit 1: Facebook and Bain & Company Survey - Shift to Online during COVID-19 pandemic



Shift to online

30% shopped **online for something they usually found offline**

42% shopped **online for groceries** "in the last two weeks"*

84% first-time users of **digital apps**

Shift also seen across age and income segments

78% 45- to 54-year-olds tried **digital apps for first time**

35% Aged 55+ **plan to shop more online in the future**

45% **Low-income respondents plan to shop more online** vs. 58% for high-income respondents

*Responses from April 30 to May 7

Sources: YouGov syndicated tracker (Singapore, Malaysia, Indonesia, Philippines, Thailand, Vietnam); Bain Australia Consumer Pulse Survey; Forrester Analytics; Toluna Global Barometer; Forbes; industry participant interviews

Source: Facebook and Bain & Company Survey

5.4.2 Moving from Just-in-Time to Just-in-Case

Just-in-case (JIC) is an inventory strategy in which the manufacturers / vendors keep large inventories on hand to prevent their product running out of stock. JIC has traditionally been adopted by manufacturers / vendors that have a hard time forecasting their demand and have a long lead time along the supply chain.

In contrast, just-in-time (JIT) strategy is where manufacturers/ vendors minimise their inventory by producing their goods as required. Just-in-time (JIT) inventory management has garnered popularity over the last decades supported by improved infrastructure, digitalisation and automation along the supply-chain flows. Radio frequency identification (RFID) / tracking system adoption was ideal for the logistics world, in which manufacturers / vendors could minimise inventory because the supply-chain lead time was almost certain.

The COVID-19 pandemic, however, has paralysed the ideal JIT overnight. Manufacturers / vendors who are currently transitioning towards JIT are considering to increase their inventory as a preventive measure to mitigate risk of future supply chain disruption.

The current COVID-19 pandemic is feared to be a recurring catastrophe evident by the trend of epidemics / pandemic outbreak for the past 10 years.

Year	Disease	Location
2009 / 2010	Influenza A (H1N1)	Worldwide
2012	Middle East Respiratory Syndrome / MERS-CoV	Worldwide
2013 - 2016	Ebola	Worldwide, primarily concentrated in Guinea, Liberia, Sierra Leone
2015 - 2016	Zika Virus	Worldwide
2019 - Present	COVID-19 pandemic	Worldwide

Sources: Various/ Knight Frank Research

Traditionally, manufacturers / vendors would set up multiple warehouses in different regions. The simple rule is to store the maximum possible quantity of every product, everywhere and every time. While multiple locations warehouses offer shield against geographical risk, such mitigation practice increases the operational cost and this may be higher than the disruption cost in a longer term. Therefore, more manufacturers / vendors are turning to third-party logistics centres which offer lower initial set-up cost and flexibility for relocation.

Manufacturers / vendors are assessing the resilient of their supply chain flow against the volatile market environment. A few trends are emerging, including the re-adoption of JIC or increasing storage at third party logistics centre, decentralisation and reconfiguration of warehouses. The demand for third-party logistics / smart warehousing is expected to grow exponentially.

5.4.3 China plus One Strategy

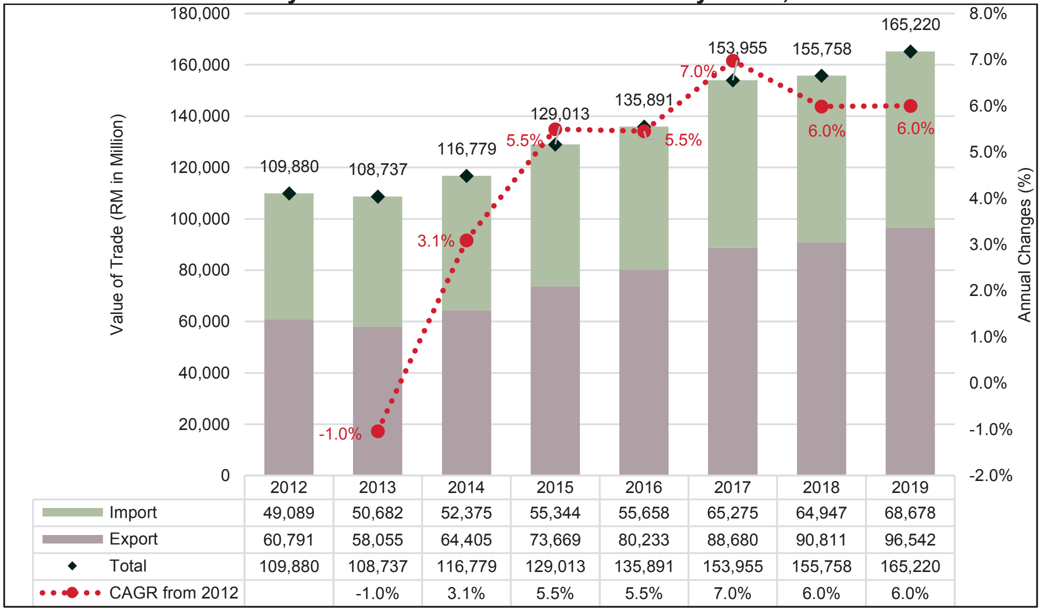
"China plus One" is a strategy to shift away from being over-dependent on trading partners in a single country - this is in response to the growing tensions between US and China leading to the current trade war.

The "China plus One" strategy has also opened up a window of opportunities among other countries which fit the criterion in terms of geographical positioning, cost of operations, investor-friendly, availability of talent, infrastructure readiness, and etc.

The Association of Southeast Asian Nations (ASEAN) countries are seen to be beneficiaries of the "Plus One" option.

Malaysia is noticeably one of the countries that has benefited from the trade war evident by the increased trading with the United States. In 2019, the export and import of goods to and from United States increased by 6.3% and 5.7% respectively, translating to a 6.1% annual improvement in total trade.

Chart 27: Malaysia – International Trade of Good by China, 2012 to 2019



	2012	2013	2014	2015	2016	2017	2018	2019
🟩 Import	49,089	50,682	52,375	55,344	55,658	65,275	64,947	68,678
▨ Export	60,791	58,055	64,405	73,669	80,233	88,680	90,811	96,542
◆ Total	109,880	108,737	116,779	129,013	135,891	153,955	155,758	165,220
● CAGR from 2012		-1.0%	3.1%	5.5%	5.5%	7.0%	6.0%	6.0%

Sources: Department of Statistics Malaysia (DOSM) / Knight Frank Research

5.4.3.1 Key Performance Metrics of Neighbouring Countries

This section analyses Malaysia's competitiveness among the selected neighbouring countries.

Table 8: Key Performance Metrics (Pre COVID-19)

No.	Indicators	Malaysia(3)	Singapore	Thailand	Vietnam	Philippines	Indonesia
	Index Ranking						
1	Global Competitiveness Index 4.0 2019(1)	27	1	40	67	64	50
2	Ease of Doing Business(2)	12	2	21	70	95	73
3	IMD World Digital Competitiveness 2019(4)	26	2	40	N/A	55	56

Sources: Various

(1) World Economic Forum – The Global Competitiveness Report 2019
(2) The World Bank – Doing Business 2020 (Data on 2019)
(3) Figures for Malaysia have been cross-checked with the official source, Department of Statistics Malaysia, DOSM. Whenever the figures differ, DOSM's figures have been adopted.
(4) IMD.org – The IMD World Digital Competitiveness Rankings 2019

Global Competitiveness Index 4.0

The Global Competitiveness Report 2019 released by the World Economic Forum, placed Malaysia at 27th position out of 141 countries ahead of other neighbouring economies such as Thailand (40th), Indonesia (50rd), Philippines (64th) and Vietnam (67th).

Malaysia remains as one of the most competitive countries in the region despite considerable external and domestic headwinds.

Ease of Doing Business Index

The World Bank's Doing Business Report 2020 (data as of May 2019) ranked Malaysia at 12th position in 'Ease of Doing Business Index'. Within ASEAN, Malaysia is ranked second after Singapore and ahead of other neighbouring economies such as Thailand (21th), Vietnam (70th), Indonesia (73rd), and Philippines (95th).

The IMD World Digital Competitiveness

The IMD World Digital Competitiveness Rankings 2019 report ranked Malaysia at 26th position out of 63 countries in overall performance digital trends far ahead of other neighbouring economies such as Thailand (40th), Philippines (55th), and Indonesia (56rd).

5.4.3.2 Notable Multinational Companies (MNCs) in Malaysia

Malaysia remains an attractive investor-friendly destination to MNCs looking to set up their factories and regional headquarters or business services hubs in the country. Malaysia holds much promise for business collaborations and opportunities with its developed strong fundamentals in matters relating to infrastructure, supply chain networks, connectivity and talents that make the country an attractive investment location in this region for high value-added FDIs.

The strong presence of MNCs in the country such as Spirit AeroSystems, Nestle, IKEA, Panasonic, Daichi Seiko, Idemitsu Chemical and Nippon Electric Glass is testament to the country's attractiveness as an investor-friendly destination in the region. In 2019, the likes Smith&Nephew, Lam Research, EDA Industries, AAC Technologies and Edwards Lifesciences (Edwards) announced the establishment / expansion of their factories / regional hubs in Malaysia.

The on-going trade war between the US and China is expected to benefit Malaysia as one of the potential destinations for MNCs exploring alternative locations and regional hubs outside of China.

Besides the United States, Malaysia also attracts investors from multiple other countries with China being among the top investors in the country. Notable Chinese companies that have made their footprints in the country include Huawei, Longi, Jinko Solar, Bank of China (BOC), Industrial and Commercial Bank of China (ICBC), Alibaba Group, Geely Auto Group, Alliance Steel, Xinyi, Eastern Steel, Jinjing, Kibing as well as Xiamen University.

Johor has also attracted notable investments from various MNCs as summarised below.

Table 9: Johor - Notable Investments by Multinational Corporations (MNCs), 2018 to 2020

No.	Name of Company	Sector	Industry	Origin	Investment (RM)
Year: 2018					
1	Daiichi Seiko (M) Sdn. Bhd	Manufacturing	Electrical and Electronic Products	Japan	RM298 million New facility
2	Petronas Chemicals Isononanol Sdn. Bhd.	Manufacturing	Chemicals and Advanced Materials	Malaysia	RM1.93 billion Expansion
3	Leaf Malaysia OpCo Sdn. Bhd.	Manufacturing	Medical Technology	United States & Australia	RM600 million New facility
4	GKN Engine Systems Component Repair Sdn. Bhd.	Services	Transport Technology	Sweden	RM131 million New Facility
5	Idemitsu Chemicals (M) Sdn. Bhd (Idemitsu)	Manufacturing	Chemicals and Advanced Materials	Japan	RM400 million New facility
6	DHL Express	Services	Logistics	Germany	RM11 million New facility
7	Porsche Centre	Manufacturing & Services	Transport Technology	Germany	RM48 million Expansion
8	DB Schenker	Services	Logistics	Germany	New logistics centre circa 224,000 sq ft
Year: 2019					
1	EDA Malaysia Industries Sdn Bhd	Manufacturing	Machinery and Metal Industry	Italy	RM28.95 million New facility
2	AAC Technologies (Malaysia) Sdn Bhd	Manufacturing	Machinery and Metal Industry	China	RM72 million New facility
3	Orgkhim Biochemical Holding	Manufacturing	Oil and Gas Services and Equipment	Russia	Existing: RM245.68 million Expansion: RM124.5 million
4	Decathlon	Manufacturing	Sporting Equipment	France	New distribution centre
Year: 2020					
1	EMS Provider Enics AG (Enics)	Manufacturing	Electrical and Electronic Products	Switzerland	First manufacturing premises in Southeast Asia (circa 108,000 sq ft)
2	Jstar Motion Sdn Bhd	Manufacturing	Technology	China	RM100 million Expansion
3	ChemOne Group	Services	Oil and Gas Services and Equipment	Singapore	RM14.79 billion New facility
4	Microsoft	Services	Technology	United States	RM5 billion New data centre

Sources: MIDA / Knight Frank Research

Against the COVID-19 backdrop, the state has still managed to secure investments from EMS Provider Enics AG (Enics), Jstar Motion, ChemOne Group and Microsoft to date.

6.0 PROPERTY MARKET ANALYSIS: LOGISTICS AND DISTRIBUTION CENTRES

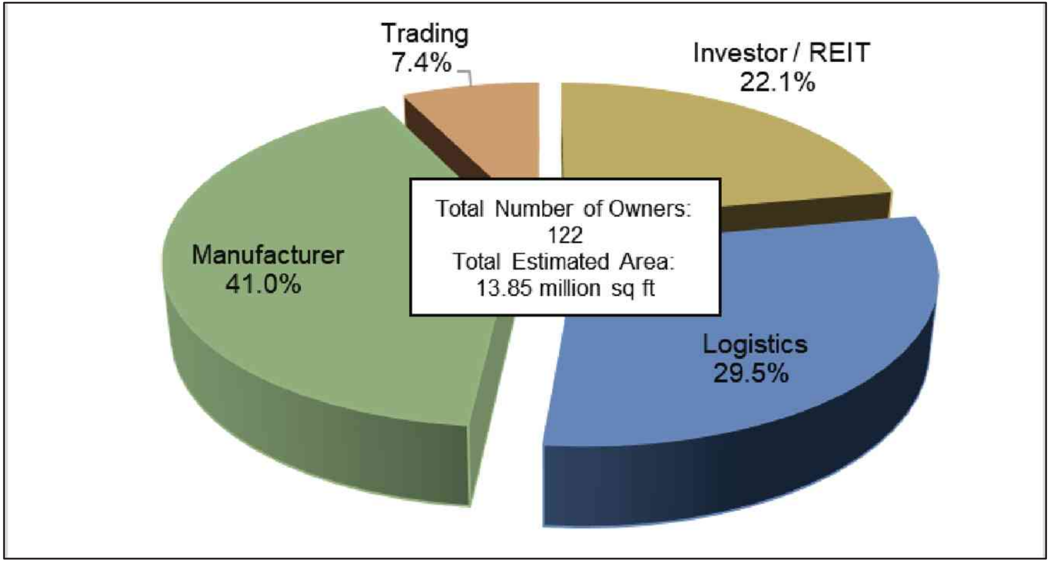
6.1 Review: Owners of Industrial / Logistics Premises in Johor

For the purpose of this Market Study, we have identified owners of industrial / logistics premises in Johor.

As of 1H2020, the industrial / logistics space in Johor totalling 13.85 million sq ft is mainly owned by manufacturers, logistics players and investors / REIT companies.

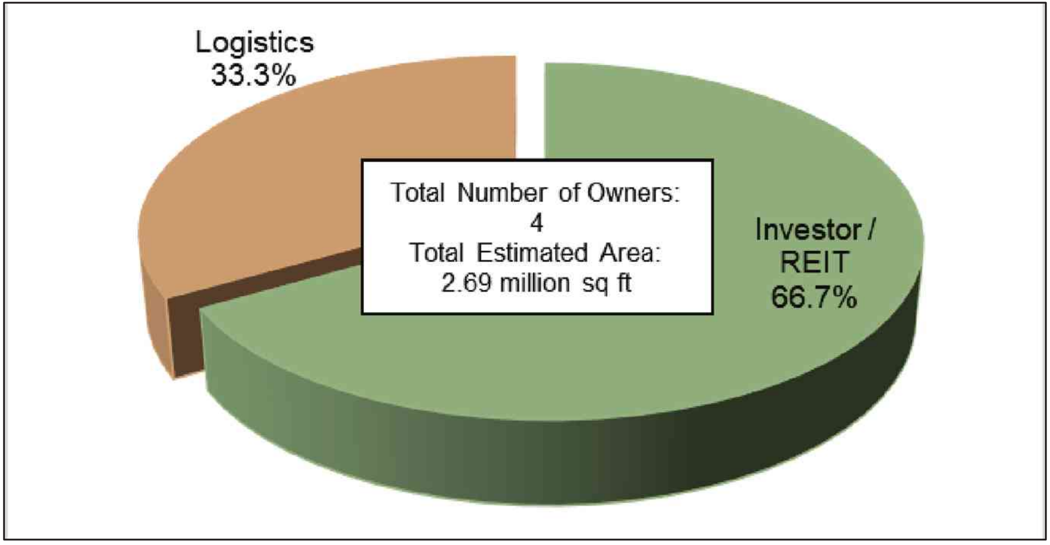
On the other hand, owners of sizeable industrial / logistics premises exceeding 500,000 sq ft each are either logistics firms or investor / REIT players in Johor.

Chart 28: Johor – Breakdown of Owners of Industrial / Logistics Premises by Number, 1H2020



Sources: Knight Frank Research / Various Sources

Chart 29: Johor - Owners of Sizeable Industrial / Logistics Premises by Number, 1H2020



Sources: Knight Frank Research / Various Sources
Note: Sizeable > 500,000 sq ft

It is worth noting that investors / REITs also own a substantial amount of industrial / logistics space in Johor, with the majority of these assets tenanted and occupied by logistics companies such as Nippon Express (M) Sdn Bhd, Damco Logistics Malaysia Sdn Bhd, CJ Century Logistics Sdn Bhd, Tiong Nam Logistics and so forth.

The nationwide MCO implemented on 18 March 2020 and its subsequent conditional and recovery phases (CMCO and RMCO) to contain the spread of the novel coronavirus (COVID-19), have led to the exponential growth of Malaysia's e-commerce sector. Moving forward, this will likely continue to provide a strong tailwind for business operations of logistics companies, leading to higher demand for more warehousing space.

Investors / REITs possess insatiable appetite for large industrial / logistics premises due to high yields coupled with the presence of favourable demand for this asset class. An increasing number of businesses, especially logistics companies, have adopted an asset light model in order to allocate more capital for the operations of their businesses. This has led to a growing demand for built-to-suit arrangements amongst sizeable occupiers and key investors / REITs.

Despite rising demand for large industrial / logistics premises, it is unlikely that an oversupply situation will emerge for this asset class as a result of high development costs coupled with the lack of sizeable industrial land in highly established industrial areas such as Gelang Patah, Senai, Tanjung Langsat and Pasir Gudang in Johor.

6.1.1 Owners of Selected Existing and Incoming Industrial / Logistics Premises

The table below shows that owners of selected existing and incoming industrial / logistics premises in Johor comprise mainly of logistics players and investors / REITs.

Table 10: Johor – Owners of Selected Existing and Upcoming Industrial / Logistics Premises

Owner	Category of Owner	Location	Estimated Built-up Area of Industrial / Logistics Premise (sq ft)	Approx. Land Area (sq ft)
Existing Developments				
Mapletree Logistics Trust	Investor / REIT	Port of Tanjung Pelepas	1,421,000	1,210,000
CJ Century Logistics Holding Berhad	Logistics	Port of Tanjung Pelepas	923,000	1,466,000
BMW Group Regional Parts Distribution Centre Phase 1	Manufacturer	Senai	484,000	540,000
Volkswagen Regional Parts Distribution Centre	Manufacturer	Port of Tanjung Pelepas	477,000	797,000
Pan Asia Logistics	Logistics	Port of Tanjung Pelepas	431,000	263,000
Axis REIT	Investor / REIT	Port of Tanjung Pelepas	346,000	695,000
Tiong Nam Logistics	Logistics	Port of Tanjung Pelepas	272,000	436,000
Tasco Berhad	Logistics	Port of Tanjung Pelepas	203,000	218,000
LF Metal	Trading	Johor Bahru	45,000	93,000
Incoming Developments				
BMW Group Regional Parts Distribution Centre Phase 2	Manufacturer	Senai	231,000	484,000

Sources: Knight Frank Research / Various Sources

Riding the wave of the e-commerce trend, the industrial sector appears resilient amid the COVID-19 pandemic. This, coupled with the attractive tax incentives for overseas investments in the manufacturing sector as unveiled under the country’s short-term Economic Recovery Plan (PENJANA), will also drive demand for industrial properties.

It is also noteworthy to mention that modern warehouses and industrial / logistics premises are generally sizeable and equipped with high specifications in terms of clear ceiling height, racking systems, fire sprinkler system, floor loading capacities and so on, which will allow logistics companies to centralize and improve the efficiency of their business operations.

6.2 Grade A Logistics Properties

For the purpose of this research report, we have categorised industrial / logistics premises comprising of distribution centres and warehouses for logistics purpose as ‘typical’ or ‘Grade A’ logistics properties.

The following tabulates the criteria for Grade A logistics properties.

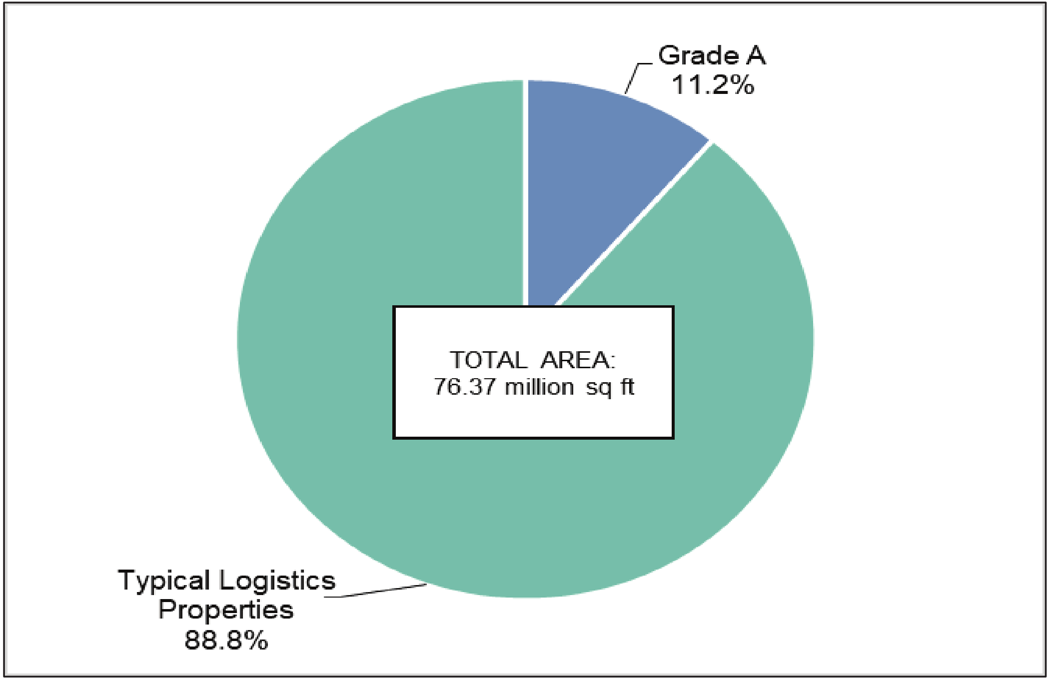
	Pre-qualification for Grade A Logistics Properties		
Grade A	Purpose	:	For logistics use
	Accessibility	:	Distance to major town(s) or port(s) – 30km
	Floor Plate	:	100,000 sq ft or above
	Clear Ceiling Height	:	10 metres or above
	Structure	:	Concrete and/or steel structure
	Floor Loading	:	30kN / sq m or above
	Ramp and Elevator	:	Available for multi-storey premise
	Dock Leveller	:	Available
	Sky Lighting	:	Available
	Fire Fighting System	:	Early Suppression Fast Response (ESFR) fire sprinkler system, fire alarm and fire hydrants

Source: Knight Frank Research

6.2.1 Supply of 'Grade A' Logistics Properties

The cumulative supply of all logistics properties in Malaysia is estimated at 76.37 million sq ft as of 1H2020. Properties that fall within the Grade A classification account for about 11.2% (8.53 million sq ft) of the total space (include distribution centres / warehouses / logistics premises).

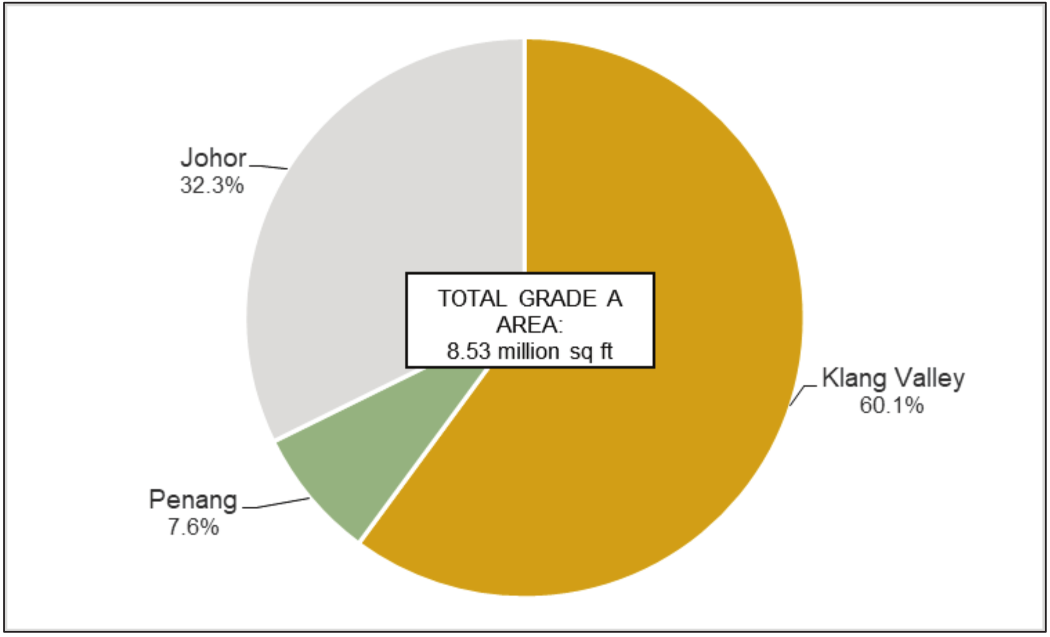
Chart 30: Malaysia - Supply of Logistics Space by Grade, 1H2020



Sources: Knight Frank Research / Various Sources

The majority of Grade A logistics properties are located in Klang Valley with 60.1% share (5.13 million sq ft), followed by Johor with 32.3% share (2.75 million sq ft) and Penang (7.6% or 650,000 sq ft).

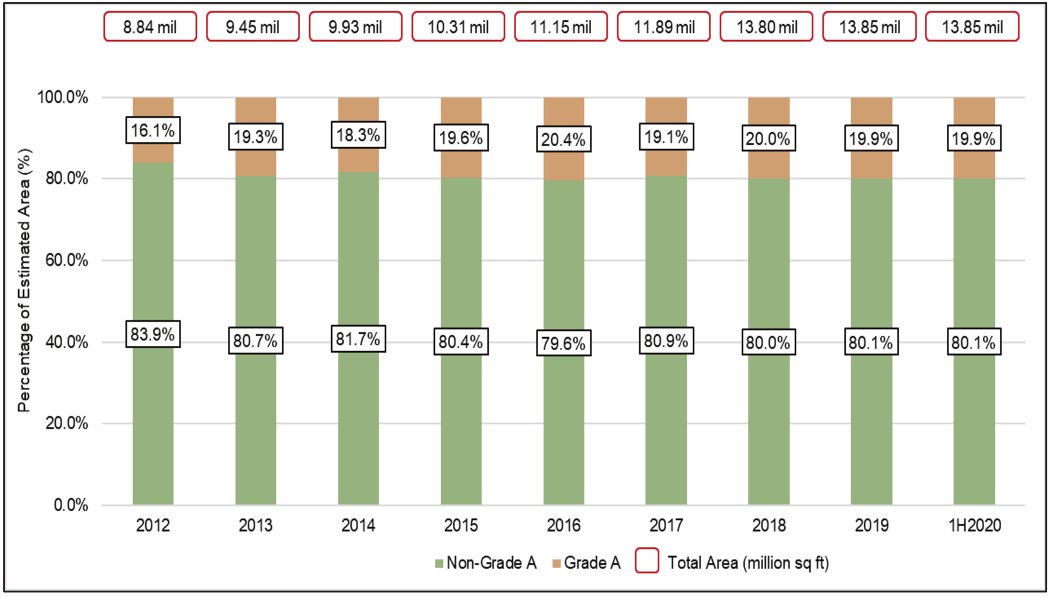
Chart 31: Distribution of Grade A Logistics Space by State / Region, 1H2020



Sources: Knight Frank Research / Various Sources

In Johor, 19.9% or 2.75 million sq ft of logistics space are of Grade A category while the remaining 80.1% (11.09 million sq ft) comprise of non-Grade A logistics space.

Chart 32: Johor - Supply of Logistics Space by Grade, 2012 to 1H2020



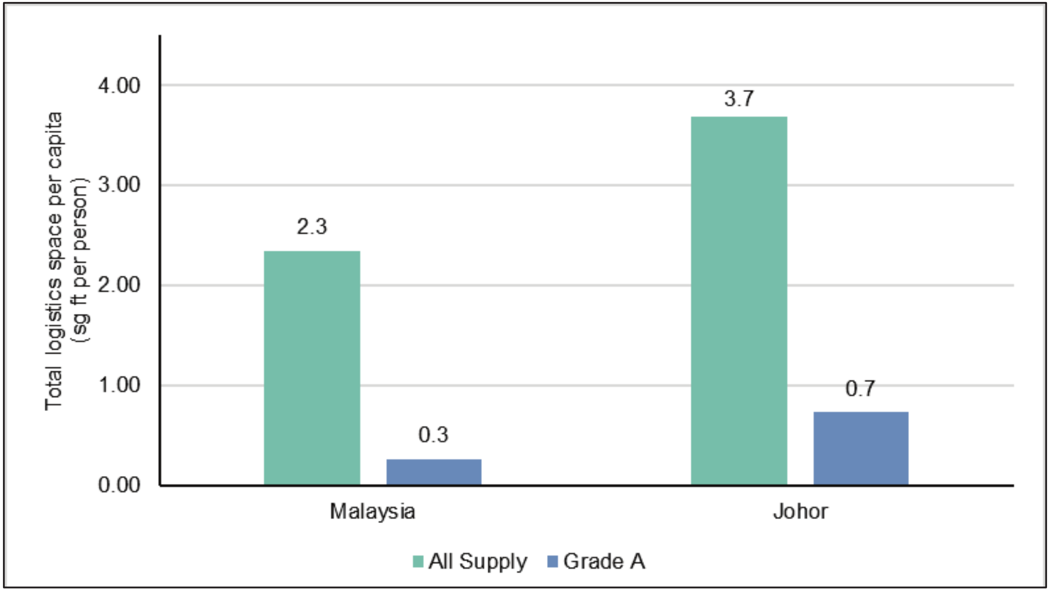
Sources: Knight Frank Research / Various Sources

6.3 Logistics Space per Capita

On a national level, the logistics space per capita is analysed at 2.4 sq ft per person for the all supply category and 0.3 sq ft per person for Grade A supply.

The chart below shows the estimated logistics space per capita (sq ft per person) in Malaysia and the main region / state with key distribution centre / warehouse / logistics market.

Chart 33: Total Logistics Space per capita (sq ft per person) by Grade, 1H2020



Sources: Knight Frank Research / Various Sources

The state and region with the most prominent Grade A logistics space is Johor, analysed at 0.7 sq ft of space per person.

6.4 Occupancy Rates of Selected Logistics Hubs / Distribution Centres

This section provides the estimated occupancy rates of selected big-box Logistics Hubs / Distribution Centres located within the Port of Tanjung Pelepas.

Big–box hubs and centres are physically large space for specific purpose / logistics use.

Table 11: Port of Tanjung Pelepas - Occupancy Rates of Selected Logistics Hubs / Distribution Centres, 1H2020

Selected Logistics Hub / Distribution Centres	Industry of Tenant / Occupier	Estimated Occupancy Rate (%)	Owner Occupied	Single- / Multi-Tenanted
Mapletree Logistics Hub – Tanjung Pelepas **(The Subject Property)**	Logistics	85(1)	No	Multi-tenanted
Pan Asia Logistics	Logistics	67	No	Multi-tenanted
CJ Century Logistics	Logistics	65	No	Multi-tenanted
D21 Logistics Warehouse *(formerly known as BMW Centre PTP)*	Logistics	100	No	Single-tenanted
D8 Logistics Warehouse	Logistics	100	No	Single-tenanted
D25A Tiong Nam Logistics Warehouse	Logistics	100	No	Single-tenanted
Boustead Projects	Logistics	100	No	Single-tenanted

Source: Knight Frank Research
Note: (1) Committed occupancy as of September 2020.

The selected big-box logistics hubs / distribution centres in the Port of Tanjung Pelepas under review generally enjoy average occupancies from 65% to 100%. Multi-tenanted logistics hubs such as Mapletree Logistics Hub (The Subject Property), Pan Asia Logistics and CJ Century Logistics, all located within the Port of Tanjung Pelepas, are 85% (committed occupancy), 67% and 65% occupied respectively while the other single-tenanted logistics facilities within the same locality, namely D8, D21 and D25 as well as Boustead Projects, are fully occupied. It is worth noting that the Subject Property is commanding a committed occupancy of 85%, which is higher than the other multi-tenanted logistics facilities within the locality.

There is strong demand for sizeable warehouse space in the Port of Tanjung Pelepas, especially among logistics companies due to its strategic location offering ease of accessibility and excellent connectivity. The Port of Tanjung Pelepas is accessible via the North-South Expressway and connects Singapore through the second link with just a 30-minute drive. It is also well connected to Pasir Gudang and Senai Airport. Also being located within the port and free trade zone area, offers a wide variety of value-added services.

6.5 Review of Rental Rates

6.5.1 Notable Concluded Rentals and Asking Rental Rates

The concluded gross rentals and asking rents of selected logistics hubs / distribution centres in Johor are tabulated below.

Table 12: Johor – Gross Rental Rates of Selected Logistics Hubs / Distribution Centres

Name of Building / Development Location	**Approx. Land Area** *Built-Up Area* (sq ft)	**Rental[(2)]** (RM / month)	**Monthly Gross Rental Rate[(1)(2)]** over BUA (RM / sq ft)
Current / Prevailing Rental			
Mapletree Logistics Hub – Tanjung Pelepas (The Subject Property) Pelabuhan Tanjung Pelepas, Gelang Patah	**1,210,000** *1,421,000*	2,097,287 *(committed rental)*	1.75 *(committed rental)*
Axis Steel Centre @ SiLC Kawasan Perindustrian SiLC, Nusajaya	**Circa 1,100,000** *688,000*	14,444,000	1.75
Beyonics i-Park Campus Kawasan Perindustrian i-Park, Kulai	**Circa 1,569,000** *421,000*	8,489,000	1.68
D8 Logistics Warehouse Pelabuhan Tanjung Pelepas, Gelang Patah	**267,000** *171,000*	3,483,000	1.70
D21 Logistics Warehouse (formerly known as BMW Centre PTP) Pelabuhan Tanjung Pelepas, Gelang Patah	**429,000** *175,000*	3,005,000	1.43
Asking Rent			
Pelabuhan Tanjung Pelepas (PTP), Gelang Patah	*Detached warehouse:* *8,000 – 100,000* *Semi-Detached:* *5,000 – 6,500*	N/A	1.40 – 1.80 (asking)
Johor Port, Pasir Gudang	*Detached warehouse:* *50,000 – 100,000*	N/A	1.30 – 1.60 (asking)

Sources: Knight Frank Research / Various Sources

Notes:

(1) Monthly Gross Rental Rates are analysed based on gross revenue of selected logistics centres / distribution centres / warehouses / manufacturing facilities in Johor.

(2) The Rental and Monthly Gross Rental Rates are approximate figures.

The selected logistics hubs / distribution centres under review in Johor have a wide range of built-up areas ranging from 170,000 sq ft to 1.4 million sq ft depending on various factors such as the land size, type of facilities / buildings specifications, and other value factors. These logistics hubs / distribution centres command gross rental rates ranging from RM1.43 per sq ft to RM1.82 per sq ft per month.

The asking gross rental rates of industrial developments in the Port of Tanjung Pelepas and Johor Port hover between RM1.30 per sq ft and RM1.80 per sq ft per month depending on the location / scheme, type of space / building specifications, size and other value factors.

The favourable rental rates (concluded and asking) are mainly attributed to the strategic locations of these industrial / warehousing space within ports which are attractive sites for logistics service providers and freight forwarders.

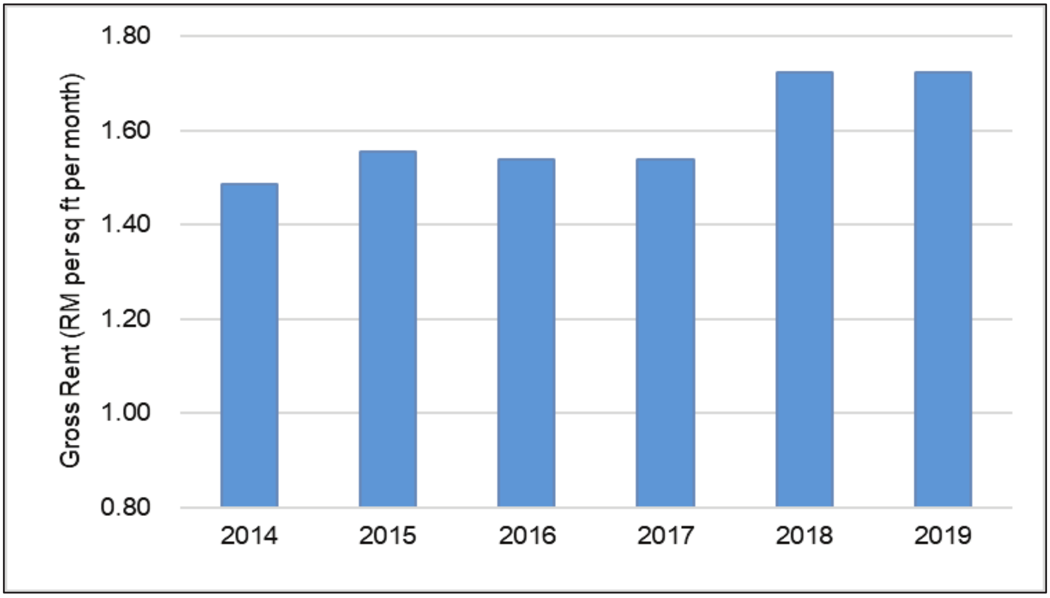
6.5.2 Johor: Contracted Rent

Contracted rent is the annualised rent adjusting for the inclusion of rent subject to rent free periods. It is as per Tenancy / Lease Agreement entered into between the landlord and tenant with all relevant commercial terms agreed upon.

The weighted average gross rental rates of selected industrial / logistics space in Johor are estimated at RM1.49 per sq ft in 2014 and RM1.72 per sq ft in 2019. This reflects a CAGR of 3.0% over the five-year period.

The chart below shows the estimated weighted average gross rental rates of selected industrial facilities in Johor.

Chart 34: Johor – Estimated Weighted Average Gross Rental Rates of Selected Industrial Facilities, 2014 to 2019



Sources: Knight Frank Research / Various Sources
Note:
(1) Estimated Gross Rental Rates are analysed based on gross revenue of selected logistics centres / distribution centres and manufacturing / warehousing facilities in Johor.

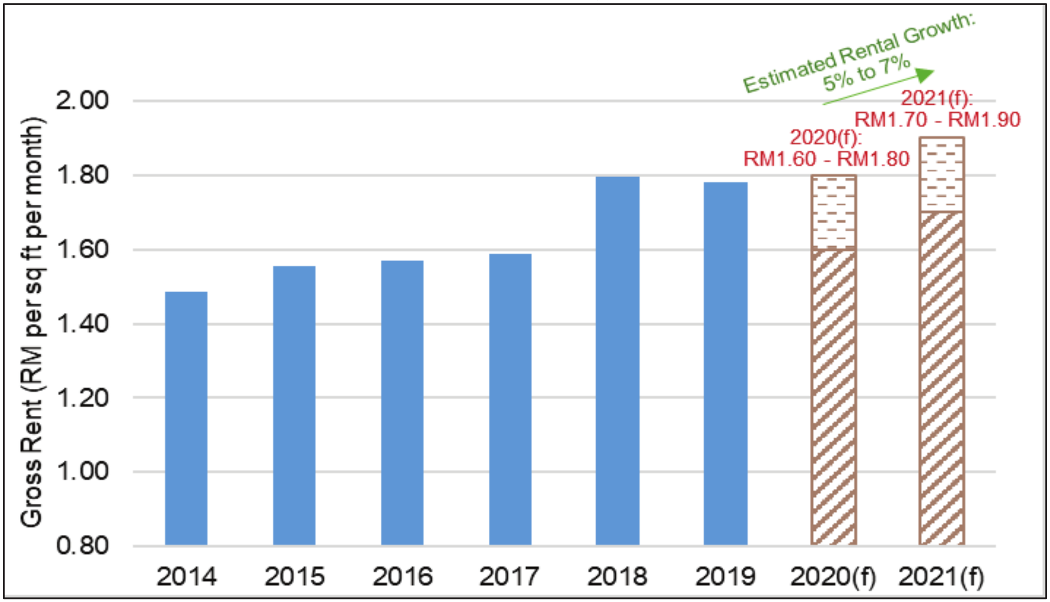
6.5.3 Tanjung Pelepas: Contracted Rent

For the purpose of this section, the locality of Tanjung Pelepas encompasses the sub-localities of Gelang Patah, Port of Tanjung Pelepas, Iskandar Puteri and Nusajaya.

The estimated weighted average gross rental rates of selected industrial / logistics space in the locality of Tanjung Pelepas depicts a CAGR of 3.7% from 2014 to 2019 (2014: RM1.49 per sq ft; 2019: RM1.78 per sq ft / month).

The chart below shows the estimated weighted average gross rental rates of selected industrial / logistics space in the locality of Tanjung Pelepas.

Chart 35: Locality of Tanjung Pelepas – Estimated Weighted Average Gross Rental Rates of Selected Industrial Facilities, 2014 to 2021^(f)



Sources: Knight Frank Research / Various Sources

Note:

(1) (f) = forecast

(2) Estimated Gross Rental Rates (excluding any maintenance & services charges, rent free period, etc.) are analysed based on gross revenue of selected logistics centres / distribution centres and manufacturing / warehousing facilities in the locality of Tanjung Pelepas.

Due to the changing landscape in the industrial sector, developers are now focusing on developing high specifications Grade A industrial property to attract occupiers / investors. The attractiveness of warehouses that come equipped with high specifications has made the industrial sub-sector a bright spot in this relatively challenging property market environment. Grade A logistics properties that come with state-of-the-art warehousing facilities typically enjoy a rent premium of circa 10% to 20% as compared to traditional warehouses.

The rental rates of Grade A logistics properties in the locality of Tanjung Pelepas, estimated at about RM1.60 per sq ft to RM1.80 per sq ft per month in 2020, are projected to increase by 5% to 7% to RM1.70 per sq ft to RM1.90 per sq ft per month in 2021 due to the resilient performance of the industrial market within the locality.

7.0 REVIEW OF SUBJECT PROPERTY (MAPLETREE LOGISTICS HUB – PORT OF TANJUNG PELEPAS)

7.1 State of Johor

The State of Johor, located at the southern region of Peninsular Malaysia, has a land area of 4.7 million acres and is divided into 10 districts. The largest district, Kota Tinggi (0.86 million acres), accounts for 18.3% of the state's land size.

The state capital of Johor Bahru is located in District of Johor Bahru. Located at the southern end of Peninsular Malaysia and along the Straits of Johor, the district encompasses an area of 106,399 hectares (about 262,918 acres) or about 5.6% of the entire land area of Johor State. It is strategically sited north of Singapore.

Exhibit 2: State of Johor

Source: Google Map

7.2 Iskandar Malaysia Corridor

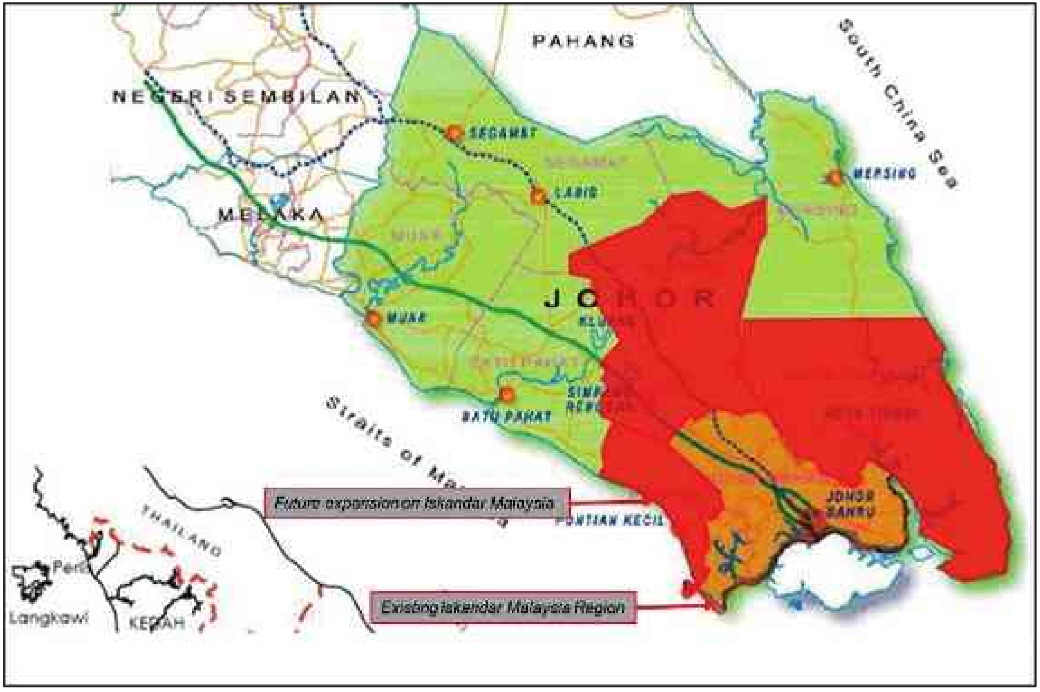
Iskandar Malaysia (IM), established in 2006, was previously known as the Southern Johor Economic Region (SJER). It is located at the southernmost tip of Peninsular Malaysia and within the State of Johor covering an area of 2,217 square kilometres (sq. km), approximately three times the size of Singapore. The primary focus of the establishment is to transform the economic landscape of the southern region due its strategic location.

Iskandar Regional Development Authority (IRDA) is a body that is responsible to facilitate and monitor the direction and policies of Iskandar Malaysia.

Currently, only two (2) districts form the Iskandar Malaysia Region, namely the District of Johor Bahru and District of Kulai. However, it has been announced that the Iskandar Malaysia Region will be extended to 4,749 sq km with its coverage to also include the District of Pontian, District of Kluang and District of Kota Tinggi. Modern agriculture will also be one of its promoted sectors. However, as to date no further details or confirmation on the expansion has been reported by IRDA.

The exhibit below shows the existing area and future expansion of Iskandar Malaysia demarcated in orange and red respectively.

Exhibit 3: Iskandar Malaysia Region

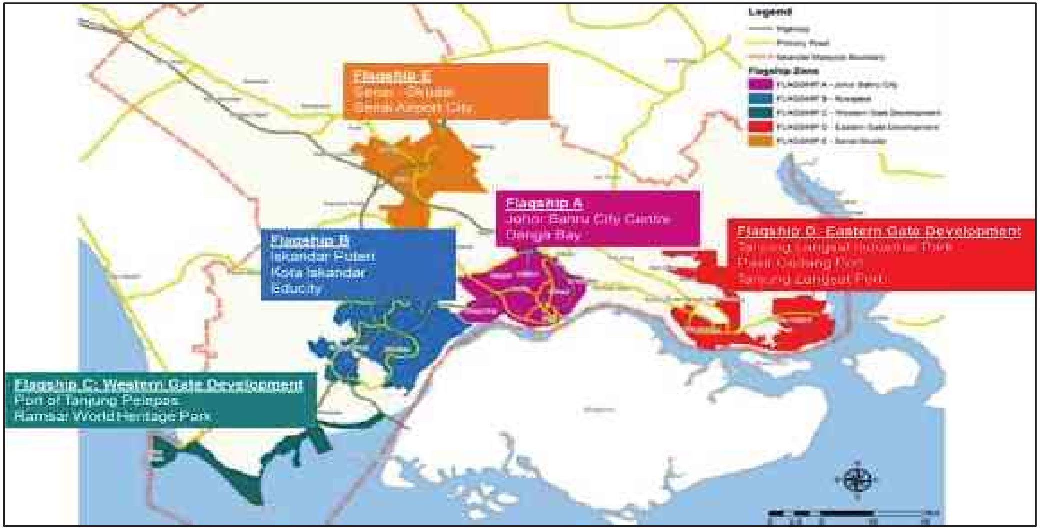


Source: Knight Frank Research

7.2.1 Five Flagships Zones in Iskandar Malaysia

Iskandar Malaysia comprises five (5) flagships zones: Flagship A, Flagship B, Flagship C, Flagship D and Flagship E as shown in the exhibit below.

Exhibit 4: Approximate Locations of 5 Flagships Zones in Iskandar Malaysia



Sources: Comprehensive Development Plan II Iskandar Malaysia, 2014 - 2025 / Knight Frank Research

The five (5) flagship zones have been designated as key focal points for development in Iskandar Malaysia. These flagship zones have been envisaged to both further strengthen existing economic clusters as well as to diversify and develop targeted growth sectors.

The Subject Property is located within Flagship C of Iskandar Malaysia.

Table 13: Iskandar Malaysia - Key Economic Activities of Flagships

Flagship	Notable Locality	Key Economic Activities	
Flagship A	▪ Johor Bahru City Centre ▪ Danga Bay	• Financial services • Commerce & retail • Arts & culture • Hospitality	• Urban Tourism • Plastic Manufacturing • Electrical & electronics • Food processing
Flagship B	▪ Iskandar Puteri ▪ Kota Iskandar ▪ Educity	• Mixed property development • Government administration & logistics • Hub for creative arts & entertainment	• Medical facilities • Educational institutions • Tourism • Biotechnology • Hi-tech manufacturing
Flagship C: Western Gate Development	▪ Port of Tanjung Pelepas ▪ Ramsar World Heritage Park	• Port & marine services • Warehousing • Logistics • Engineering • Hi-tech manufacturing	• Food production • Petrochemical industry • Entreport trade • Power Generation
Flagship D: Eastern Gate Development	▪ Tanjung Langsat Industrial Park ▪ Pasir Gudang Port ▪ Tanjung Langsat Port	• Chemical • Oleochemical • Food & engineering-based industries	• Electrical & electronics • Ports • Logistics & warehousing
Flagship E	▪ Senai-Skudai ▪ Senai Airport City	• Airport services • Engineering • Electrical & electronics • Education	• Hub for agro & food processing • ICT • Retail tourism

Sources: Iskandar Regional Development Authority / Knight Frank Research

7.3 The Subject Property

The Subject Property is a modern multi-tenanted logistics facility, the largest in Southern Johor. It is built upon leasehold industrial land forming part of PTD 2426 held under Title No. HSD 303949, located within Mukim Tanjung Kupang, District of Johor Bahru, Johor and bears postal address, Lot Nos. D40 and D44, Mapletree Logistics Hub – Tanjung Pelepas, Distripark B, Pelepas Free Zone, Port Tanjung Pelepas, 81560 Gelang Patah, Johor Darul Takzim, Malaysia.

A joint venture between MMC Group and APM Terminals, the Port of Tanjung Pelepas is the third busiest port in South-East Asia and is one of the most advanced container terminals in Malaysia, with the capacity to handle up to 12.5 million TEUs annually.

The site, located at Zone B of Port of Tanjung Pelepas Free Zone, has a surveyed title land area of 112,988 sq m (27.92 acres or 1,216,195 sq ft).

The Subject Property comprises a block of single-storey warehouse and two blocks of double-storey ramp-up warehouses with mezzanine office space. The two-way ramp-up design allows up to 45-foot container trucks (the largest trucks used in the market) to gain access directly to the warehouse units on the first floor, thus facilitating quick loading and unloading of goods. Other available amenities at MLHTP include a cafeteria and ample parking space for cars, motorcycles and heavy vehicles.

The specifications of the Subject Property are among the highest available for lease in the Malaysia market and comparable with facilities in developed markets such as Singapore, Japan and Hong Kong. The facility is equipped with Early Suppression Fast Response (ESFR) sprinkler system, which is a major competitive advantage, as this allows tenants to enjoy significant cost savings. Without ESFR, tenants would be required to install in-rack sprinklers in order to comply with fire safety requirements of Bomba (local Fire Department) based on their goods stored.

The flooring system of the warehouses is in compliance to the United Kingdom Concrete Society's 'FM2' flatness standard, with only 2mm flatness tolerance across the floor. This is critical for highly efficient logistics operations as FM2 standard warehouse floor helps to ensure the stability of tenants' multiple-level racking system and the productivity of their operations. On uneven floor, material handling equipment (MHE) such as reach trucks and automated guided vehicles (AGVs) will not be able to run at its designed speed which reduces the efficiency of goods movement for logistics operators.

The facility, while modular in design with 30 units, has one of the largest floor plates in the market (360,000 sq ft). Warehouse units can be combined to achieve a total contiguous space of up to 360,000 sq ft on a single floor. This provides flexibility to the landlord to cater to both smaller space requirements as well as tenants operating large regional distribution centres. The floor plate size is an important consideration for tenants when making location decisions, especially for tenants who have major plans for expansion and would like to expand on the same floor to ensure logistics efficiency.

As at September 2020, the Subject Property enjoys committed occupancy rate of 85% and has asking rental rate of circa RM2.10 per sq ft per month.

Logistic / Warehouse Development			
Land Area (sq ft)	1,216,195		
Gross Floor Area (sq ft)	1,434,258		
Estimated Net Lettable Area (sq ft)	1,421,000		
Car Parking Lots	585 bays		
Car Parking Lots for OKU	12 bays		
Loading Bays	**Ground Floor**	6 bays per unit	
	First Floor	4 to 6 bays per unit *Note: Some loading bays come with dock levellers*	
Blocks	**Block A**	**Block B**	**Block C**
No. of Units	18 units	10 units	2 units
Size of Warehouse (sq ft)	36,812 - 63,621	36,231 – 70,068	37,006 – 55,219
Size of Mezzanine Office (sq ft)	5,124 – 5,512		
Current Tenants	Zebra Shipping Sdn Bhd, Decathlon Logistics Malaysia Sdn Bhd, GAC Cargo System (Malaysia) Sdn Bhd, BCI New Energy Manufacturing Sdn Bhd, Damco Logistics Malaysia Sdn Bhd		
Building Specifications			
Loading Platform	1.3m raised floor from driveway		
Fire Protection System	ESFR Sprinkler System		
Power Supply (3-phase)	**Ground Floor**	250A per unit	
	First Floor	200A per unit	
Column Grid	**Ground Floor**	12m x 12m	
	First Floor	12m x 24m	
Floor Loading Capacity	**Ground Floor**	30kN / m^2	
	First Floor	30kN / m^2	
	Mezzanine Office	2.5kN / m^2	
Clear Height	**Warehouse**	10m	
	Mezzanine Office	3m	
SWOT Analysis			
Strengths / Opportunities	▪ **Security**: The Subject Property is located within a Free Zone area, thus access to Port of Tanjung Pelepas (PTP) itself requires a first-tier security access via the main entrance of Gate B. A 2nd tier access (via two guard houses) is also required at the entrance to the Subject Property. ▪ **Facilities**: Canteen, basketball / futsal court, ample car park spaces that provide convenience to the staff / workers. ▪ **Rental**: Competitive rental rates compared with similar modern designed facilities within the surroundings. ▪ **Management**: The Subject Property is professionally managed to ensure that the building is constantly in prime condition and that the operations of tenants will not be disrupted at all times. ▪ **Modern Design**: The design of the building including its capacity on weight and size of ramps gives sufficient flexibility for loading and manoeuvring within the Subject Property.		

	▪ **Proximity to Singapore**: By virtue of its proximity to Singapore, the Subject Property is likely to have a cost advantage in terms of competitive rental rates and favourable currency exchange.
Weaknesses / Threats	▪ **Competition**: There are other logistic players within Distripark B of PTP creating possible competition for tenants to shop for alternatives. ▪ **Future Supply**: PTP will have 5 development phases in total. To date, only the first and second phases have been completed. Thus, any future expansion of the port may create an imbalance between supply and demand for warehouse space – this may lead to heighten competition and growing pressure on occupancy and rental levels in the longer term.

Sources: The Client / Knight Frank Research

7.3.1 Cost Advantages of Warehouses / Logistics Centres in Port of Tanjung Pelepas

This section highlights the cost advantages of warehouses / logistics distribution centres in the Port of Tanjung Pelepas in terms of utilities and rental rates in comparison to similar properties in Singapore.

Table 14: Selected Regions - Cost Comparison of Warehouses / Logistics Distribution Centres, 2019

Indicators	Johor Bahru - Port of Tanjung Pelepas	Singapore
Utilities		
Electricity for commercial / industrial usage (US$ per kwh)	0.09 - 0.12⁽¹⁾ (RM0.38 - RM0.51)	0.17⁽²⁾ (RM0.71)
Water for commercial / industrial usage (US$ per m^3)	0.67 - 0.80 (RM2.80 – RM3.30)	1.99 (RM8.26)
Rental		
Prevailing Rental Rate (per sq ft per month)	RM1.70 - RM1.90	US$1.28 (RM5.48)

Sources: JUBM & Arcadis Construction Cost Handbook Malaysia 2020 / Knight Frank Research

Notes:

(1) The electricity tariff is based on Tariff A & Tariff D (low voltage).

(2) The electricity tariff is based on low tension power supply.

The utilities charges for electricity usage in the Port of Tanjung Pelepas (tariff based on Tariff A & Tariff D of low voltage) is around 39% to 87% lower when compared to Singapore (tariff based on low tension power supply).

Meanwhile, the water charges for commercial / industrial usage in Singapore is approximately 2.5 times to 3 times the water charges in the Port of Tanjung Pelepas.

In terms of rental, prime warehouses / logistics centres in the Port of Tanjung Pelepas command rates ranging from RM1.70 to RM1.90 per sq ft per month. It is noteworthy to mention that the monthly rental rates of prime warehouses / logistics centres in the Port of Tanjung Pelepas is around 65% to 69% lower when compared to neighbouring Singapore, where the rates are in the region of RM5.48 per sq ft.

Port of Tanjung Pelepas versus Singapore: Asking Rental Rates

The asking rental rates for warehouses and logistics distribution hubs in the Port of Tanjung Pelepas and the Western section of Singapore (Jurong, Tuas, Bukit Batok, Clementi, Penjuru, Benoi and Gul Circle), which are located within or in close proximity to the Port of Singapore are tabulated below:

Table 15: Port of Tanjung Pelepas and Western Section of Singapore - Asking Rental Comparison for Warehouses

Country / Location	Asking Rental (RM per sq ft per month)[1]	
	Lowest	Highest
Port of Tanjung Pelepas (PTP), Johor	1.30	1.80
Western Section of Singapore	2.40	5.50

Source: Knight Frank Research
Notes:
(1) Asking rentals as of August 2020
(2) Conversion rate: SGD1 = RM3.03 as at 25 September 2020

The rental rates of warehouses / logistics distribution hubs located within the western part of Singapore are observed to be about 84.6% higher in local currency (Ringgit Malaysia) than the rental rates of similar premises in the Port of Tanjung Pelepas. Also, published trans-shipment tariffs for the Port of Tanjung Pelepas is around 40% cheaper compared to Port of Singapore.

Besides the various cost benefits, the Port of Tanjung Pelepas also has advantage over the Port of Singapore in terms of land availability.

7.4 Location and Accessibility

7.4.1 Location

The Port of Tanjung Pelepas, which is strategically located within Gelang Patah, is about 45 minutes from the confluence of the world's busiest shipping lanes. Situated at the eastern side of the mouth of the Pulai River, it is easily accessible from the Straits of Malacca that provides East – West bound trade lanes.

It is a prime location for various business operations relating to manufacturing, warehousing and distribution with key attractiveness as follow:

- 2nd most active port by total cargo throughput within Malaysia, after Port Klang
- Free trade zone
- Strategic location with good connectivity to other key logistic areas such as Johor Port, Tanjung Langsat Port and Senai International Airport for ease of container handling.
- Well connected via major expressways that include the Malaysia-Singapore Second Link, Tanjung Pelepas Highway, Coastal Highway and North-South Expressway.

7.4.2 Port of Tanjung Pelepas

The Port of Tanjung Pelepas is a joint-venture project between the ports and logistics division of MMC Corporation Bhd (70%) and APM Terminals (30%). Operated by Tanjung Pelepas Port Sdn Bhd, the port which is held under a 99-year leasehold interest master title, is leased to Pelabuhan Tanjung Pelepas Sdn Bhd for a term of 60 years. The corporation then sub-leases the land parcels within the port to individual lessees.

As at 2019, the Port of Tanjung Pelepas was ranked as the third largest port in container handling in South-East Asia. The port handled 9.1 million TEUs (annual growth of 1.3%) with a utilisation rate of 73% *(Source: Malaysia Rating Corporation Berhad)*. During the year, the port's revenue grew by 2.0% y-o-y to RM1.32 billion while its pre-tax profit was higher by 7.9% to RM211.4 million due to well-contained operating cost.

Zoning and Planning

The Port of Tanjung Pelepas falls under the administration of the Johor Port Authority (Lembaga Pelabuhan Johor).

According to the local authority (Majlis Bandaraya Iskandar Puteri), the port is zoned for light and medium industry as follow.

Table 16: Class of Land Use for BPK 10.2

Category of Land Use	Class	Density and Plot Ratio
Class C (Industrial)	C3: Medium Industry C4: Light Industry C5: Small and Medium Industry	C3: Buffer Zone at least 150m or more C4: Buffer Zone at least 50m or more C5: No minimum Buffer Zone

Source: Rancangan Tempatan Daerah Johor Bahru & Kulai 2025 (Penggantian)

Free Zone

The Port of Tanjung Pelepas is an on-going container port and it was accorded the Free Zone status in 1998. Spanning an area of about 1,583 acres, the Free Zone land comprises five phases. Phase 1 and Phase 2 accounted for approximately 635 acres and are developed with basic infrastructure such as utilities supply, telecommunications facilities, roads and drainage. To date, more than 80% of the developed land in Phases 1 and 2 have been sub-leased to various local and global companies. Phases 3, 4 and 5, which constitute 948 acres, will potentially be developed to expand the current Free Zone development.

The Free Zone status comes with several tax incentives as follow.

Table 17: Incentives within Free Zone

Items	Incentives
Import and Export	100% tax exemption on customs duties and excise duties (subject to relevant authorities)
Ownership	100% foreign ownership
Sales to the local market	Up to 20% of total sales for export processing industries and service companies (subject to customs duties)

Source: Pelabuhan Tanjung Pelepas Sdn Bhd

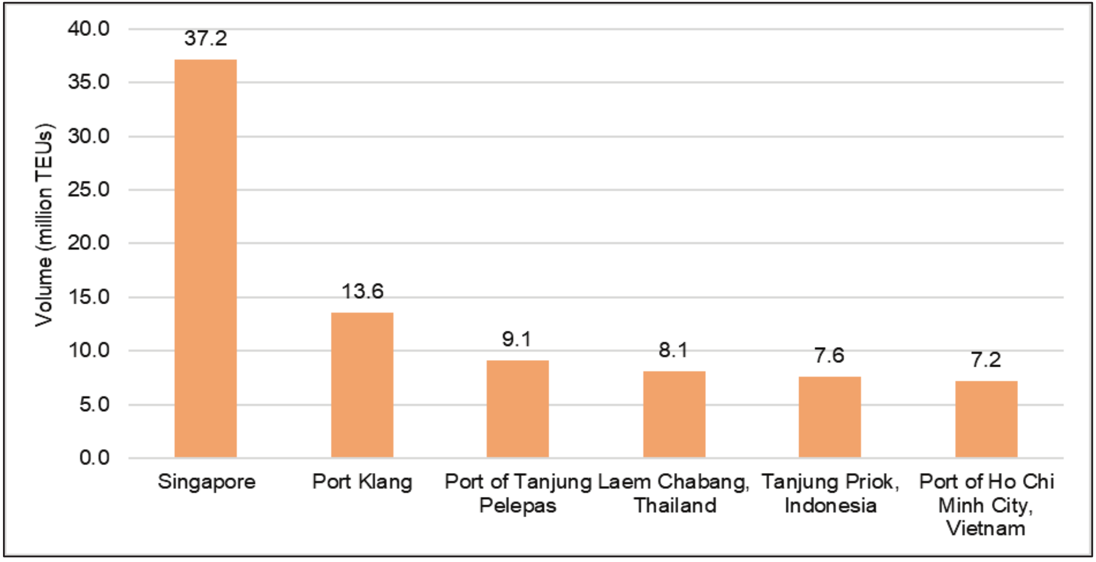
The free trade zone area enables international or regional 3PLs and freight forwarder to operate their supply chains more efficiently and effectively.

South East Asia – Largest Ports in Container Handling

In 2019, the Port of Tanjung Pelepas was ranked third in container handling amongst the ports of South East Asia, after Singapore and Port Klang.

The chart below shows South East Asia's largest ports in terms of container handling for 2019.

Chart 36: South East Asia – Largest Ports in Container Handling, 2019



Source: LLOYD

In 2018 and 2019, the port handled around nine million TEUs per year and it is reportedly on track to meet the target of 9.6 million TEUs for FY20$^{(f)}$ - this translates to a y-o-y growth of 5.7% or an expected CAGR of 3.1% from 2014 to 2020$^{(f)}$, driven mainly by higher demand for container storage as shipping lines consolidate their containers at the port amid the pandemic. In addition, it is traffic driven by activities to replenish stocks depleted during the global lockdown.

Between 2014 and 2019, the volume of container handling grew at a CAGR of 2.0%.

Table 18: Port of Tanjung Pelepas – Percentage Changes in Volume of Container Handling, 2014 to 2019$^{(p)}$

Year	Volume of Container Handling (million TEUs)	Annual Percentage Change (%)
2014	8.23	11.0
2015	8.80	6.9
2016	8.28	-5.9
2017	8.26	-0.2
2018	8.96	8.5
2019$^{(p)}$	9.08	1.3

Sources: Ministry of Transport Malaysia (MOT) / All Ports and Marine Department / Knight Frank Research

Notes: (p) = preliminary data
(1) The total cargo / container throughput includes export, import and trans-shipment.

With the Port of Tanjung Pelepas expected to reach its capacity in the next three to four years, there are plans to expand its capacity from the current 12.5 million TEUs to 30 million TEUs over the last two years.

Meanwhile, the port has taken delivery of four ultra large container vessel (ULCV) ship-to-shore (STS) quay cranes, with the remaining four units expected to arrive by the third quarter of the year, bringing the total to 66 STS cranes. This will allow the port to serve ULCVs with a capacity of more than 23,000 TEUs.

The Port of Tanjung Pelepas will also add another 100 acres to its Tanjung Adang development with an estimated investment of RM140 million in the existing free zone. It aims to attract multinational companies, predominantly those currently headquartered in Singapore, to relocate or set up their production facilities and warehouses there.

Exhibit 5: Malaysia – Major Federal Ports

Source: Google Map

7.4.3 Macro Accessibility

Mapletree Logistics Hub – Tanjung Pelepas is strategically located within the locality of Gelang Patah, Mukim of Tanjung Kupang, District of Johor Bahru.

A summary of routes leading to the Subject Property is tabulated below:

Table 19: The Subject Property – Macro Accessibility

Route	Direction	Linking / Interchange
Malaysia-Singapore Second Link	From Johor Bahru City Centre	▪ The Subject Property is accessible from Johor Bahru city centre via Jalan Tun Abdul Razak, Jalan Skudai and the Coastal Highway. Access therefrom is via the Malaysia – Singapore Second Link making an exit onto Lebuhraya Tanjung Pelepas, Jalan Tanjung A/3, Jalan DPB/4, Jalan DPB/3, Jalan DPB/6 and thereon onto Jalan DPB/8 leading to the Subject Property.
	From Senai International Airport	▪ From Jalan Lapangan Terbang making an exit onto the Malaysia-Singapore Second Link. Access thereafter is via Lebuhraya Tanjung Pelepas, Jalan Tanjung A/3, Jalan DPB/4, Jalan DPB/3, Jalan DPB/6 and thereon onto Jalan DPB/8 leading to the Subject Property.
	From Kuala Lumpur	▪ From the Sungai Besi toll plaza onto the North-South Expressway. Access thereon is then continued onto the Malaysia – Singapore Second Link, making an exit onto Lebuhraya Tanjung Pelepas, Jalan Tanjung A/3, Jalan DPB/4, Jalan DPB/3, Jalan DPB/6 and thereafter onto Jalan DPB/8 leading to the Subject Property.
	From Singapore (Tuas Checkpoint)	▪ From the Tuas Checkpoint, the Subject Property is accessible via the Malaysia - Singapore Second Link Expressway, making an exit onto the Tanjung Pelepas Highway. Access thereafter is via Jalan Tanjung A/3, Jalan DPB/4, Jalan DPB/3, Jalan DPB/6 and thereon onto Jalan DPB/8 leading to the Subject Property.

Source: Knight Frank Research

The Port of Tanjung Pelepas offers excellent multi-modal linkages that presents excellent connectivity via air, sea and road for shippers, importers and exporters. As a result, the port is a highly sought-after location as a trans-shipment hub for the region as well as a distribution hub to support Malaysia and Singapore.

A summary of the approximate distance and travelling time are provided in the table below.

Table 20: The Subject Property – Approximate Distance to Major Highways / Expressways, International Airports, Ports and City Centre

Location	Approximate Distance (km)	Approximate Travelling Time (minutes)
Highways / Expressways		
Malaysia-Singapore Second Link	10	10 - 13
Coastal Highway	16	18 - 20
North-South Expressway	35	30 - 35
Eastern Dispersal Link (EDL)	40	43 - 45
Senai-Desaru Expressway	40	35 - 40
International Airports		
Senai International Airport	41 - 48	35 - 45
Changi International Airport, Singapore	63 - 65	70 - 75
Ports		
Tanjung Langsat Port	69 - 73	70 - 75
Johor Port	57 - 61	55 - 60
City Centre		
Johor Bahru City Centre	38 – 42	40 - 45

Source: Knight Frank Research

The upcoming Pontian – Johor Bahru Bridge crossing Sungai Pulai and linking the road from Port of Tanjung Pelepas to Tanjung Bin is expected to boost socio-economic and developments of the surrounding areas. The 7.5km two-lane, two-way bridge connects the two districts of Johor Bahru and Pontian with a navigational clearance of 25m high and 100m width. It reduces the travel time from Johor Bahru to Kukup to only 15 minutes from the current land route which takes about an hour.

The macro accessibility of the Subject Property is illustrated below.

Exhibit 6: The Subject Property – Macro Accessibility to Major Highways / Expressways

Source: Google Earth

The following tabulates approximate driving distances from the Subject Property to several notable destinations in Johor Bahru.

Table 21: Approximate Driving Distance from Subject Property to Notable Destinations

Destination		Approximate Distance
Medini	:	18 - 20 km
Skudai	:	32 - 36 km
Senai	:	43 - 47 km
Kulai	:	45 - 52 km
Johor Bahru City Centre	:	38 - 41 km
Pasir Gudang	:	56 - 58 km
Ulu Tiram	:	52 - 66 km

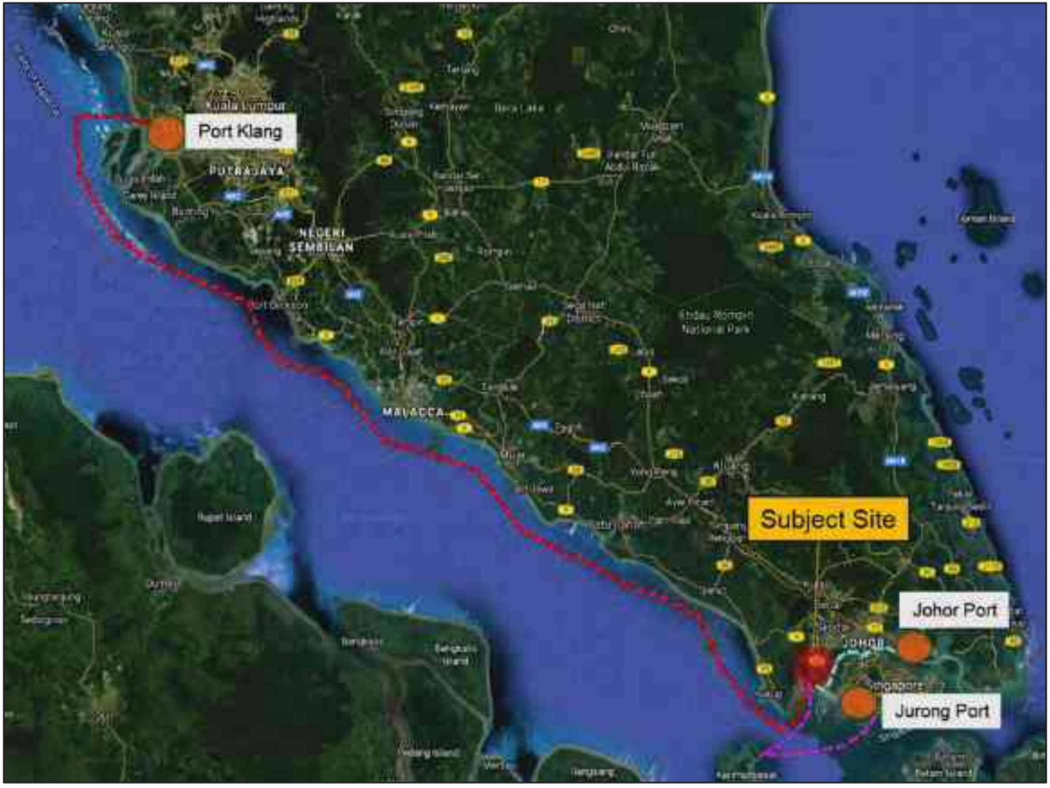
Destination		Approximate Distance
Ports		
Johor Port	:	57 - 61 km
Tanjung Langsat Port	:	69 - 73 km
	:	
Airports		
Senai International Airport	:	41 - 48 km

Source: Knight Frank Research

Other than by road, the Subject Property is also well linked by sea to other ports. The Port of Tanjung Pelepas, which is situated on the eastern side of the mouth of the Pulai River in south-west Johor, is a sheltered bay that has no tide restrictions. It has an access channel of 12.6 km for two-way traffic.

The sea routes to several ports are shown below.

Exhibit 7: The Subject Property – Sea Routes to Selected Ports



Source: Google Earth

The following tabulates approximate sea route distance from the Subject Property / locality to several ports.

Table 22: Selected Ports - Approximate Driving Distance from the Subject Property

Location	Approx. Distance (Nautical Miles)	Approx. Distance (km)	Speed (1 knot = 1.85 km/hour)
Johor Port	44	85	20 knots
Jurong Port	52	100	20 knots
Batam Port	57	105	20 knots
Port Klang	173	320	20 knots

Source: Knight Frank Research

7.4.4 Micro Accessibility

The Subject Property, which fronts onto Jalan DPB/8 within Port of Tanjung Pelepas, Gelang Patah, is well connected to the Tanjung Pelepas Highway.

Table 23: The Subject Property – Micro Accessibility

Route	Link / Interchange
Tanjung Pelepas Highway	▪ Serves as the main arterial road to the Subject Property. ▪ Currently is the only access to the Port of Tanjung Pelepas.

Source: Knight Frank Research

7.5 Surroundings

The Subject Property is strategically located within the Free Zone – Distripark B of Port of Tanjung Pelepas in Gelang Patah, surrounded mainly by detached factories / warehouses, vacant industrial plots, semi-detached factories, three (3)-storey terraced shop offices and residential settlements.

Within the locality, about 3-km radius from the Subject Property, is the industrial scheme of I-Parc @ Tanjung Pelepas. Other notable industrial estates in the wider vicinity include Nusajaya Tech Park, Nusa Cemerlang Industrial Park and Southern Industrial and Logistics Clusters (SILC).

The nearest commercial area to the Subject Property, comprising mainly three (3)-storey terraced shop-offices, is located within the I-Parc @ Tanjung Pelepas development. The latter is located approximately 3 kilometres by road due east from the Subject Property.

Located south-east about 10 kilometres from the Subject Property is the mega integrated development of Forest City by Country Garden Pacific View.

Other residential schemes / settlements located in the larger neighbourhood include Leisure Farm, East Ledang, Ledang Heights, Kampung Tanjung Kupang, Kampung Pok Besar and Kampung Paya Mengkuang; to name a few.

A summary of notable developments within the immediate and wider neighbourhoods of the Subject Property is provided below.

Notable Residential / Township Developments		Notable Industrial Developments
Immediate Neighbourhood	Wider Neighbourhood	
▪ Kampung Tanjung Kupang ▪ Kampung Pok ▪ Kampung Pok Besar ▪ Kampung Paya Mengkuang ▪ Forest City	▪ Leisure Farm Resort ▪ Taman Leisure ▪ East Ledang ▪ Ledang Heights ▪ Medini ▪ Eco Botanic ▪ Gelang Patah	▪ I-Parc @ Tanjung Pelepas ▪ Nusajaya Tech Park ▪ Nusa Cemerlang Industrial Park ▪ SiLC

7.6 SWOT Analysis

We have conducted SWOT analysis (strengths, weaknesses, opportunities and threats) in relation to The Subject Property taking into consideration its physical attributes, location and accessibility, property market trends, and performance of competing developments amongst others.

STRENGTHS	
Location	▪ Located at the confluence of main east-west shipping lanes. ▪ Integrated logistics hub within Iskandar Economic Zone.
Accessibility	▪ Accessible via major expressways such as the Malaysia-Singapore Second Link, North-South Highway, Coastal Highway, Pasir Gudang Highway.
Land Size	▪ To date, only two phases within the Port of Tanjung Pelepas have been developed. Thus, there is potential for existing occupiers / players to expand their business operations in the future should their space requirements increase. ▪ The Free Zone expansion will also encourage more multinational companies to shift their warehouse operations to the port.
Cost Competitive	▪ Compared to the Port of Singapore, there is more cost savings due to currency exchange - in relation to rental rates, transhipment tariff, land cost, construction cost, etc.
Special Incentives	▪ Free Zone

WEAKNESSES	
Capacity	▪ Smaller scale and capacity compared to the Port of Singapore. ▪ Slower progress in capacity expansion with only two out of five proposed phases completed to date.
Amenities	▪ Limited existing complementing amenities available in the immediate surrounding. ▪ The nearest townships of Taman Nusa Perintis and Taman Nusantara, Gelang Patah, which are about 14 km to 17 km away from PTP, offers amenities such as banking, clinics and food & beverage outlets.
Others	▪ Congestion problems ▪ Lack of superior network connectivity

OPPORTUNITIES	
Future Investment	▪ The Port of Tanjung Pelepas is investing RM8.6 billion to increase its container handling capacity to 22.2 million TEUs by 2030.
Facilities	▪ The Port of Tanjung Pelepas is upgrading its Terminals operating system to “NA Navis” to improve performance and scalability.
Connectivity	▪ The upcoming Pontian – Johor Bahru Bridge crossing Sungai Pulai and linking the road from Port of Tanjung Pelepas to Tanjung Bin is expected to boost the socio-economic and developments of the surrounding areas.

THREATS	
Tuas Land Reclamation	▪ Land reclamation for the Tuas mega terminal is expected to increase Singapore’s container handling capacity to 65 million TEUs by 2040.

8.0 SUMMARY & CONCLUSION

8.1 Supply and Demand Analysis

This section summarises the market findings on industrial / logistics premises in Malaysia as of 1H2020.

Supply	Estimated Occupancy Rate (%)	Monthly Gross Rental Rate (RM per sq ft / month)
Existing Supply **Malaysia** ▪ Non-Grade A : 68.91 mil sq ft ▪ Grade A : 8.48 mil sq ft **Johor** ▪ Non-Grade A : 12.16 mil sq ft ▪ Grade A : 2.70 mil sq ft **Grade A Logistics Space** ▪ Johor : 2.70 mil sq ft ▪ Penang : 0.65 mil sq ft **Logistics Space per Capita** **Total Supply** ▪ Malaysia : 2.4 sq ft / person ▪ Johor : 4.0 sq ft / person **Grade A Logistics Space** ▪ Malaysia : 0.3 sq ft / person ▪ Johor : 0.7 sq ft / person ▪	**Selected Logistics Hubs / Distribution Centres, 1H2020** 65% - 100%	**Current / Prevailing Rental of Selected Logistics Hubs / Distribution Centres** ▪ 1.43 – 1.82 **Asking Rental** ▪ PTP : 1.40 – 1.80 ▪ Johor Port : 1.30 – 1.60

Source: Knight Frank Research

The strategic location of highly established industrial areas in Johor, supported by good accessibility to key international seaports and airports, has generated strong demand for industrial properties in the state amongst notable investors, REITs and operators alike.

The exponential growth of the e-commerce sector led by the COVID-19 pandemic has created a strong tailwind for the operations of logistics companies, leading to higher demand for sizeable warehousing space and logistics / distribution centres. Future developments of similar properties will, however, remain low due to high capital expenditures (land & construction costs) required to develop sizeable modern warehousing / industrial units. The high barrier of entry associated with the development of large industrial facilities, bodes well for the Subject Property, as an oversupply situation is less likely to occur for this coveted asset class.

Sizeable industrial / logistics centres continue to attract investments from investors / REITs as they yield high return supported by the favourable market for warehousing / logistics facilities. An increasing number of businesses, especially logistics companies, have adopted an asset light model in order to allocate more capital allowances for their business operations. This has raised the popularity of built-to-suit arrangements amongst sizeable tenants / occupiers and key investors / REITs.

Moving forward, the industrial sector in Johor is expected to be resilient with rising demand in the logistics / distribution centre segment as the country's e-commerce activities continue to grow rapidly. Under the short-term Economic Recovery Plan (PENJANA), which was unveiled on 5 June 2020, various incentives were announced to cushion the severe impact arising from the COVID-19 pandemic. They include a generous tax holiday period of up to 15 years for foreign companies which make new investments in the manufacturing sector with capital investments of RM500 million and above. Coupled with the fast track approval mechanism for manufacturing licences and tax incentives with the establishment of Project Acceleration and Coordination (PACU) in the Malaysian Investment Development Authority (MIDA), this will help to raise the country's attractiveness in the eyes of foreign investors and potentially draw higher FDI flows.

Being located within the Port of Tanjung Pelepas and free zone area, tenants / occupiers within the Subject Property, made up predominantly logistics operators, stand to benefit from the rapid growth of the e-commerce sector. As warehouse demand amongst its existing tenants continues to increase swiftly, it is likely that the Subject Property will command higher occupancy rate in the near future and its rental rates are poised to enjoy upward revisions.

Traditionally, most of the larger existing industrial park developments in the country are led by the state governments. However, the trend is changing as more private developers and investors see opportunities in this growing property segment. We now see the emergence of modern gated and guarded (G&G) industrial parks and logistics parks in established industrial locations such as i-Park@Indahpura, i-Park@SiLC and i-Park@Senai Airport City, Eco Business Parks I, II and III as well as Frontier Industrial Park, all supported by amenities for the convenience of occupiers and end-users.

Build-to-lease (BTL) developments have also become more prevalent where one-stop solutions are offered to companies which prefer to operate in customized facilities on long-term leases, saving the hassle and capital expenditure associated with the construction process.

It is observed that large multinational firms tend to set up their facilities in the southern region of Johor where mature and more established industrial areas are located, such as the likes of Pasir Gudang, Senai, Tanjung Langsat and Gelang Patah, as these areas have better / readiness of infrastructure and are located in close proximity to seaports and airports. Anticipations that it would also enjoy competitive advantage (lower rent and favourable currency exchange on cost) serving the Singapore market as the Subject Property is located only about 20-km from the Second Link Expressway and by waterway, directly opposite from Tuas, Singapore.

The Subject Property, being a sizeable and professionally managed facility that is equipped with favourable specifications, is practical and versatile enough to cater to a wide target market based upon their warehousing needs. With existing occupiers in the Subject Property requiring to incur high costs should they relocate, they (the existing tenants) are likely to continue to renew their leases in the short to medium term.

8.2 Rental Rate Analysis

Upon evaluating selected industrial / logistics premises which are deemed comparable to the Subject Property, it can be observed that state-of-the-art industrial / logistics premises in Johor, such as D8 Logistics Warehouse and Axis Steel Centre @ SiLC command high prevailing rental rates of RM1.70 per sq ft to RM1.75 per sq ft per month as of 2019.

The Subject Property has significant advantage due to its sizeable scale, which allows it to cater to the burgeoning demand for large warehousing space amongst market leaders in the e-commerce and logistics companies.

Strategically located in the Port of Tanjung Pelepas, Gelang Patah, the Subject Property enjoys easy accessibility to the Straits of Malacca as well as to other key logistics areas such as Johor Port, Tanjung Langsat Port and Senai International Airport. The good connectivity to major expressways also aids in the smooth handling of cargos / containers.

Having considered the strengths and weaknesses of the Subject Property, we opined that its gross monthly rentals may range from RM1.70 per sq ft to RM1.90 per sq ft per month in 2020(f) subject to the size of leasable space, tenure of lease terms and other factors.

Estimated Gross Rental Rate(1) in 2020(f)	
Property Type	**Estimated Gross Monthly Rental Rate(1)**
Purpose-built logistics and warehousing facility	**Rental Range:** RM1.70 per sq ft to RM1.90 per sq ft

Source: Knight Frank Research
Notes:
(f) = forecast
(1) Estimated gross rental excluding any maintenance & service charges, rent free period and etc.

9.0 APPENDICES

APPENDIX A: SERVICES SECTOR - EXPLANATORY NOTES

Services Sector: Explanatory Notes

Services Sector	Explanatory Notes
Real Estate	Refers to real estate sub-sector covering the housing industry (excluding commercial buildings).
Utilities	Refers to energy and water utilities services. The energy utilities include generation, transmission and distribution of electricity by Tenaga Nasional Berhad (TNB), Syarikat Sesco Berhad and Sabah Electricity. Water utility services are offered by Suruhanjaya Perkhidmatan Air Negara (SPAN) and Pengurusan Aset Air Berhad.
Financial Services	Refers to banking, insurance and capital markets (fund management, investment advisory, financial planning, venture capital and brokerage).
Telecommunications	Refers to telecommunication related services including network facilities, application services, content application services, postal and broadcasting.
Global Establishments	Refers to Principal Hubs, Representative Offices (REs), Regional Offices (ROs), Operational Headquarters (OHQs), Regional Distribution Centres (RDCs), International Procurement Centres (IPCs), and Treasury Management Centres (TMCs). These establishments are the operating base serving as a nerve centre to conduct its regional or global businesses.
Distributive Trade	Refers to wholesale and retail trade, hypermarkets / supermarkets, department stores and direct selling, franchising and projects approved under the Petroleum Development Act (PDA), 1974.
Support Services	Refers to support services including integrated logistics services (ILS).
Hotel &Tourism	Refers to tourism related activities including hotel projects.
Health Services	Refers to healthcare related services mainly private healthcare also including medical tourism.
Education Services	Refers to education related services including private colleges /universities, skills centres and other private education institutions, including international/ private schools.
MSC Status	Refers to companies with Multimedia Super Corridor (MSC) status governed by the Malaysia Digital Economy Corporation Sdn Bhd (MDEC).
Transport	Refers to transport sub-sector covering maritime transport, aviation as well as highway construction and maintenance.
Other Services	Refers to other services not specified above.

Sources: MIDA / Knight Frank Research

APPENDIX B: DEFINITION OF TYPE OF SUPPLY AND PROPERTY TYPE

Type of Supply

Existing Supply: Units that have been issued with certificate of fitness (CF) or temporary certificate of fitness (TCF) prior to and within the review period. This has now been replaced with the Certificate of Completion and Compliance (CCC).

Future Supply: A term used in the report to denote incoming supply and planned supply.

a. **Incoming Supply**: Comprise units where physical construction works are in progress including starts and where the CCC have not been issued.
b. **Planned Supply**: Comprise units with building plan approvals from the local authority but have yet to commence physical construction works.

Type of Industrial Property

Common Industrial Property Type: Designed for general manufacturing process or storage usage and is normally for sale / letting or purpose-built for specialized manufacturing process. Common types of industrial properties:

a. Terraced
b. Semi-Detached
c. Detached

Limited Industrial Property Type:

a. Flatted Factory: Industrial units within a low-rise / multi-storey stratified building.
b. Industrial Complex: Individually designed / purpose-built buildings and premises to suit an industrial process.

APPENDIX C: MALAYSIA’S ECONOMIC STIMULUS PACKAGES

Top 5 Stimulus Packages Rolled Out by Governments in the Asia Pacific

🟦 % of GDP

Notes:
- *As of September 2020*
- *Include both fiscal and monetary measures*
- *Source: Official government sources*

Top 5 Stimulus Packages Rolled Out by Governments in ASEAN

🟩 % of GDP

Notes:
- *As of September 2020*
- *Include both fiscal and monetary measures*
- *Source: Official government sources*

Malaysia’s Economic Stimulus Package (RM260 billion/USD64.6 billion)

1. Economic Stimulus Package (27 FEBRUARY 2020)

- **The Malaysian Government announced a RM20 billion Economic Stimulus Package to mitigate the impact of COVID-19 outbreak and reinvigorate the growth of the Malaysian economy.**

2. PRIHATIN Economic Stimulus Package (ESP) (27 MARCH 2020)

- **The Government announced the PRIHATIN Economic Stimulus Package,injecting an additional RM230 billion into the economy.**

3.PRIHATIN SME Economic Stimulus Package (PRIHATIN SME+) (6 APRIL 2020)

- **The Government announced an additional allocation of RM10 billion to further support businesses, particularly the SMEs.**

Sources: MOF / Various Sources

Selected measures of the PRIHATIN ESP (RM230 billion) and PRIHATIN SME+ (RM10 billion)

1. *Rakyat*-centric: RM128 billion to preserve rakyat's welfare

- Allocation of **RM1.5 billion** to support the **Ministry of Health** to purchase equipment and services to contain COVID-19.
- **Insurance and takaful industry** to create a special fund of **RM8 million** to cover costs, and suspension of premiums by affected contributors for three months.
- Allocation of **RM10 billion** for one-off cash assistance to all **B40 households** and eligible **M40 households** under the Bantuan Prihatin Nasional.
- Allocation of **RM270 million** for one-off cash assistance to students at various levels of tertiary education.
- Allocation of **RM1 billion** to the **Food Security Fund**.
- **Loan moratorium** for all borrowers for six (6) months.
- **Free Internet services**; allocation of RM400 million investments to widen network coverage and capacity.

2. Business support: RM110 billion to support all businesses, including SMEs

- **Loan/financing moratorium** for all affected businesses for six months.
- Allocation of **RM500 million** to provide **discounts on electricity bills** for the tourism, commercial, industrial, agricultural and household sectors.
- Allocation of **RM13.8 billion** to assist up to 4.8 million workers under the **Enhanced Wage Subsidy Programme**.
- Various forms of assistance to farmers and fishermen, including allocation of **RM100 million** for the development of infrastructure for food storage and distribution and crop integration programme and allocation of **RM64.4 million** to develop short-term **agrofood projects**.
- Allocation of **RM60 million** for one-off cash assistance to full-time e-hailing drivers.
- **Exempt payment** for Human Resources Development Fund (HRDF) levy for 6 months.
- **Postponement** of income tax instalments for all SMEs.
- Allocation of **RM4.5 million** as additional funds through various financing programmes/facilities to assist SMEs including micro-entrepreneurs.
- Optional deferral of payments, **restructuring and rescheduling** of employer contribution.

3. Economic strengtheners: RM2 billion to ensure the sustainability of economic growth

- Allocation of **RM2 billion** for the implementation of small projects to benefit **G1 to G4 contractors**.
- To ensure the **implementation of the RM2 billion worth of projects** previously announced, including infrastructure projects in FELDA and other areas (RM600 million), upgrading dilapidated schools in Sabah and Sarawak (RM350 million) and upgrading the Perumahan Rakyat Termiskin (RM150 million).
- To continue and bring forward the implementation of all projects allocated under Budget 2020 such as the East Coast Rail Line project, the Mass Rapid Transit 2 project, and the National Fiberisation and Connectivity Plan.

Source: MOF

APPENDIX D: OTHER RELATED INCENTIVES

The Logistics and Trade Facilitation Masterplan (2015 – 2020)

The Logistics and Trade Facilitation Masterplan (2015 – 2020) plays a pivotal role in the development of the logistics sector.

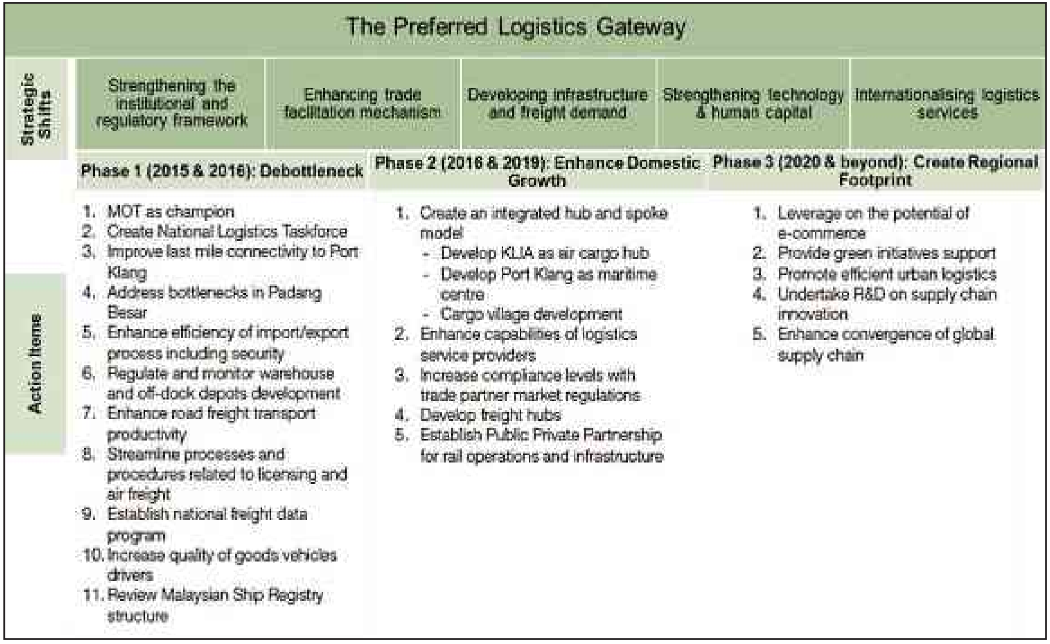
The Economic Planning Unit (EPU) has formulated the Logistics and Trade Facilitation Masterplan (2015 - 2020) which provides guidelines, strategic framework to further improve the productivity and competitiveness of the logistic industry.

The masterplan envisions to transform Malaysia to the "Preferred Logistics Gateway to Asia" by 2020 and beyond.

To achieve the vision, five strategic shifts and 21 action items will be implemented to improve overall productivity and to better connect industries with their markets, both locally and internationally.

The strategic shifts and actions plans are as follows:

Logistics and Trade Facilitation Masterplan Framework



The Preferred Logistics Gateway

Strategic Shifts

- Strengthening the institutional and regulatory framework
- Enhancing trade facilitation mechanism
- Developing infrastructure and freight demand
- Strengthening technology & human capital
- Internationalising logistics services

Action Items

Phase 1 (2015 & 2016): Debottleneck

1. MOT as champion
2. Create National Logistics Taskforce
3. Improve last mile connectivity to Port Klang
4. Address bottlenecks in Padang Besar
5. Enhance efficiency of import/export process including security
6. Regulate and monitor warehouse and off-dock depots development
7. Enhance road freight transport productivity
8. Streamline processes and procedures related to licensing and air freight
9. Establish national freight data program
10. Increase quality of goods vehicles drivers
11. Review Malaysian Ship Registry structure

Phase 2 (2016 & 2019): Enhance Domestic Growth

1. Create an integrated hub and spoke model
    - Develop KLIA as air cargo hub
    - Develop Port Klang as maritime centre
    - Cargo village development
2. Enhance capabilities of logistics service providers
3. Increase compliance levels with trade partner market regulations
4. Develop freight hubs
5. Establish Public Private Partnership for rail operations and infrastructure

Phase 3 (2020 & beyond): Create Regional Footprint

1. Leverage on the potential of e-commerce
2. Provide green initiatives support
3. Promote efficient urban logistics
4. Undertake R&D on supply chain innovation
5. Enhance convergence of global supply chain

Source: Logistics and Trade Facilitation Masterplan (2015-2020)

The following summarises the five strategic shifts:

Strategic shift		Target
1	Strengthening the institutional and regulatory framework	Strengthen the institutional structure and simplify or streamline the regulations to reduce inefficiencies and duplications.
2	Enhancing trade facilitation mechanisms	Increase the efficiency of trade facilitation mechanisms particularly through improvements in cargo clearance system, paperless trading and security of trade documents expected will boost trading activities and reduce the cost of doing business.
3	Developing infrastructure and freight demand	Consolidate cargo volume through a well-defined 'hub and spoke' system, provide better connectivity to entry points, optimise usage of existing infrastructure and promote modal shift from road to rail.
4	Strengthening technology & human capital	Enhance the adoption of technology to reduce exchange of manual documentation and optimise transport movements. This strategic shift also emphasizes on enhancement of human resource capabilities by attracting, nurturing, and retaining skilled talent within the logistics industry
5	Internationalising logistics services	Enhance capabilities of logistics service providers by strengthening internal capabilities and external readiness to enable them to compete at global level.

Source: Logistics and Trade Facilitation Masterplan (2015-2020)

Related Capital Allowance, Tax Exemption and Incentive

The Government of Malaysia has been providing a selection of incentives for new investors as well as existing investors through its ministries and agencies.

The Malaysian Investment Development Authority (MIDA) is one of the prominent bodies established to promote investments coming into the country. Under the purview of the Ministry of International Trade and Industry (MITI), MIDA has been given the mandate to provide incentives for investments in the country.

The following incentives are available for the manufacturing sector and the shipping and transportation / logistics industry.

Incentives for Manufacturing Sector

The two major capital allowances and tax exemptions under the purview of MIDA are Pioneer Status and Investment Tax Allowance.

For the Pioneer Status, companies will enjoy a five-year partial exemption of income tax, where they will pay tax on 30% of its statutory income. Accumulated losses and unabsorbed capital allowances can be carried forward and deducted from the post pioneer income.

Secondly, the **Investment Tax Allowance (ITA)** where the company is entitled for allowance of 60% on its qualifying capital expenditure used within five years from the date the first qualifying capital expenditure was incurred. Capital expenditure includes buying factories, plants and machinery. Any unutilised allowance can be carried forward to subsequent years until it is fully utilised.

Companies that wish to apply for this incentive will be reviewed based on the level of value-add, technology used and industrial linkages. Eligible activities include agriculture based, rubber products, chemicals and petrochemicals, pharmaceutical related, iron and steel, hotel business and tourism industry, textile products, to name a few.

Other incentives that are available under the new investments (manufacturing) are:

Table 24: MIDA's Incentives for New Investments (Manufacturing)

No.	Incentives	Criteria	Details
1.	Incentives for Strategic Projects	▪ Heavy capital investment with long gestation periods ▪ High levels of technology ▪ Generate extensive linkages ▪ Significant impact on economy	▪ Pioneer status with income tax exemption of 100% of the statutory income for 10 years ▪ Investment tax allowance of 100% on qualifying capital expenditure incurred within five years
2.	Incentives for Small and Medium Enterprises (SMEs)	▪ Company resident with a paid-up capital of ordinary shares of RM2.5 million or less	▪ Eligible for a reduced corporate tax of 20% on chargeable incomes of up to RM500,000 ▪ The tax rate on the remaining chargeable income is maintained at 25%
3.	Incentives for Investments in Selected Industries (Machinery and equipment)	▪ Value added must be at least 40% ▪ Percentage of Managerial, Technical and Supervisory staff (MTS Index) to total workforce must be at least 25%	▪ Pioneer status with income tax exemption of 100% of the statutory income for a period of 10 years ▪ Investment tax Allowance of 100% on the qualifying capital expenditure incurred within five years
4.	Incentives for the Automotive Industry	▪ Companies manufacturing transmission systems, brake systems, airbag systems and steering systems are eligible for better fiscal incentives	▪ Investment in assembly or manufacture hybrid vehicle will be granted 100% Pioneer Status or Investment Tax Allowance for a period of 10 years ▪ Customised training and R&D grants ▪ 50% exemption on excise duty for locally assembled ▪ Provision of grant under Industrial Adjustment Fund (IAF) ▪ Additional attractive, customised incentives will be considered

Source: Malaysian Investment Development Authority (MIDA)

Incentives for Shipping and Transportation / Logistics Industry

Shipping and transportation refer to a physical process of transporting goods by land, sea or air. The shipping and transportation incentives include tax exemption for shipping operations and sales tax exemption on prime movers and trailers.

Logistics refers to a supply chain management process that plans, implements and controls the efficient and effective flow and storage of goods, services and related information between the point of origin and the point of consumption.

The main services in this industry are:

- Warehousing, storage and inventory management services
- Transportation services
- Freight forwarding/customs clearance and shipping services
- Integrated Logistics Services (ILS)
- International Integrated Logistics Services (IILS)
- Cold Chain Facilities

The incentives for shipping and transportation / logistics fall under the Investment in the Manufacturing / Services Sector under the purview of MIDA.

The available incentives are as follow:

Table 25: MIDA's Incentives for Shipping and Transportation / Logistics Industry

No.	Incentives	Criteria	Details
SHIPPING AND TRANSPORTATION			
1.	Tax Exemption for Shipping Operation	▪ Income of a shipping company derived from the operation of Malaysian Ship ▪ Income of any person derived from exercising an employment on board a "Malaysian Ship" ▪ Income received by non-residents from the rental of ISO containers to Malaysian shipping companies	▪ Eligible for tax / income tax exemption
2.	Sales Tax Exemption on Prime Movers and Trailers	▪ Container hauliers with new prime movers and trailers that are produced locally	▪ Eligible for sales tax exemption
LOGISTICS			
3	Special Industrial Building Allowance for Warehouses	▪ Buildings that are used as warehouses for storing goods for export and re-export	▪ An initial allowance of 10% ▪ Annual allowance of 3% of qualifying capital expenditure

4.	Tax Incentives for Integrated Logistics Services (ILS)	▪ Principal activities including warehousing, transportation and freight forwarding ▪ Company that undertake ILS activities are required to obtain the respective operating licenses from the various licensing agencies ▪ Incorporated under the Companies Act, 2016 ▪ At least 60% of its equity held by Malaysians ▪ Minimum requirement for infrastructure of 20 units of commercial vehicles or 5,000m^2 warehousing facilities.	▪ Eligible for Pioneer Status (PS) with a tax exemption of 70% of the statutory income for a period of five (5) years ▪ Investment Tax Allowance (ITA) of 60% on the qualifying capital expenditure incurred within a period of five (5) years. The allowance can be offset against 70% of the statutory income for each year of assessment. Unutilised allowances can be carried forward to subsequent year until fully utilised.
5.	Tax Incentives for Cold Chain Facilities	▪ New company which provides cold chain facilities and services for perishable produce ▪ Incorporate a company under Companies Act, 2016 ▪ The applicant must be an independent service provider	▪ PS with tax exemption of 70% statutory income for five (5) years ▪ ITA of 60% of qualifying capital expenditure incurred within five (5) years. The allowance can be offset against 70% of the statutory income for each year of assessment. Unutilised allowances can be carried forward until fully absorbed
		▪ Existing company which provides cold chain facilities and services for perishable produce ▪ Incorporate a company under Companies Act, 2016 ▪ The applicant must be an independent service provider	▪ PS with tax exemption of 70% on the increased statutory income arising from reinvestment for a period of five (5) years ▪ ITA of 60% of the additional qualifying capital expenditure incurred within a period of five (5) years. The allowance can be offset against 70% of the statutory income in each year of assessment. Unutilised allowances can be carried forward until fully absorbed

Incentives for Iskandar

In addition to the incentives offer by MIDA, different incentives have been offered for the investments in Iskandar Malaysia. The following highlights various incentives within Iskandar Malaysia.

1) Flagship Incentives for Iskandar Malaysia

Fiscal Incentives	• 5-year corporate tax exemption or an 100% of Investment Tax Allowance within a 5-year period, to be offset against 100% of statutory income • Import duty and sales tax exemption for equipment and components use directly in the company's qualifying activities
Non-Fiscal Incentives	• Flexibility to recruit foreign knowledge workers • Flexibility from foreign exchange administrative ruling set by BNM

2) 15% Tax Rate Scheme (TRS) for Knowledge Workers

Effective year 2010, knowledge workers (returning Malaysia or new expatriates) in the promoted sector(s), who plan to reside and live in Iskandar Malaysia is able to apply via the employers, for flat income tax rate of 15%. The knowledge worker is also eligible to import or purchase a duty-free car for their own personal use.

Mapletree Research Report

Prepared by

COLLIERS INTERNATIONAL VIETNAM

Prepared on behalf of
HSBC Institutional Trust Services (Singapore) Limited
(in its capacity as trustee of Mapletree Logistics Trust); and

Mapletree Logistics Trust Management Limited
(in its capacity as manager of Mapletree Logistics Trust)

PRIVATE AND CONFIDENTIAL

September 2020

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… October 2020

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Dear Sir/Madam,

RE: Market Study for Mapletree Research Report in Vietnam

Thank you for appointing Colliers International as a market research consultant. With reference to your instructions, we have prepared a market study of Vietnam in relation to analyses the significant development of warehousing/logistics services.

This report is for your sole use and for the purpose indicated and no liability to any third party can be accepted for the whole or any part of the contents of the document. Neither the whole nor any part of this market study nor any reference thereto may be included in any published documents, circular or statement, nor published in any way whatsoever without prior written approval of Colliers International Vietnam as to the form and context in which it may appear.

The report is enclosed herewith.

Yours faithfully,
For and on behalf of
Colliers International

DJackson

David Maurice Jackson
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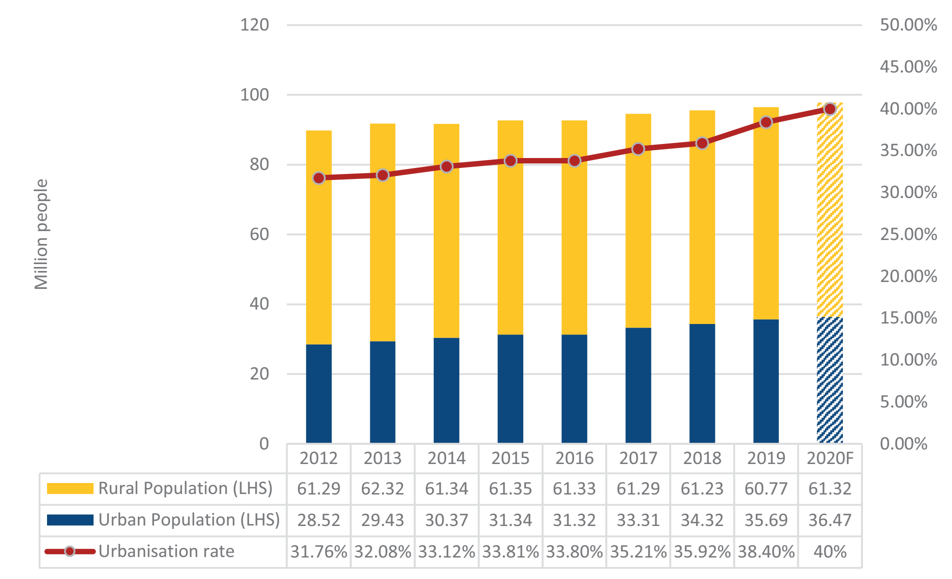
General Director

Disclaimer: *It should be noted that legal parts in this report is compiled to the best of our knowledge at the time of writing. The client must seek legal advice on specific issues.*

1. Vietnam Overview

Figure 1: Population and Urbanization Rate



	2012	2013	2014	2015	2016	2017	2018	2019	2020F
Rural Population (LHS)	61.29	62.32	61.34	61.35	61.33	61.29	61.23	60.77	61.32
Urban Population (LHS)	28.52	29.43	30.37	31.34	31.32	33.31	34.32	35.69	36.47
Urbanisation rate	31.76%	32.08%	33.12%	33.81%	33.80%	35.21%	35.92%	38.40%	40%

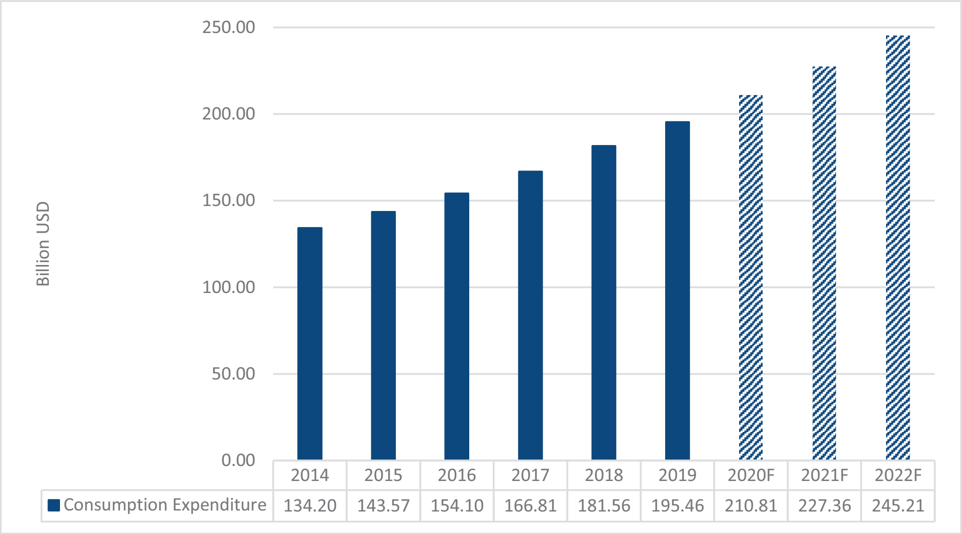
Source: World Bank

According to World Bank, Vietnam is experiencing rapid demographic and social change. Vietnam's population reached about 96.4 million in 2019 (up from about 60 million in 1986) and is expected to expand to 120 million before moderating around 2050. Currently, 55% of the population is under 30 years of age, with a life expectancy of nearly 73 years. There is an emerging middle class, a segment which has major consumption power — which currently accounts for 13% of the population but expected to reach 26% by 2026.

The Vietnamese rural population increased from 61.29 million in 2012 to its highest of 61.35 million in 2015. Since 2015, the rural population recorded a decline to 61.13 million in 2019.

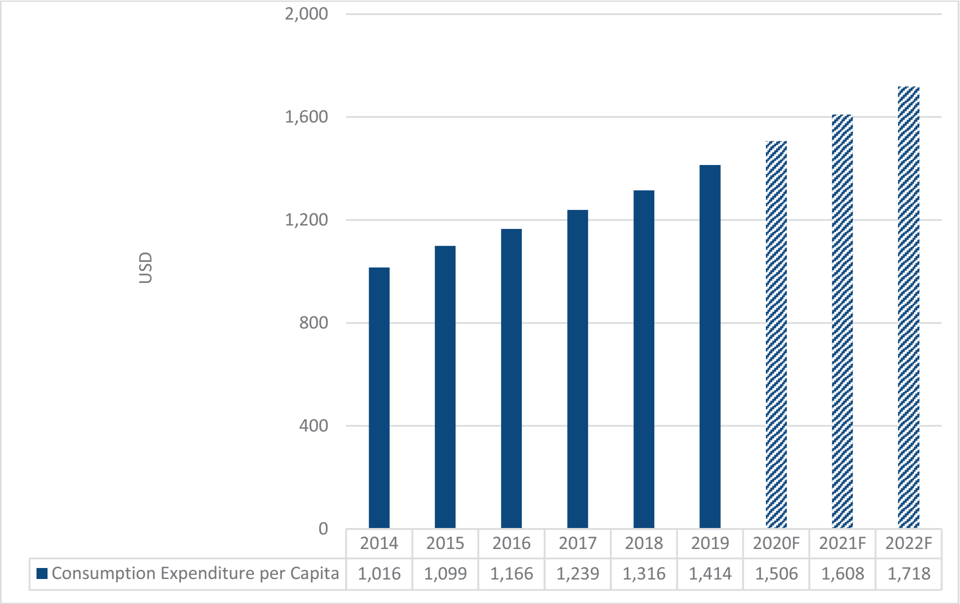
The urban population has grown remarkably at the compound annual growth rate (CAGR) of 1.9% from 28.52 million in 2012 to 35.69 million in 2019. In 2019, Vietnam has reached the urbanization rate of 38.40% as compared to 31.76% in 2012. The growing urban population could be attributed to more job opportunities in the urban areas of Vietnam and strong economic growth. In the recent years, GDP has been increasing significantly year-on-year ("y-o-y") and is forecasted to increase 7% per year in the next five years and reach the CAGR of 7.7%. This is because the economy has developed greatly since Vietnam joined economic forums such as WTO or EVFTA, opening up more opportunities to increase exports as well as reduce unemployment rate.

Figure 2: Final Consumption Expenditure



Source: Worldbank

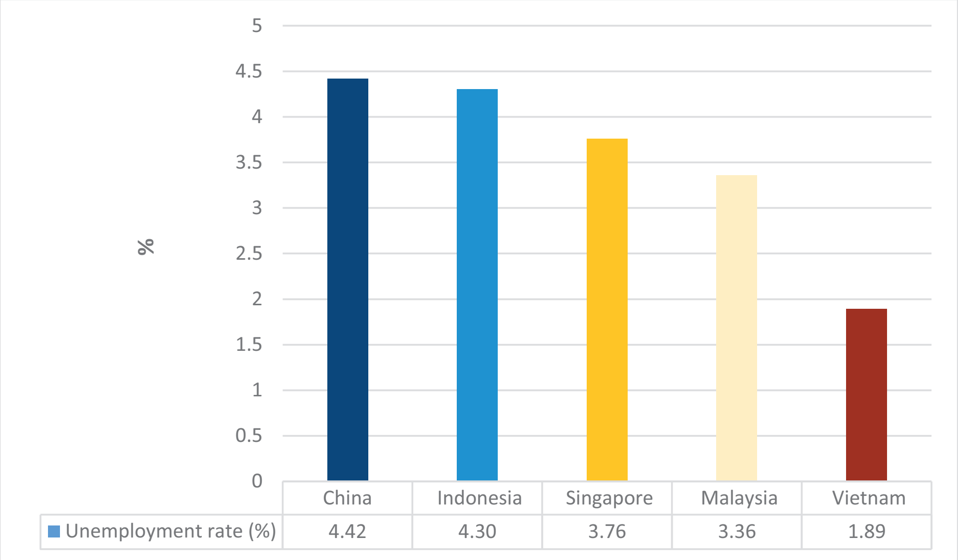
Figure 3: Consumption Expenditure per Capita



Source: Statista

The consumption expenditure per capita in Vietnam is rising. Increasing at the CAGR of 6.3%, consumption expenditure rose to USD 195.5 billion in 2019 from USD 134.2 billion in 2014. It is forecasted that the CAGR of the consumption expenditure per capita of Vietnam from 2020F to 2022F will be c.4.5%. Vietnam's unemployment rate of 1.89% is much lower than major countries in the region (Figure 4), demonstrating strong economic activities. Such low unemployment further supports the growth in household's purchasing power and consumption expenditure.

Figure 4: Unemployment Rate of Major Countries in the Region (2018)



	China	Indonesia	Singapore	Malaysia	Vietnam
Unemployment rate (%)	4.42	4.30	3.76	3.36	1.89

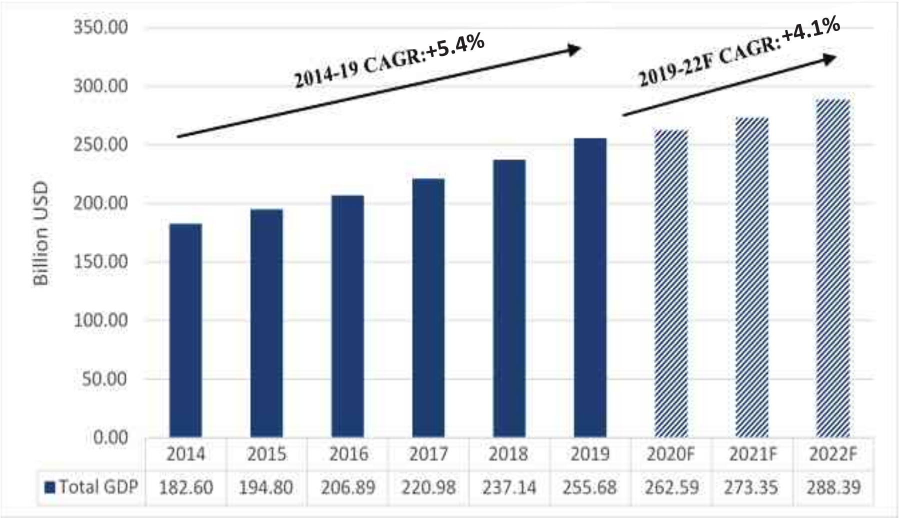
Source: World Bank

2. Vietnam Economic Overview

2. 1. Gross Domestic Product (GDP)

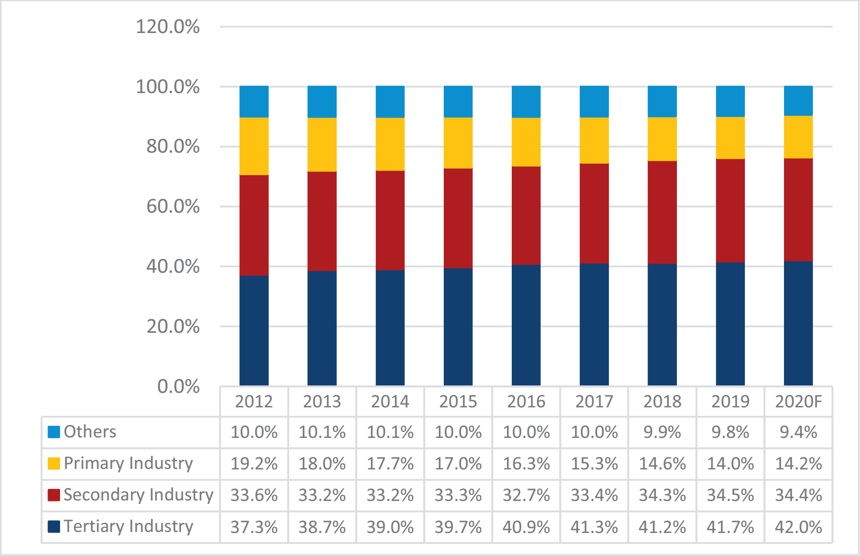
With continued growth across all sectors, macroeconomic stability, rising domestic demand and being a beneficiary of external events such as China-US trade war and Korea-Japan trade conflict, Vietnam's GDP has recorded a strong CAGR of 5.4% between 2014 and 2019, along with rising exports and a strong influx of Foreign Direct Investment (FDI). Unfortunately, the negative impact of the Covid-19 pandemic has brought the expected GDP growth rate to 2.7% in 2020, its lowest since 2010. Once the global pandemic is under control, Vietnam's economy is expected to continue growing from strength to strength, with an expected CAGR of 4.1% between 2019 and 2022. By mass Covid-19 testing, the government has achieved great success in limiting the spread. Furthermore, the Vietnamese citizens are also extremely cautious and are complying with the social distancing regulations. According to ICAEW, Vietnam is the only country in South East Asia that recorded an increase in GDP this year due to the government's fast reaction in helping the economy normalize.

Figure 5: GDP Growth Rate



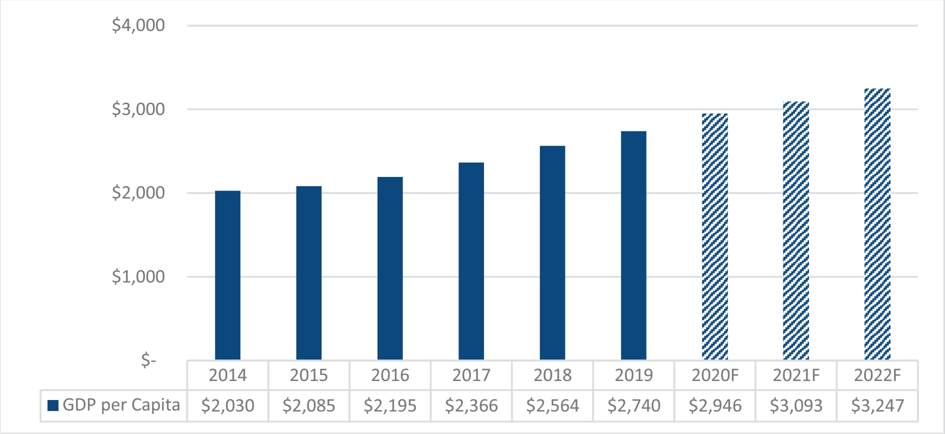
Source: General Statistics Office of Vietnam

Figure 6: GDP by Industry



Source: General Statistics Office of Vietnam

Figure 7: GDP Per Capita



	2014	2015	2016	2017	2018	2019	2020F	2021F	2022F
■ GDP per Capita	$2,030	$2,085	$2,195	$2,366	$2,564	$2,740	$2,946	$3,093	$3,247

Source: Economist Intelligence Unit

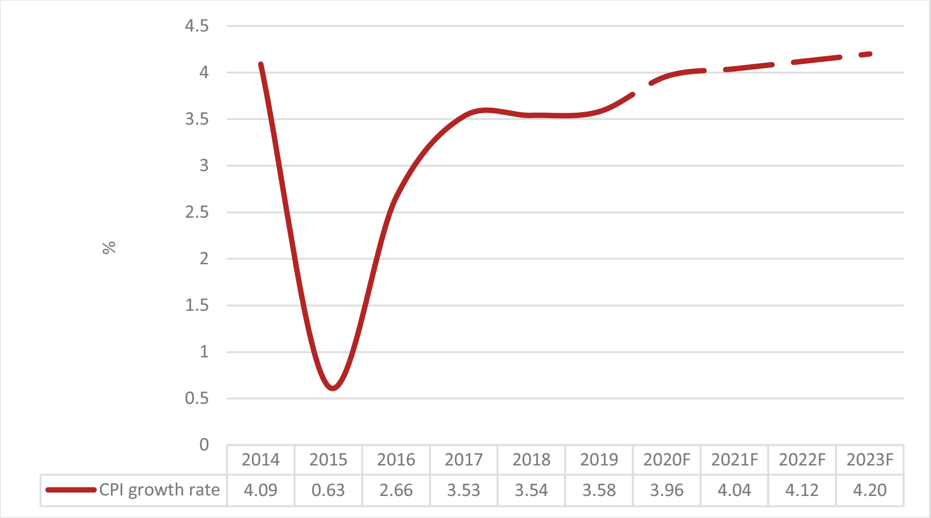
Up to 2019, nominal GDP per capita in Vietnam increased from USD 2,085 in 2015 to USD 2,740 in 2019. It is expected to reach USD 2,946 by the end of 2020. From 2019 to 2022, GDP per capita is forecasted to increase further to 3,247 USD with a CAGR of 4.3%.

2. 2. Consumer Price Index (CPI)

During the period of 2014 to 2019, Vietnam's CPI growth rate ranged from 0.63% to 4.09%. Due to the increase in GDP in recent years, more overseas investments driven by the trade war and other commercial agreements, Vietnam's CPI has been increasing significantly and is forecasted to grow further in the following years. Specifically, it is predicted that in 2023, CPI growth rate will be 4.20%, and the 2019-2023 CAGR will be c. 0.5%.

Growth rate for CPI in 2020 is expected to reach 3.96% due to many reasons such as higher demand for goods during the Lunar New Year over the same period last year. The impact of the COVID-19 epidemic led to an increase in prices of vegetables, medical drugs, electricity and water in the first quarter of 2020. From 1 July 2019, the basic wage has also increased to 1,490,000 VND/month (64 USD). This regulation stipulates the basic salary applicable to officials, public servants and employees working in agencies and organizations of the Party. The increase in basic wage will lead to an increase in consumption spending which will reinforce CPI growth.

Figure 8: CPI Growth Rate



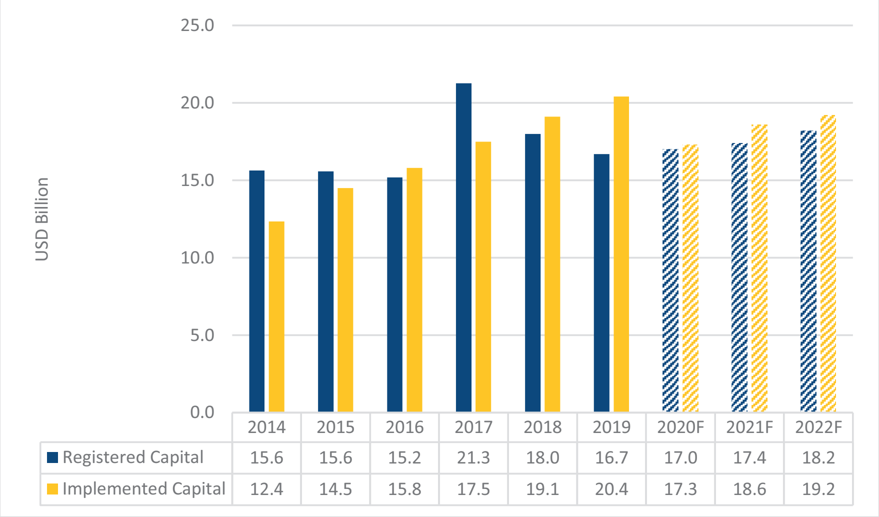
	2014	2015	2016	2017	2018	2019	2020F	2021F	2022F	2023F
CPI growth rate	4.09	0.63	2.66	3.53	3.54	3.58	3.96	4.04	4.12	4.20

Source: General Statistics Office of Vietnam

2. 3. Foreign Direct Investment (FDI)

Fueled by continuous growth, Vietnam is the top recipient of FDI in the ASEAN region. From 2014 to 2019, FDI increased with a CAGR of 8.7% from 12.4 billion USD to 20.4 billion USD. Due to Covid-19 which led to a suspension of the entry of foreign visitors, the total FDI in 2020 is expected to decrease by c/15% y/y to 17.3 billion USD.

Figure 9: FDI - Registered Capital and Implemented Capital

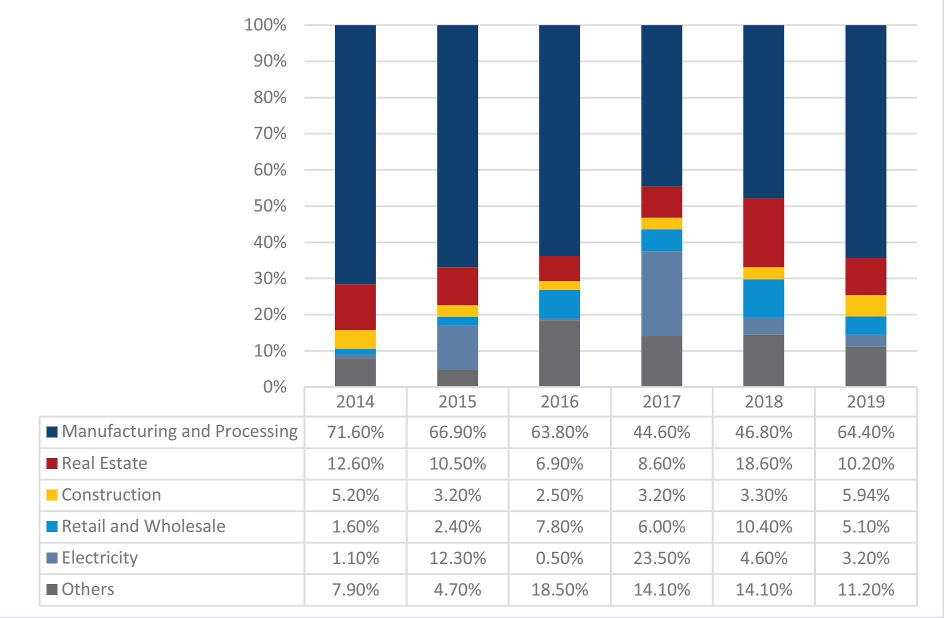


	2014	2015	2016	2017	2018	2019	2020F	2021F	2022F
■ Registered Capital	15.6	15.6	15.2	21.3	18.0	16.7	17.0	17.4	18.2
■ Implemented Capital	12.4	14.5	15.8	17.5	19.1	20.4	17.3	18.6	19.2

Source: Ministry of Planning and Investment

Of the 19 sectors receiving foreign capital, Manufacturing and Processing sector emerged top in first half of 2019, receiving over USD 14 billion, accounting for 71.2% of total FDI, marking a notable increase compared to previous years. Real Estate was second place at USD 1.47 billion, followed by Retail and Wholesale at 1.1 billion USD.

Figure 10: FDI by Sector

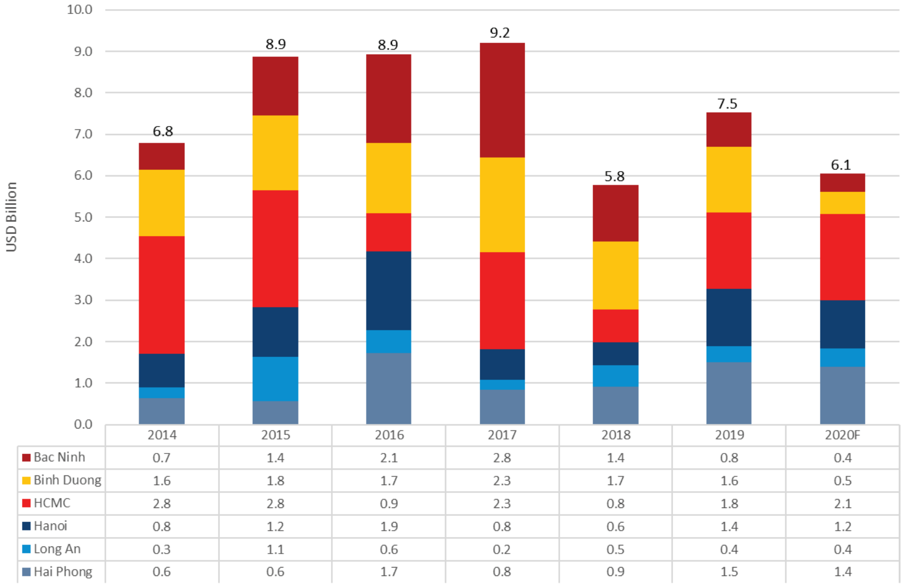


	2014	2015	2016	2017	2018	2019
■ Manufacturing and Processing	71.60%	66.90%	63.80%	44.60%	46.80%	64.40%
■ Real Estate	12.60%	10.50%	6.90%	8.60%	18.60%	10.20%
■ Construction	5.20%	3.20%	2.50%	3.20%	3.30%	5.94%
■ Retail and Wholesale	1.60%	2.40%	7.80%	6.00%	10.40%	5.10%
■ Electricity	1.10%	12.30%	0.50%	23.50%	4.60%	3.20%
■ Others	7.90%	4.70%	18.50%	14.10%	14.10%	11.20%

Source: Ministry of Planning and Investment

In 2020, except Ho Chi Minh City, the other 5 cities are expected to register a decrease in FDI due to the impact of Covid-19. In Bac Ninh, despite a decrease in value of FDI between 2018 and 2019, the number of FDI projects saw an increase, representing continued interest in this province. The number of newly registered FDI projects and increased capital (excluding capital contribution and share purchase) in the first 10 months of 2019 increased by 26% and 20%. In 2019, Bac Ninh was ranked the highest recipient of FDI in Northern Vietnam, after Hanoi.

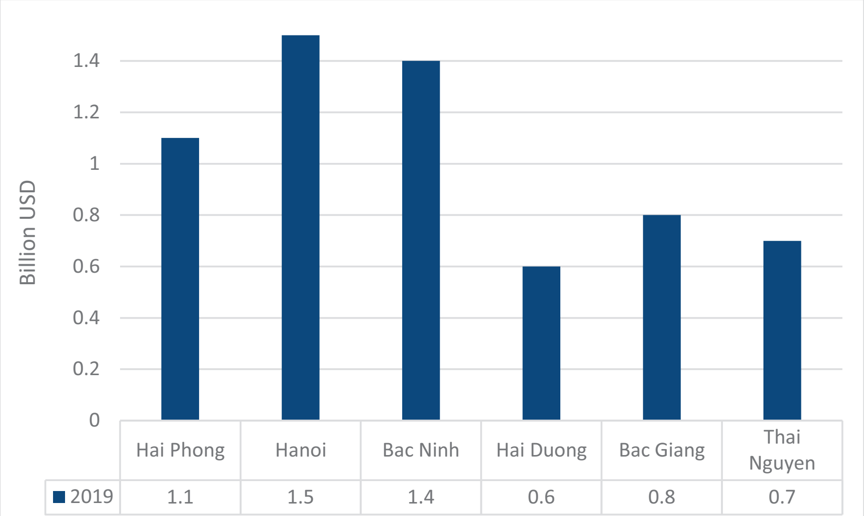
Figure 11: Newly Registered FDI of Six Majors Cities and/Provinces



	2014	2015	2016	2017	2018	2019	2020F
■ Bac Ninh	0.7	1.4	2.1	2.8	1.4	0.8	0.4
■ Binh Duong	1.6	1.8	1.7	2.3	1.7	1.6	0.5
■ HCMC	2.8	2.8	0.9	2.3	0.8	1.8	2.1
■ Hanoi	0.8	1.2	1.9	0.8	0.6	1.4	1.2
■ Long An	0.3	1.1	0.6	0.2	0.5	0.4	0.4
■ Hai Phong	0.6	0.6	1.7	0.8	0.9	1.5	1.4

Source: Ministry of Statistics, Colliers International

Figure 12: Total FDI by province/ city (2019) for North Vietnam

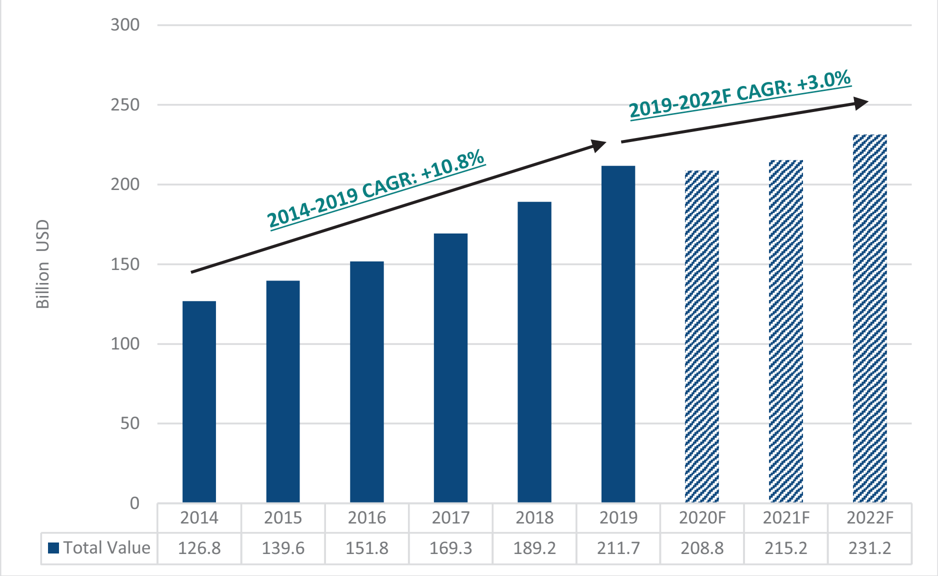


	Hai Phong	Hanoi	Bac Ninh	Hai Duong	Bac Giang	Thai Nguyen
■ 2019	1.1	1.5	1.4	0.6	0.8	0.7

Source: General Statistics Office of Vietnam

2. 4. Retail Sales

Figure 13: Total Value of Retail Sales of Goods and Services and Growth Rate



	2014	2015	2016	2017	2018	2019	2020F	2021F	2022F
■ Total Value	126.8	139.6	151.8	169.3	189.2	211.7	208.8	215.2	231.2

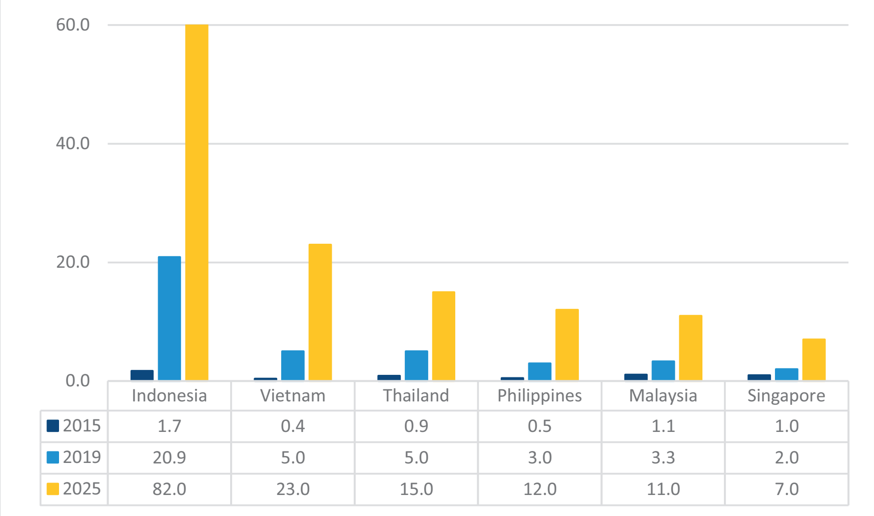
Source: Colliers International Vietnam

Retail sales grew at a CAGR of 10.8% between 2014 and 2019, driven by an increase in consumer purchasing power. According to The Economist Intelligence Unit, Vietnam has the fastest growing middle class in Asia Pacific, with the percentage of households with income of more than 10,000 USD/year expected to increase from 12% in 2016 to 17% in 2021. In 2020, the Covid-19 pandemic is expected to result in a decline in retail sales for the first time since 2014. However, it is expected that once the COVID-19 pandemic subsides, Vietnam’s retail sales will continue to be on the rise again, with an expected CAGR of 3.0% between 2019 and 2022.

Some key factors affecting the retail sales industry:

- Technology evolution has made it easy for customers to find everything through their smartphones
- Traditional way of marketing is no longer attractive
- Government policies that promote competitive environment among retailers
- Growing purchasing power and preferences for shopping
- Development of infrastructure as it affects the costs of transportation, goods preservation, new construction/rental costs, and prices of business premises
- The Covid-19 pandemic affecting the world economy

Figure 14: Southeast Asia E-Commerce Market Size (Gross Merchandise Value (GMV), USD Billion)



	Indonesia	Vietnam	Thailand	Philippines	Malaysia	Singapore
■ 2015	1.7	0.4	0.9	0.5	1.1	1.0
■ 2019	20.9	5.0	5.0	3.0	3.3	2.0
■ 2025	82.0	23.0	15.0	12.0	11.0	7.0

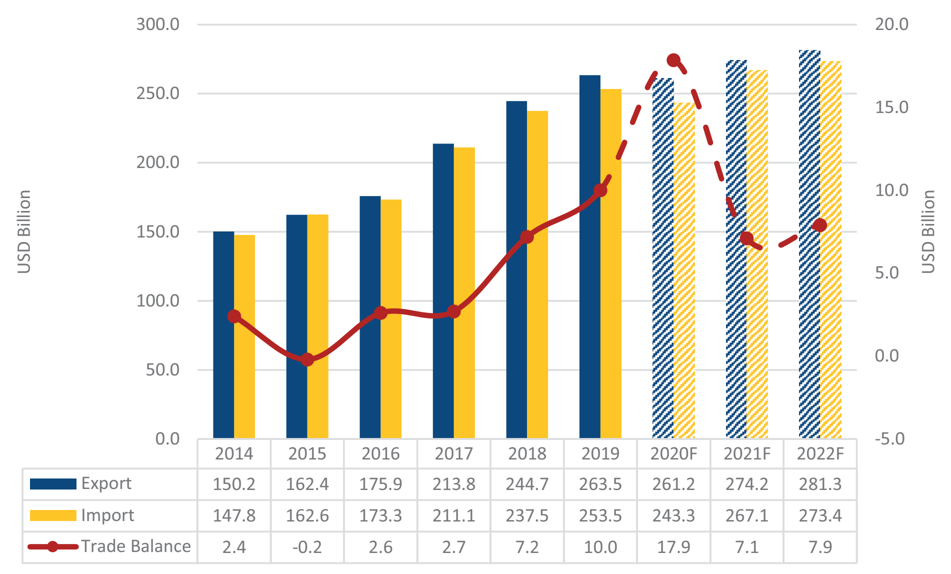
Source: Google & Temasek

According to a Google and Temasek report, growth rate of the Southeast Asian e-commerce market is 33%, led by Indonesia and Vietnam which grew at an average of 49% and 38% respectively from 2015 to 2019. E-commerce growth in Vietnam is expected to exceed more developed economies such as Singapore, Thailand, Malaysia, etc. It is expected that by 2025, Vietnam’s e-commerce market will have a GMV of 15 billion USD and become one of the largest e-commerce markets in Southeast Asia.

2. 5. Trade Balance

From 2014 to 2019, trade balance increased from 2.4 billion USD to 10 billion USD. There was a significant increase from 2017, with trade balance increasing from 2.7 billion USD in 2017 to 7.2 billion USD in 2018. The growth is driven by preferential tariffs in free trade agreements (FTAs) to expand new export markets. In addition, the trade war between China-US has also impacted Vietnam’s trade balance by increasing exports with America importing more textile products from Vietnam instead of China. In 2020, the pandemic which led to a suspension of the entry of foreign visitors, significantly impacted import value, leading to the biggest decline in trade balance value in recent years of 17.85 USD billion.

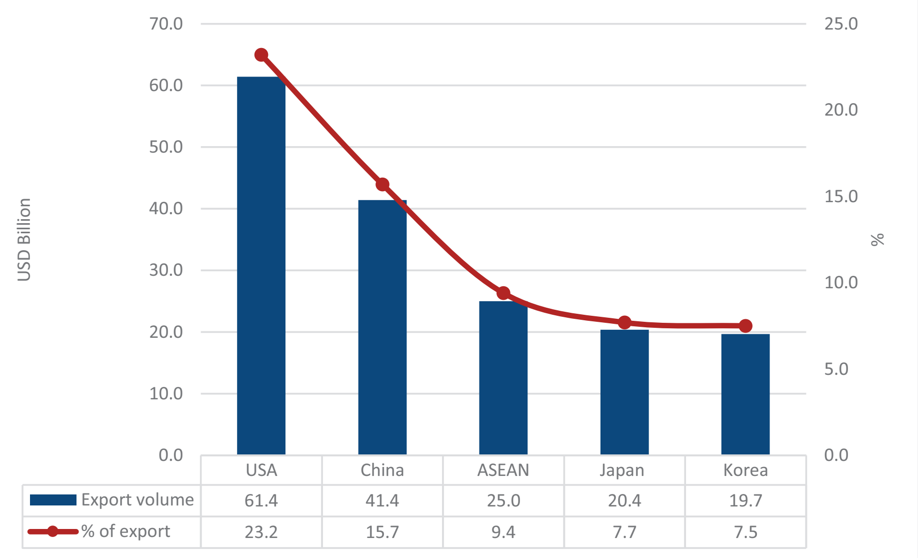
Figure 15: Export-Import Value and Trade Balance



	2014	2015	2016	2017	2018	2019	2020F	2021F	2022F
Export	150.2	162.4	175.9	213.8	244.7	263.5	261.2	274.2	281.3
Import	147.8	162.6	173.3	211.1	237.5	253.5	243.3	267.1	273.4
Trade Balance	2.4	-0.2	2.6	2.7	7.2	10.0	17.9	7.1	7.9

Source: General Statistics Office of Vietnam

Figure 16: Top 5 Export Destinations and Volume (2019)

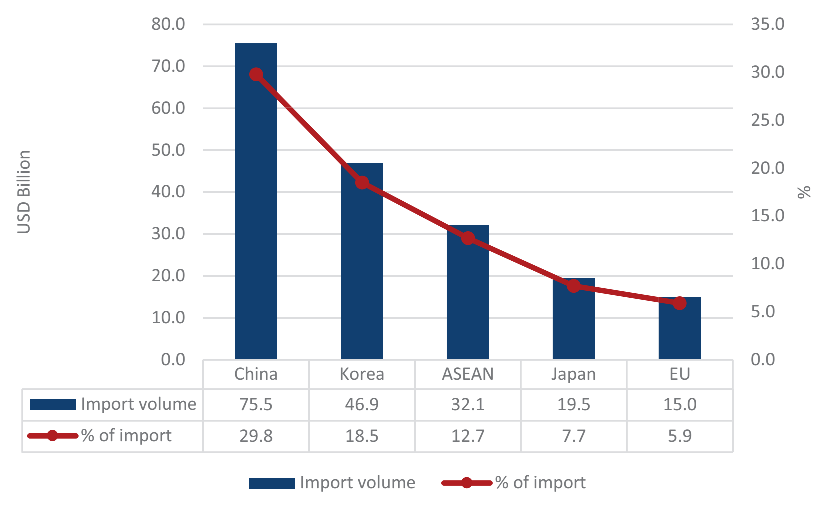


	USA	China	ASEAN	Japan	Korea
Export volume	61.4	41.4	25.0	20.4	19.7
% of export	23.2	15.7	9.4	7.7	7.5

Source: OEC, Colliers International Vietnam

In 2019, US was the biggest export market of Vietnam, accounting for 23.2% of total exports and 61.4 billion USD worth of goods. China took the second place with 41.4 billion USD and third place went to ASEAN countries with 9.4 billion USD. Japan ranked fourth with 7.7 billion USD, followed by Korea with 7.5 billion USD.

Figure 17: Top 5 Destinations and Their Import Volume in 2019



	China	Korea	ASEAN	Japan	EU
Import volume	75.5	46.9	32.1	19.5	15.0
% of import	29.8	18.5	12.7	7.7	5.9

Source: OEC, Colliers International Vietnam

In 2019, China was the biggest import market for Vietnam with a total import volume of 75.5 billion USD. Korea ranked second place with 46.9 billion USD. Vietnam imported 32.1 billion USD worth of goods from ASEAN, which was ranked as the third largest import destination. Japan and EU ranked 4th and 5th place at 7.7 billion USD and 5.9 billion USD, respectively.

Government Planning and Policies and Infrastructure Development

3. 1.Government Planning and Policies

Several trade agreements have been signed, which have significant impact on the Logistics industry:

EVFTA

On 30 June 2019, the EU-Vietnam Free Trade Agreement (EVFTA) was signed into effect after nine years of negotiations.

Till the end of the third quarter of 2020, only 42% of Vietnam's exports to the European Union (EU) is eligible for zero tariffs. Upon signing of the EVFTA, up to 70.3% of Vietnam's exports to the EU were exempted from tariffs. In the next seven years, the EU is expected to eliminate 99.2% of tariff lines for Vietnam's exports such as 98.9% for agricultural products, 97.9% for processed agricultural products, 98.1% for seafood, and 0% for industrial products. As part of the agreement, Vietnam will also eliminate tariffs on 64.5% of imports originating from the EU. Within the next seven years, this figure is expected to increase to 97.1%.

According to the research of Ministry of Planning and Investment, EVFTA will support Vietnam's exports to increase by 20% in 2020, 42.7% in 2025, and 44.37% in 2030 compared with without FTA. Simultaneously, imports from the EU will also rise 15.3% in 2020, 33.1% in 2025, and 36.7% in 2030. Specifically, the value of Vietnam's import to the EU in the first 6 months of 2020 reached $7.1 billion, growing by 8.4%.

CPTPP

The Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) came into effect in mid-January 2019. The CPTPP is one of the most significant trade partnerships of which Vietnam is a member and is expected to have a highly positive effect on the country's GDP and exports. Under the CPTPP, Vietnam can enjoy a gradual abolishment of up to 98% of tariffs on agricultural and industrial products and imports and exports are predicted to grow annually by 5.3% and 4.2% respectively, by 2030. Specifically, in 2019 – the first year implemented CPTPP – the exports and imports from Vietnam to 6 members of CPTPP: Mexico, Japan, Singapore, New Zealand, Canada, and Australia increased 8.3% and 1%, respectively.

As exports increase and industries expand, the income growth generated from domestic production will continue to grow, leading to an increase in purchase power and aggregate demand. In addition to boosting exports, the CPTPP can also lead to an increase in foreign direct investment. Specifically, according to Chapter 9: Investment, CPTPP commits treating equally between domestic and foreign investors in establishment, M&A, operation and business. This will create opportunities for foreign investors to penetrate Vietnam market faster.

AFTA

The ASEAN Free Trade Area (AFTA) came into effect in 1996, and since then, has supported local manufacturing in all ASEAN countries by reducing intra-regional tariffs through the Common Effective Preferential Tariff (CEPT) scheme.

Under the AFTA, ASEAN member states offer each other preferential tariff rates between 0-5%. This allows Vietnamese producers to access a regional market which has numerous substantial advantages, e.g. a population of approximately 670 million, well-established transportation routes, and relatively moderate requirements on product quality. The reduction in tariffs and duties also resulted in lower costs, enhancing the competitiveness of Vietnamese products in the regional market. In fact, between 2011 and 2019, the value of Vietnam's exports and imports to other ASEAN states increased by 66% from 34.6 billion USD to 57.4 billion USD. However, due to the severe effect of Covid-19 pandemic, the export and import activities between Vietnam and ASEAN area dropped dramatically by 14.8% and 12.1%, respectively in the first half year of 2020.

In addition, several newly introduced Decrees and Decisions by the Vietnamese government will have an impact on the logistics industry:

Decree No. 163/2017/ND-CP: To regulate the logistics service business in replacement of Degree No.140/2007/ND-CP detailing the Commercial Law on the conditions for trading in logistics services and the limitation of liability for traders providing logistics services.

Decree No. 69/2018/ND-CP: To regulate the temporary import and re-export of goods in Vietnam. The two major stipulations focus on Vietnamese traders processing goods for foreign merchants and the time limit for temporary import and re-export of goods.

Decision No. 1012/QD-TTg: Approval for nationwide logistics center system development planning by 2020 and orientation towards 2030. Refer to Appendix I.

Decision No. 200/TTg: The action plan to develop and raise the competitiveness of logistics services in Vietnam up to 2025. The plan aims at the objectives that by 2025, the logistics sector will grow by 15%-20% logistics costs will be cut to 16%-20% of GDP, and Vietnam will be ranked 50th or higher in the world in terms of the logistics performance index. In addition, the plan looks to lure investment capital to build logistics infrastructure and develop regional- and international-level logistics centers, especially those in big cities and provinces as Hanoi, Ho Chi Minh City, Hai Phong, Da Nang, Can Tho, Quy Nhon, Lang Son and Lao Cai.

Circular 38/2018/TT-BTC and 39/2018/TT-TBC: New customs procedures, customs supervision and inspection, export duty, and tax administration applied to exports and imports, which helps to improve the efficiency of the export and import processes between Vietnam and other countries as well as prevent frauds and errors.

The above agreements and decisions from the state are expected to bring about substantial benefits for Vietnam's export and import industry.

Strong government support and de-regulation also present opportunities for logistics enterprises to participate in regional / global supply chains and improve their service quality. These improvements include more professional customs procedures with a better declaration system, provision of warehousing services which meet international standards and more timely transportation.

In 2019, the cost of logistics operations in Vietnam accounts for over 20% of GDP, while in developed countries this rate is only 10% to 13%. Therefore, participating in those agreements with preferential tariffs will help reduce logistics costs and increase the competitiveness of Vietnam's imports and exports.

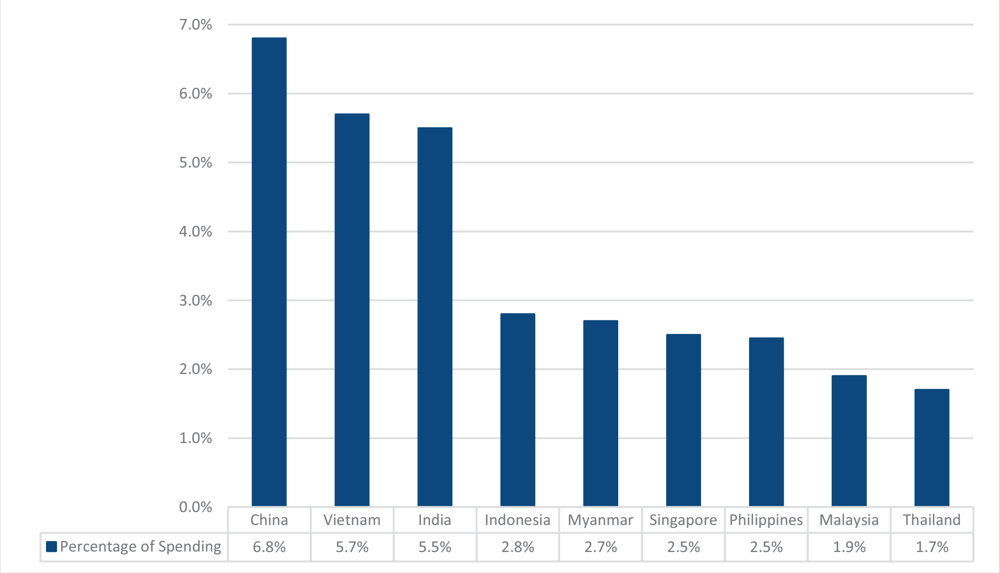
To seize the opportunities, many businesses have invested in warehouses and modern machinery. Transimex - Saigon provided bonded warehouses and logistics hubs in HCMC Hi-tech Park with a total area of over 10 ha in 2Q2016. TBS Logistics also invested in a modern warehouse with an area of 47,500 sqm in Binh Duong, equipped with automatic alarm/ fire alarm system and 24/7 CCTV. In addition, Mapletree, a major player in this market segment, is also expanding its presence in logistics hubs such as Binh Duong and Bac Ninh and will occupy 70 ha and 30 ha of land respectively, upon completion.

3.2 Infrastructure Development

3.2.1 Infrastructure Spending

Associated with the development of the logistics industry is the development of infrastructure. A robust infrastructure system will help reduce logistics costs, which is beneficial for logistic businesses and for maintaining the country’s GDP growth. Vietnam, despite being a small country in both territory and economy size, is a leading country in the race for infrastructure construction. In recent years, investments in infrastructure in Vietnam accounted for around 5.7% of GDP on average, the highest in Southeast Asia; larger countries like Indonesia or the Philippines only spend less than 3%, while in Thailand and Malaysia, the proportion is less than 2%. Within Asia, Vietnam is second only to China, with an infrastructure investment of 6.8% of GDP.

Figure 18: Asia's Biggest Infrastructure Spenders – Spending as a Proportion of GDP (2018)



	China	Vietnam	India	Indonesia	Myanmar	Singapore	Philippines	Malaysia	Thailand
■ Percentage of Spending	6.8%	5.7%	5.5%	2.8%	2.7%	2.5%	2.5%	1.9%	1.7%

Source: Asian Development Bank

3.3 Transportation Infrastructure in Vietnam

According to the data of General Statistics Office Vietnam, in terms of transportation:

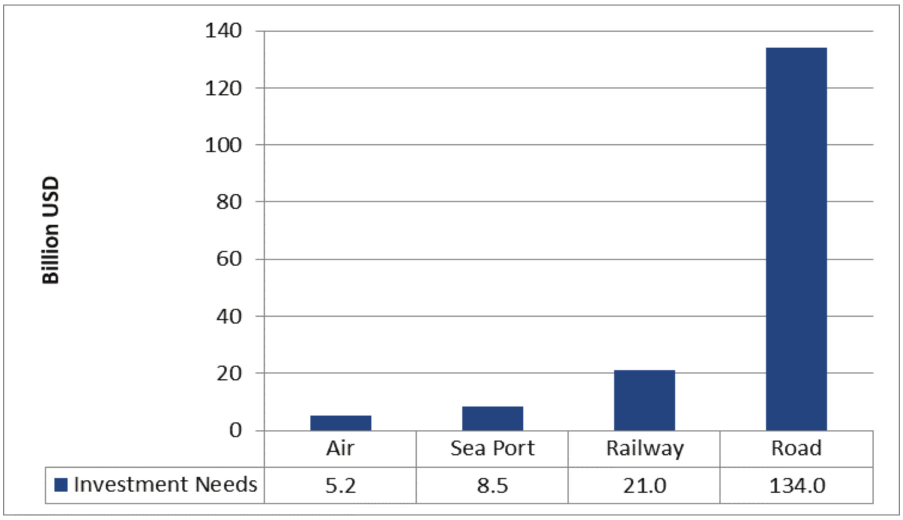
- road freight transport in 2019 reached 1,340.5 million tons from 821.7 million tons in 2014, with a CAGR of 8.5% from 2014-2019;
- inland waterways reached 266.0 million tons in 2019 from 190.6 million ton in 2014, with a CAGR of 5.7% from 2014-2019;
- sea way in 2019 reached 77.9 million tons from 58.9 million tons in 2014, with a CAGR of 4.8% from 2014-2019;
- railway in 2019 decreased to 5.1 million tons from 8.3 million tons in 2014, with a CAGR of 5.9% from 2014-2019; and
- airway in 2019 reached 0.4 million tons from 0.2 million tons in 2014, with a CAGR of 12.2% from 2014-2019.

Currently, Vietnam's focus on road infrastructure investments includes the expansion of main roads connecting CBD/ central areas to suburban districts/ areas and construction of highways to help shorten travel time, etc. Between 2018 to 2020, Vietnam will invest in 11 projects to complete the 50% of the North-South expressway in the East. The expressway with a total length of 645 km stretches across 13 provinces and includes eight BOT projects and three projects invested by private capital which will help to improve the infrastructure as well. The total investment for these projects is 5.1 billion USD, of which 2.4 billion USD is State capital and 2.7 billion USD is non-budget mobilized capital.

The railway network ferrying both passengers and goods in Vietnam has been in use for more than 100 years. However, there are many upgrade being scheduled to compete with other type of transportation. The railway network is focused on a single main route of 1,726 km running from Hanoi to HCMC. Vietnam's current railway project includes the modernization and expansion of its national railway network. The Ministry of Transportation and Korea International Cooperation Agency is currently studying the feasibility of constructing a 500 km railway linking to Laos for the transportation of goods between these 2 countries.

Besides development of the road and railway infrastructure, Vietnam is also developing a new international airport in Long Thanh, a notable air infrastructure project with investment of more than 16 billion USD. On seaport infrastructure, Vietnam also plans to build a number of large ports such as Tran De port (Soc Trang) with investment capital of 1.5 billion USD and Cang My Thuy (Quang Tri) with investment capital of 610 million USD, etc.

Figure 19: Vietnam's Transport Infrastructure Investment Needs (2016 - 2040F)



	Air	Sea Port	Railway	Road
■ Investment Needs	5.2	8.5	21.0	134.0

Source: G20 Global Infrastructure Outlook 2017, cited in Vietnam Briefing

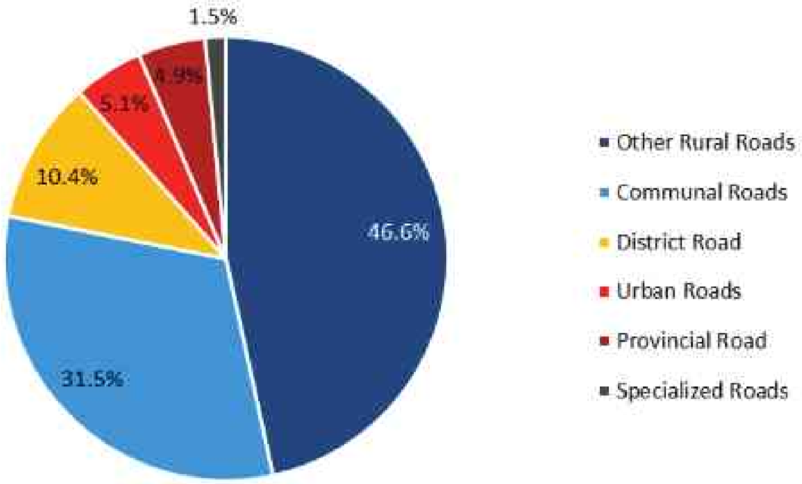
3.3.1 Roadways

Road transport in Vietnam accounted for approximately 76.8% of total freight volume in the year 2019. Despite capacity limitations and infrastructure shortcomings in Vietnam, road transport is highly flexible and remains by far the first choice of domestic consignors in the country.

In Vietnam, road traffic is concentrated on national roads and major urban centers which have led to general bans on the operation of trucks within the city. Limited capacity of bridges and poor quality of roads have further aggravated the issues faced by cargo transport, especially container haulage. For instance, container movement by road is prohibited in many Mekong Delta provinces due to bridge limitations and poor road conditions.

To facilitate cross-border trade with other countries, road access to big seaports such as the Hai Phong port, Da Nang port and Saigon port needs to be rapidly rehabilitated or built to help local logistics services providers expand their activities to neighboring countries such as China, Cambodia and Laos.

Figure 20: Vietnam's Road Network Including Road Classification



Source: Greater Mekong Sub - Region Information Portal, Colliers International Vietnam

Note: Others include Streets, Alleys and Avenues

3.3.2 Roadways Infrastructure in North Vietnam

a. Ring Road Initiatives

A ring road is an inner city-bound road, be it an urban highway or highway that prevents vehicles from having to move directly into inner-city streets. The main purpose of the ring road is to create a faster route so that traffic flows can travel from one side of the city to another, moving from town to town in an urban area, from province to province without conflict with the flow of vehicles in the center of the city.

Large projects like the construction of ring road systems are essential. The construction of ring road systems will reduce distance, time and travel costs and help to alleviate traffic problems. This will be a lever for economic development as suburban areas will no longer be too dependent on the central districts. The development of housing and economy in the area along both sides of the ring road would also spur the economic growth in the vicinity. Currently, there are three ring roads which are supporting the traffic in the inner city of Hanoi.

North Vietnam:

On ring road 1 there are two steel overpasses: O Dong Mac, Tran Khac Chan and Kim Lien underground tunnel.

Ring road 2 is a traffic route of a closed inner city of Hanoi with a total length of 43.6 km. In 2016, the Ring Road 2 section from Cau Giay to Nhat Tan commenced operations with two bridges crossing the Red River: Vinh Tuy and Nhat Tan and a bridge crossing the Duong River: Dong Tru Bridge.

Ring road 3 is an important road traffic route of Hanoi, about 65 km in length, passing through districts of Dong Anh, Bac Tu Liem, Nam Tu Liem, Cau Giay, Thanh Xuan, Thanh Tri, Hoang Mai and Long Bien and Gia

Lam. The highlight of this route is the viaduct system designed according to expressway standards, serving cars running at maximum speed of 90 km per hour. There are three big bridges: Thang Long Bridge, Thanh Tri Bridge and Phu Dong Bridge.

In particular, Ring Road 3 allowing big vehicles to move at maximum speed greatly facilitates the transportation of goods and trade flow across logistics parks and warehouses. Due to the large population and the large number of private vehicles as well as existing limitations of the three ring roads, the government is pushing and planning to build ring road 4 and 5 between 2021 to 2025 in order to connect Hanoi to other nearby provinces as well as to industrial parks, factories and warehouses to support logistics services.

Figure 21: Map of Hanoi's Ring Roads

Source: Colliers International Vietnam

b. Highway/ Expressway

Expressways connect economic centers, urban centers, industrial parks and economic zones together.

North Vietnam:

Hanoi - Lao Cai highway commenced operations on September 21, 2014 and has since contributed significantly to the socio-economic development of the Northern region, especially the Northwest region. The highway has helped to reduce travelling time between Hanoi and Lao Cai from 7 hours to 3.5 hours, to over 2 hours from Hanoi to Yen Bai and also halved the travel time to Ha Tinh, Tuyen Quang, Phu Tho provinces. The project also boosts connectivity between the less developed, remote areas of the Northwest and economically developed centers.

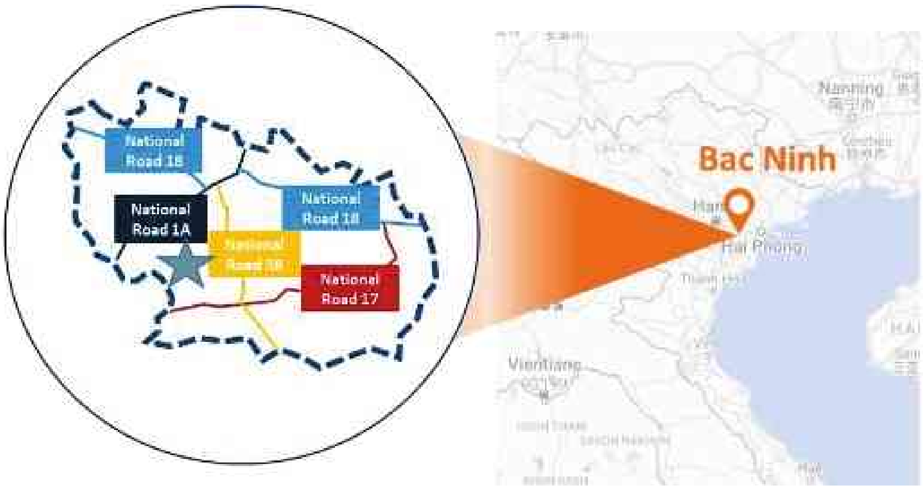
Cau Gie - Ninh Binh expressway with a total length of over 50 km, consists of four lanes and four intersections in stage 1, and is designed according to the standard of an A-grade highway where the maximum speed ranges from 100-120 km per hour. The expressway promotes trade between the center of Hanoi City and neighboring provinces, facilitates travel and transport of passengers and goods among neighboring provinces in the region, shortens travel time, limits traffic accidents and traffic jams on the National Highway.

Phap Van – Cau Gie expressway was completed in 2019 is about 29km long with the starting point at the intersection of Phap Van with Ring Road 3 (Hanoi), the end point connecting with Cau Gie-Ninh Binh expressway. This project is added to Cau Gie – Ninh Binh expressway to create a highway extending from Hanoi to Ninh Binh. This expressway welcomes over 50,000 vehicles, with a turnover of more than 2 billion VND daily.

Figure 22: Maps of Expressways in Hanoi

Source: Colliers International

Figure 23: Maps of Expressways in Bac Ninh



Source: Colliers International Vietnam

At present, Bac Ninh is one of the provinces with the most developed logistics activities in Vietnam. Therefore, the government has facilitated infrastructure development by constructing expressways to improve the connectivity, and reduce travelling time and conditions between these two provinces and other parts of Vietnam.

c. Inland Waterway

Vietnam has 41,000 km of natural waterways, of which 7,075 km is used commercially. The sea freight is a popular mode of transport for logistics in Vietnam as the waterway transport has a higher carrying capacity and is lower in cost as compared to other transportation modes. Due to road restrictions in some areas, such as provinces in the Mekong Delta, containers and foreign trade cargos are often moved by inland water transport during the transportation process that occurs before the main sea transport leg. Despite limited investments, the waterways remain attractive for the transportation of high-weight and low-value goods such as coal, rice, sand, stone, and gravel; all of which heavily depend on waterway transport in the delta regions of the Mekong and Red River.

According to the World Bank (WB) in 2019, Vietnam's inland waterway transport has a much higher rate of undertaking domestic freight than China, the United States and the EU (except Netherlands). Considering the national general statistics, the market share of IWT transportation is 19.93%, about 288.8 million tons/year with an average distance of 211km.

d. Maritime Transportation

Shipping Fleet Size: Vietnam is a coastal country with a long history of maritime trade and a shipping fleet of 1,568 ships and a total DWT (deadweight tonnage) of 7.8 million as of June 2019. Presently, this shipping fleet has been transporting about 90% of the country's domestic sea cargo volume.

Major Seaports: Across a 3,200 km long coastline, Vietnam has a total of 114 seaports. Vietnam's national seaport system includes three major port areas stretching from the North, the Central to the South of Vietnam. Due to the fast vessel turnaround time, southern seaports (Saigon, Vung Tau) account for about 70% of foreign transactions while the remaining 30% are in Hai Phong (in the North) and Da Nang (in the Central Vietnam).

Table 1: Major Seaports

Port Name	Region	Total Storage (sqm)	Terminals	Berth Length (m)	Maximum Size (DWT)	Cargo Handled
Hai Phong	Northern Vietnam	432800	Hoang Dieu (conventional)	1300	10000	General, bagged, bulk
			Hoang Dieu (container)	410	10000	Container, general, metal
			Vat Cach	311	10000	General, bagged, bulk, metal
			Doan Xa	200	10000	General, bagged, bulk, liquid
			Chua Ve	335	10000	Container, general
Da Nang	Central Vietnam	186,225	Tien Sa	732	30000	Container, general
			Song Han (1, 2)	235	5000	Container, passenger

			Song Han (3, 4, 5)	465	3000	Container, passenger
			Song Han (6, 7, 8)	273	N/A	General
Saigon	Southern Vietnam	500,000	Nha Rong Khanh Hoi	689 1,389	30000 N/A	General, passenger General, passenger
			Khanh Hoi B	140	N/A	Bulk
			Tan Thuan	713	N/A	Roro, container, bulk

Source: Vietnam Maritime Administration, Ken Research Analysis, Colliers International

e. Railways

The railway network comprises seven lines with a total length of 3,161 km, out of which 2,646 km belongs to the main line station and 515 km are slip roads. All lines are single track, mostly meter gauge, with a few standard gauge and double gauge towards the Chinese border. There are over 1,800 bridges (57,044 m), 39 tunnels (11,513 m) and 281 stations.

Table 2: New Railways Connecting Ports, Industrial Parks, Economic Zones and Mines

Region	Route	Length (km)
Northern Port Cluster	Lach Huyen Dinh Vu	39.7
	Inland Port ICD Huong Canh (Vinh Phuc)	5
Port Group North Central Region	Nghi Son Port downlink Restore Cua Lo	30
Port Group Mid-Central Region	Chan, Lien Chieu, Dung Quat	30
Port Group South Central Region	Quy Nhon, Van Phong, Phan Thiet, restore railway station Nga Ba - Cam Ranh Port	55

Source: Ministry of Transport

The Northern Port Cluster railway comprises the new railway system connecting Lao Cai- Ha Noi- Hai Phong. Instead of passing through the city center of Hai Phong like before, this new railway passes through the rural area straight to the Lach Huyen port and Dinh Vu station. In the Port Group North Central region, the Nghi Son Port downlink Restore Cua Lo with a length 30 km is underway and is poised to be the gateway to Nghi Son port - one of the biggest sea port in Northern Central Vietnam. In the Southern area, there are new railways being constructed with access to important ports such as Dung Quat or Cam Ranh.

f. Airways

Vietnam has a total of 23 airports. The government is currently developing new airports with total investments of 13.4 billion USD. Airfreight logistics services in Vietnam are mainly performed at two airports, namely Noi Bai in Hanoi and Tan Son Nhat in HCMC.

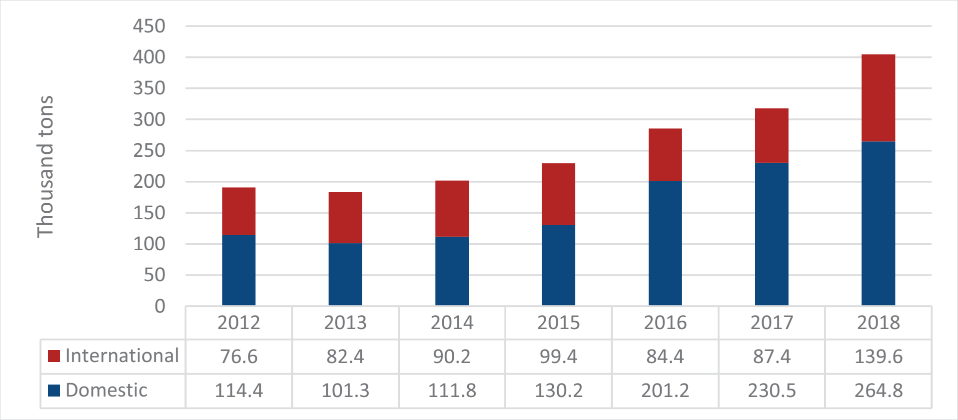
Van Don airport is the newest airport in Vietnam, located in in Van Don District, Quang Ninh Province, about 50km from Ha Long. The capacity of this airport is about 2.5 million passengers and 10,000 tons of cargo every year during the first phase. For the second and third phase of the airport, the passengers are expected to increase to 5 and 10 million passengers respectively.

Table 3: List of Airports

Airport Name	Province	Range	Passenger Capacity (Million Passengers/Year)	Cargo Terminal Capacity (Tonnes/Year)
Noi Bai	Hanoi	4E	21	403000
Danang	Danang	4E	10	18000
Van Don	Quang Ninh	4E	2.5	10000
Tan Son Nhat	Ho Chi Minh	4E	28	495000

Source: Ministry of Transport

Figure 24: Volume of Cargo Handled in Vietnam's Airports



	2012	2013	2014	2015	2016	2017	2018
🟥 International	76.6	82.4	90.2	99.4	84.4	87.4	139.6
🟦 Domestic	114.4	101.3	111.8	130.2	201.2	230.5	264.8

Source: GSO

4 Vietnam Logistics and Warehouse Market Overview

4. 1 Performance

Logistics Performance

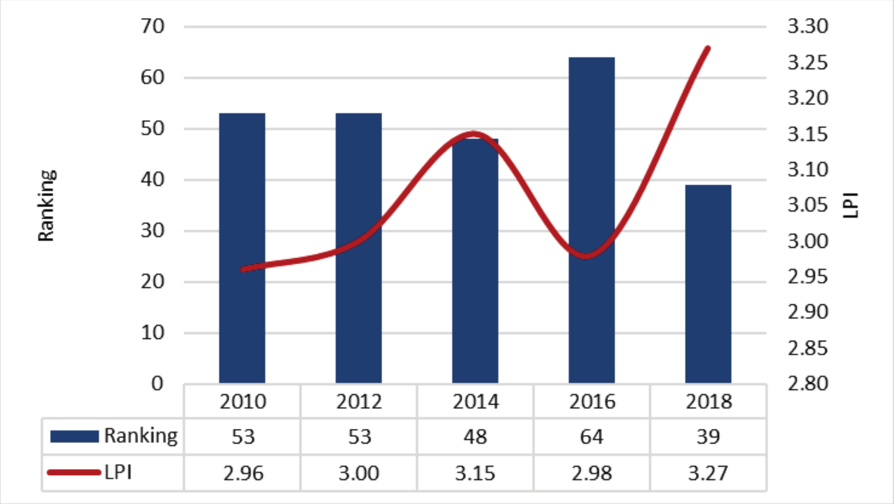
The Logistics Performance Index (LPI) is an interactive benchmarking tool created to help countries identify the challenges and opportunities they face in their performance on trade logistics and what they can do to improve their performance. There are 6 criteria for LPI ranking:

- **Infrastructure:** The infrastructure related to the quality of commerce and transport (port, railway, road, information technology)
- **Shipments international:** How easy it is to arrange shipments with competitive prices
- **Competence Logistics**: Competence and quality of logistics services (eg transport operators, customs brokers)
- **Tracking & tracing**: the ability to track & trace shipments
- **Timeliness:** the timeliness of the shipments to the destination
- **Customs:** efficiency of the customs clearance process, such as speed, simplicity, and predictability of procedures.

According to the latest report from the World Bank (WB), in 2018, Vietnam improved 25 places to rank 39 out of the 160 surveyed countries on the LPI, compared to two years ago. This is the country's highest ranking since 2007, when WB first started compiling the ranking.

Representatives from the Ministry of Transport attributed the results to improvements in "Logistics Competence" (up 29 places) and "Tracking and Tracing" (up 41 places).

Figure 25: LPI and Ranking



	2010	2012	2014	2016	2018
Ranking	53	53	48	64	39
LPI	2.96	3.00	3.15	2.98	3.27

Source: Colliers International Vietnam

Vietnam is ranked 39th out of 160 countries in terms of logistics development and 3rd in ASEAN after Singapore and Thailand. The annual logistics service growth rate of 15% to 20%is one of the most steadily growing service sectors of Vietnam in recent years. Such strong growth is driven mostly by Vietnam's strong GDP growth, rising cross-border trade activities and technology advancement.

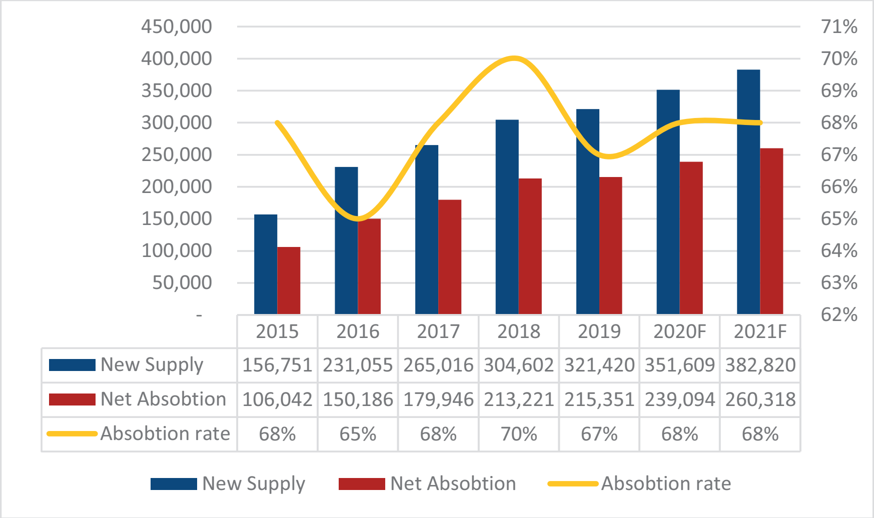
Technology development has provided solutions for logistics companies to tackle issues such as vehicle routing, enabling logistics service companies to achieve higher productivity. Fast-moving consumer goods or electronics companies with their own distribution channel have adopted these technological solutions to improve their services, while global companies such as P&G or Friesland Campina turn to the use of 3PLs (Third party logistics)-outsourced logistics services which encompass anything that involves management of one or more facets of procurement and fulfillment activities. In business, 3PL has a broad meaning that applies to any service contract that involves storing or shipping items.

With these solutions, enterprises are able to save on transportation and management costs as well as time. In the future, demand for full-service, high-quality logistics services across the country, the ASEAN Economic Community (AEC) region and the global scope is expected to increase.

Warehouse Performance

Supply

Figure 26: New Supply, Net Absorption and Absorption Rate

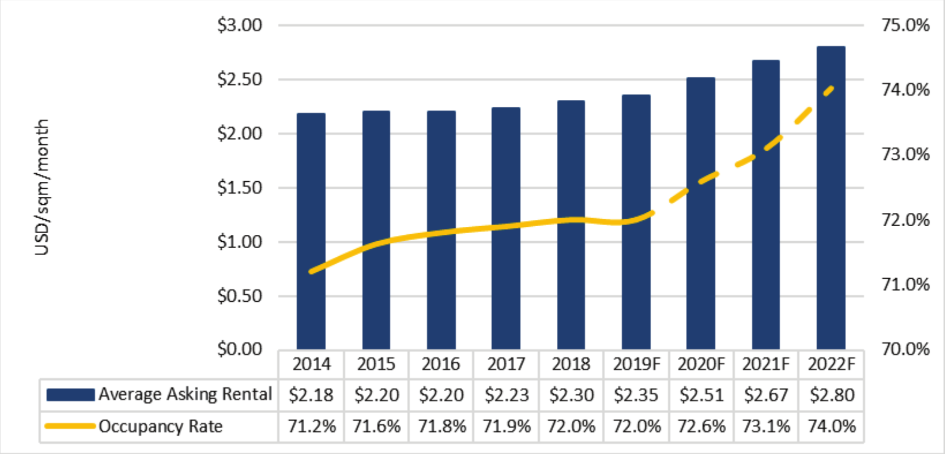


	2015	2016	2017	2018	2019	2020F	2021F
New Supply	156,751	231,055	265,016	304,602	321,420	351,609	382,820
Net Absobtion	106,042	150,186	179,946	213,221	215,351	239,094	260,318
Absobtion rate	68%	65%	68%	70%	67%	68%	68%

Source: Colliers International Vietnam

In 2019, total warehouse stock in Vietnam increased by 321,420sqm with an absorption of 215,351 sqm during the year. The absorption rate of new supply between the period 2015 to 2019 ranges from 65% to 70%, reflecting that new supply had been well absorbed by the market. In the next few years, supply of high-quality warehouses in Vietnam is expected to grow driven by high demand from foreign companies who want to move from China to Vietnam. On a national level, in 2019, the logistics space per capita in Vietnam is around 0.03 sqm.

Figure 27: Vietnam Warehouse Average Rent and Occupancy Rate



	2014	2015	2016	2017	2018	2019F	2020F	2021F	2022F
Average Asking Rental	$2.18	$2.20	$2.20	$2.23	$2.30	$2.35	$2.51	$2.67	$2.80
Occupancy Rate	71.2%	71.6%	71.8%	71.9%	72.0%	72.0%	72.6%	73.1%	74.0%

Source: Ken Research, Colliers International

The average asking rent of the warehouse market in Vietnam increased steadily at a CAGR of 1.3% from 2014 to 2018 to reach US$2.30 in 2018 and is expected to increase to US$2.35 by 2019. In the next three years, the average asking rent of warehouse is expected to increase 6% y-o-y. Due to the higher demand for warehouse space and the evolution of the logistics market driven by Industry 4.0 which will lead to faster manufacturing, occupancy is expected to increase moderately to 74% in 2022.

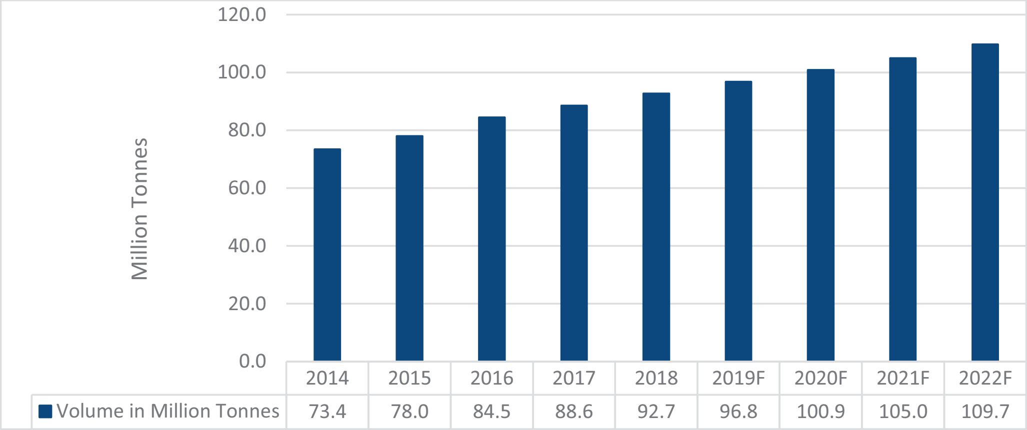
4. 2 Demand Drivers

4. 2.1 Factors affecting Logistics and Warehouse Market

ESTABLISHED SEAPORT SYSTEMS

Economic growth in Vietnam has led to a significant increase in freight traffic, highlighting the importance of ports as an investment consideration. In 2011, volume of cargo handled across seaports in Vietnam was 64.3 million tons. This increased to 88.6 million tons in 2017, representing a CAGR of 5.5% in the review period. Volume of cargo handled across seaports in Vietnam is expected to reach 109.7 million tons by 2022, representing a CAGR of 4.3% for the estimated period of 2018 to 2022.

Figure 28: Volume of Cargo Handled in Vietnam's Seaports



	2014	2015	2016	2017	2018	2019F	2020F	2021F	2022F
■ Volume in Million Tonnes	73.4	78.0	84.5	88.6	92.7	96.8	100.9	105.0	109.7

Source: The General Statistics Office of Vietnam, Colliers International

Note: F refers to Forecast

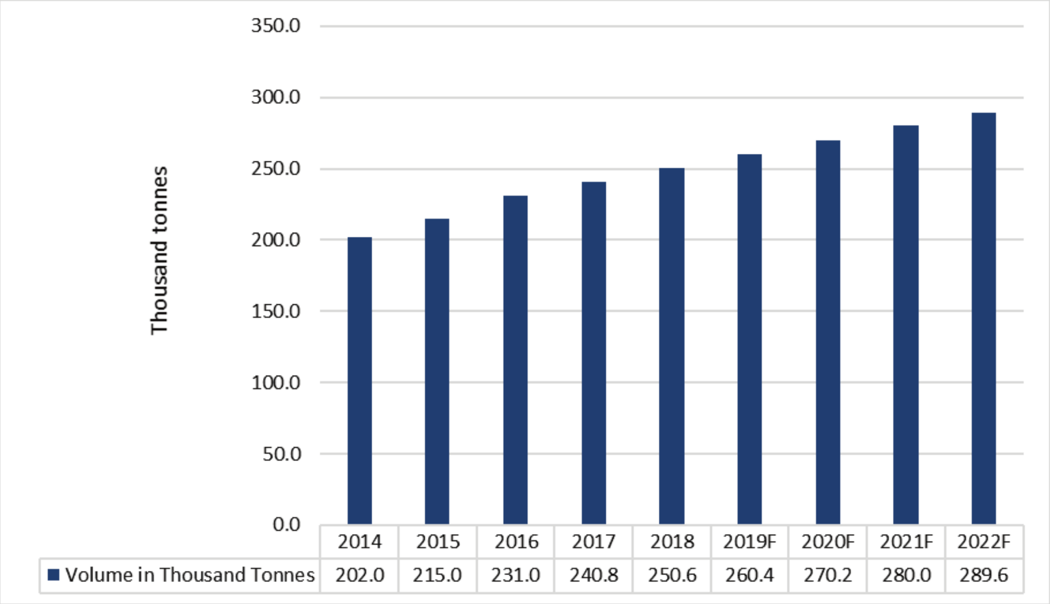
In the North, Hai Phong and Vung Ang are major ports for international container traffic. In May 2018, the Haiphong International Container Terminal (HICT) deep-water port in Hai Phong opened. The HICT can accommodate large container ships, reducing the need for transshipments in northern Vietnam. The port allows for direct shipping between northern Vietnam and the US and EU markets. The second phase of the port is expected to be completed by 2020. Northern Vietnam has become a hub for the electronics, automobiles, and machinery sectors. The Deep C industrial zone near the port has already attracted 80 companies. The new port will enhance the attractiveness of northern Vietnam's further.

AIR FREIGHT INDUSTRY GROWTH

As a member of the International Air Transport Association, Vietnam is an attractive low cost location for manufacturers, thus boosting demand for air freight (including domestic and international) for the nation. The main logistics hubs can be found in the North (Ha Noi — Hai Phong area) and in the South (the wider Ho Chi Minh City) area, including Dong Nai province, Binh Duong province and Ba Rai / Vung Tau. In total, Vietnam has 23 airports and in the Master Plan, starting from 2020, the Government intends to upgrade most of these existing airports and develop new airports with a total investment of 13.4 billion USD, with the upgrading works for Tan Son Nhat and Noi Bai airport underway; thus driving the volume for domestic air freight in the country.

Domestic air freight in Vietnam in terms of volume recorded an increase from 129 thousand tons in 2011 to 448.5 thousand tons by 2019. Air freight volumes in Vietnam are expected to reach 800 thousand tons by 2022, thus displaying a CAGR of 3.7% in the forecast period from 2018 to 2022.

Figure 29: Volume of Air Freight



	2014	2015	2016	2017	2018	2019F	2020F	2021F	2022F
■ Volume in Thousand Tonnes	202.0	215.0	231.0	240.8	250.6	260.4	270.2	280.0	289.6

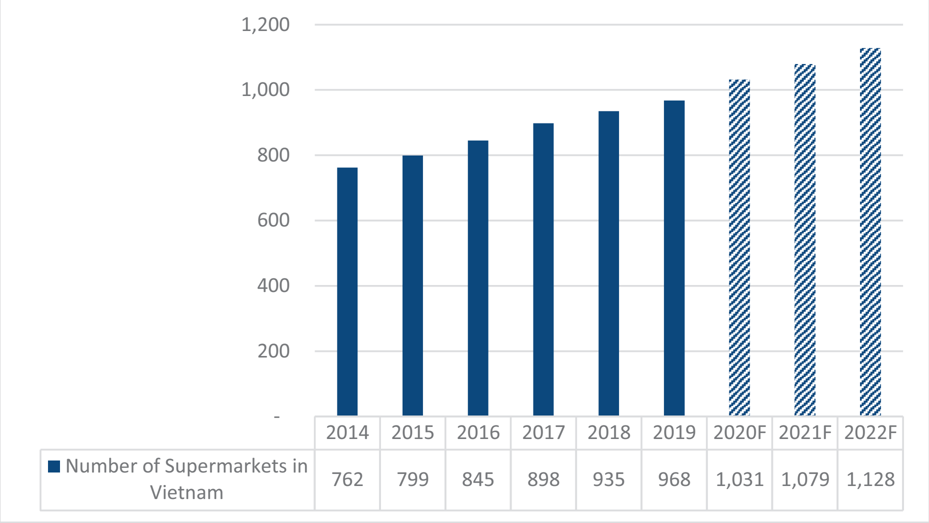
Source: The General Statistics Office of Vietnam, Colliers International

Note: F refers to Forecast

GROWTH OF SUPERMARKETS

Vietnam has been experiencing a boom in mini-marts and convenience stores as Vietnamese consumers are increasingly willing to pay higher prices for products in those stores because they open for longer hours and are easily accessible with closer proximity to the residential areas. Furthermore, the trend of young Vietnamese preferring to purchase from supermarkets rather than wet fish markets has been on the rise owing to consumer preference for good quality and cleanliness in the supermarkets. The number of supermarkets in Vietnam increased from 638 in 2011 to 898 in 2017, growing at a six year CAGR of 5.9% in the review period 2011 to 2017. The increase in the number of supermarkets in Vietnam has supported demand for transportation services of refrigerated goods as well as storage in the country. Consequently, this has led to higher demand for warehouse space and freight forwarding services in Vietnam. The number of supermarkets in Vietnam are estimated to increase to 1,128 by 2022, thus growing at a CAGR of 4.8% in the forecast period 2018 to 2022.

Figure 30: Number of Supermarkets



	2014	2015	2016	2017	2018	2019	2020F	2021F	2022F
■ Number of Supermarkets in Vietnam	762	799	845	898	935	968	1,031	1,079	1,128

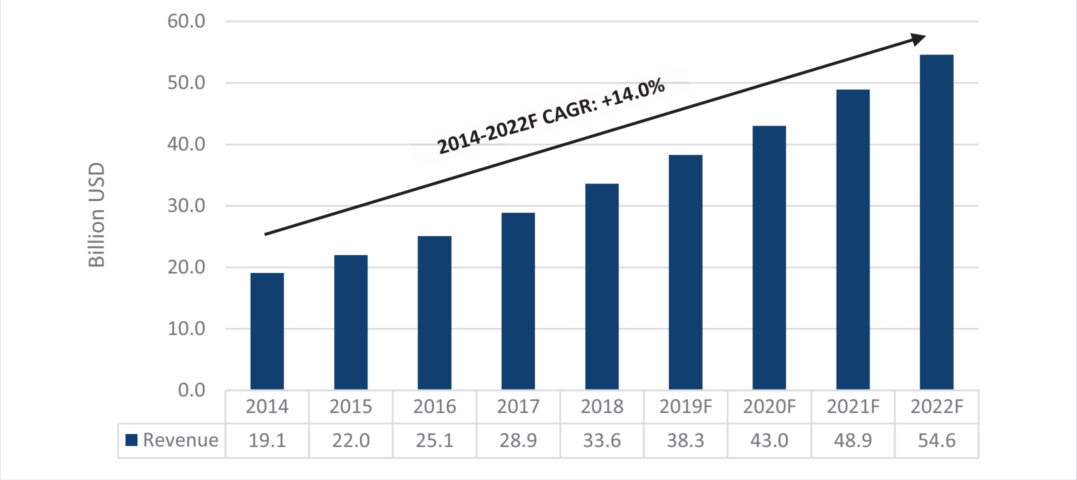
Source: The General Statistics Office of Vietnam, Colliers International

Note: A supermarket is defined as a self-service retail facility whose retail price is a bit higher compared with a hypermarket and is better fitted for weekly shopper. Some of the most famous supermarkets in Vietnam include lntimex, Co-opmart, Fivimart and Citimart. Supermarkets in Vietnam offer similar goods and services such as frequent buyer cards with which any consumer can earn points to get deduction on their following purchase. F refers to Forecast.

4. 2.2 Growth of Third-Party Logistics (3PL) Market

- 80% of the 3PL service providers in Vietnam are domestic companies which only account for 20% to 25% of total 3PL logistics market share, while smaller number of foreign companies commands a larger market share of 75% to 80%. Notable foreign companies include APL Logistics, Maersk Logistics, NYK Logistics, Schenker, Birkart, BJ, Errmey, Sunil Mezario, Hapag Lloyd, Zim and Sun Express.

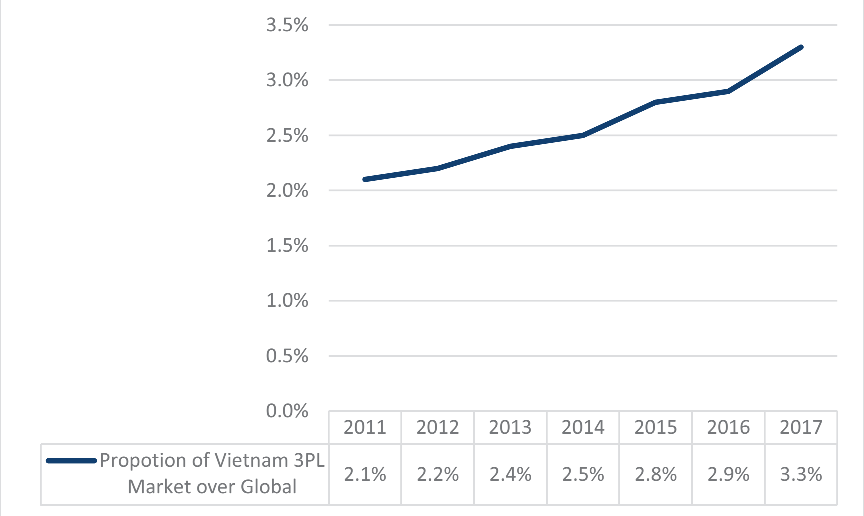
Figure 31: Vietnam 3PL Market Size and Growth Rate



	2014	2015	2016	2017	2018	2019F	2020F	2021F	2022F
■ Revenue	19.1	22.0	25.1	28.9	33.6	38.3	43.0	48.9	54.6

Source: Interviews with Vietnam Logistics and Warehousing Market Experts, Ken Research Analysis, Colliers International

Figure 32: Cross Comparison of 3PL Market in Vietnam against Global 3PL Market



	2011	2012	2013	2014	2015	2016	2017
Propotion of Vietnam 3PL Market over Global	2.1%	2.2%	2.4%	2.5%	2.8%	2.9%	3.3%

Source: Interviews with Vietnam Logistics and Warehousing Market Experts, Ken Research Analysis, Colliers International

- Most of the foreign firms operating in Vietnam such as Maersk Logistics, APL Logistics, NYK Logistics and MOL Logistics were observed to offer 3PL or 4PL services whereas, Vietnamese domestic firms can only offer 2PL services. In Vietnam, large companies such as DHL, Kuehne + Nagel or DB Schenker are the leading 3PL service providers.
- From 2018 to 2022, revenue of Vietnam's 3PL market is expected to grow at a CAGR of 13.6% to 54.6 billion USD. The growth is driven by a rising trend of both local and multinational enterprises outsourcing their logistics functions to 3PL service providers.

4. 2.3 Growth of E-commerce

In accordance with Vietnam E-commerce Association, Vietnam is the 2nd largest country in terms of e-commerce development in Asia-Pacific and is estimated to reach a market size of 13.0 billion USD in 2020. E-commerce in Vietnam is further anticipated to grow at a good pace due to the proliferation of broadband internet and technology services. Additionally, cashless payment technologies coupled with increasing volume of cross-border sales have positive impacts on Vietnam's e-commerce industry.

E-commerce market

- In accordance with a survey done by the e-commerce and Information Technology Agency, under the Ministry of Industry and Trade, one of the major obstacles to the growth of e-commerce is the quality of delivery services.
- Vietnam’s e-commerce logistics market size is expected to increase from 282.3 million USD in 2018 to 993 million USD by 2022 at a CAGR of 28.6%.

Drivers of market

- Surge in cross-border online trading activities is one of the major driving factors of the Vietnam’s E-commerce industry. Cross-border shopping in general was for premium-end brands, thereby leading to a higher ticket size.
- Over the forecast period, Vietnam’s e-commerce logistics market is expected to benefit from rising e-commerce spending especially by a young, smartphone addicted and incredibly internet-savvy millennial group. This has also prompted e-commerce platforms in Vietnam to alter their strategies to cater to the younger generation.
- Reliable telecom infrastructure coupled with the popularity of smartphones have positioned mobile devices as the main online gateway to access e-commerce sites from any geography, thereby generating traffic from tier 2 and tier 3 cities in Vietnam.

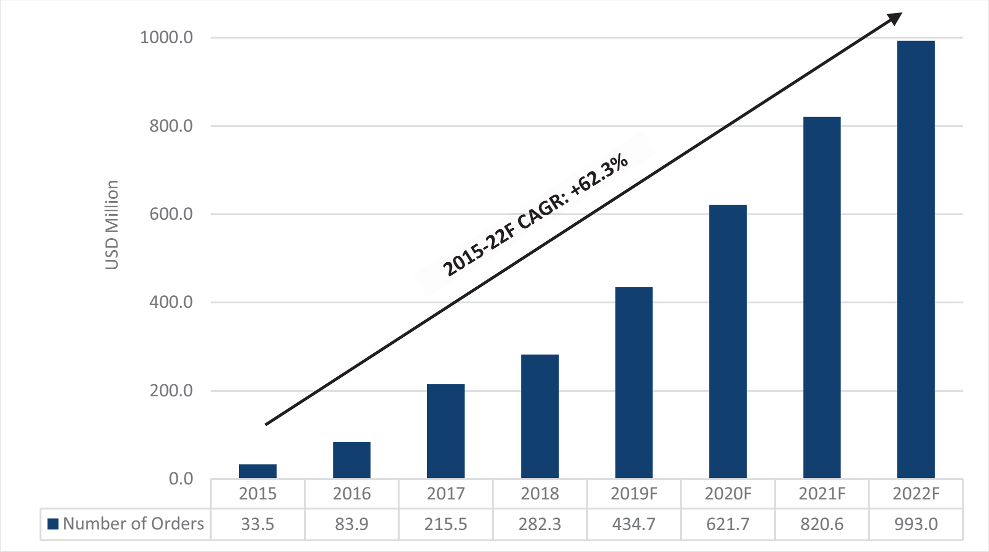
3PLs

- The market is primarily dominated by 3PL service providers such as GHN, Viettel Post, VINI Post and DHL eCommerce; followed by e-commerce merchants such as Lazada, Shopee, Tiki and others.

Example: DHL eCommerce Vietnam

- In 2017, DHL eCommerce Vietnam officially launched its domestic distribution service across Vietnam and has established warehouses in Hanoi and HCMC along with many distribution centers throughout the country.
- To improve last mile delivery, DHL eCommerce Vietnam has started rolling out service points across the country. The company is establishing these service points in conjunction with retail partners such as cafes, small shops and convenience stores. DHL service points will provide alternative pick-up and delivery points to customers as well as offer local partners an alternative source of income.
- The leading brand of Vietnam's e-commerce industry will continue to expand its delivery network by opening five new warehouses to handle large orders as well as shorten the delivery time to two to three days.

Figure 33: Vietnam E-Commerce Logistics Market Size and Growth Rate



	2015	2016	2017	2018	2019F	2020F	2021F	2022F
■ Number of Orders	33.5	83.9	215.5	282.3	434.7	621.7	820.6	993.0

Source: Interview with Vietnam Logistics and Warehousing Market Experts, Ken Research, Colliers International Vietnam

4. 2.4 Growth of Express Delivery Firms

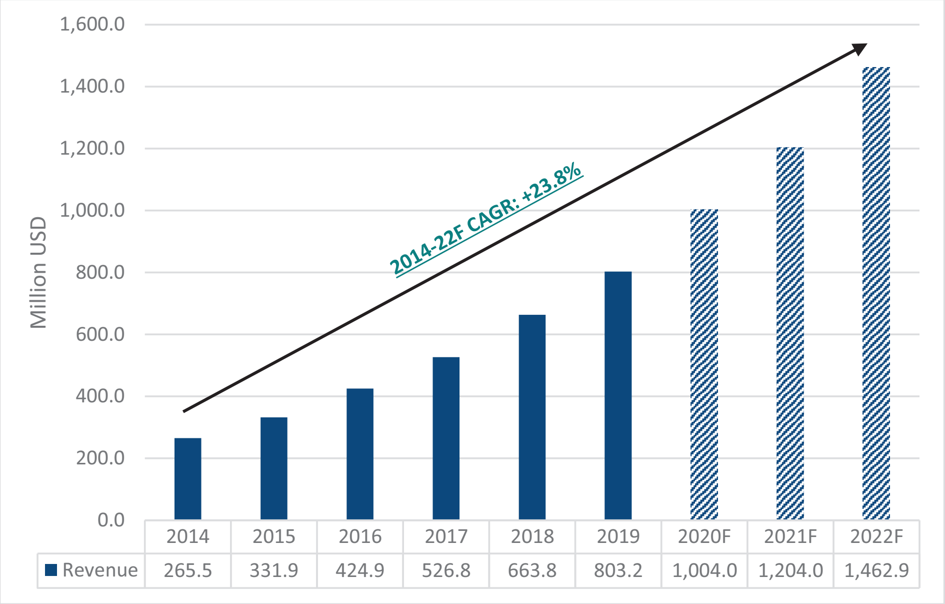
Vietnamese express delivery firms such as Hop Nhat, Viettel Post and VNPost operate alongside foreign giants such as DHL, FedEx and UPS. These foreign giants mostly deliver documents, mails and cargos in small quantities. Air express is the most popular mode of express delivery as compared to ground express delivery.

Following the rise of e-commerce, popular e-commerce websites in Vietnam such as Lazada Vietnam, Chotot.com, Shopee, Tiki, Rongbay and others, are providing express mail options for faster delivery of goods to customers. Having entered the Vietnamese market back in 2012, Lazada, over the past three years has separated its delivery department into an independent company called “Lazada Express.

The trend of online shopping for perishable items such as fruits and vegetables, meat, fish and others has been rising. Changing consumer shopping behavior coupled with the growth of e-commerce have led to a rise in express delivery services in the country.

Vietnam’s express logistics market was observed to generate revenues worth 797.6 million USD in the year 2019, growing at a CAGR of 22.8% in the review period 2014 to 2019.

Figure 34: Vietnam Express Logistics Market Size and Growth Rate



	2014	2015	2016	2017	2018	2019	2020F	2021F	2022F
■ Revenue	265.5	331.9	424.9	526.8	663.8	803.2	1,004.0	1,204.0	1,462.9

Source: Ken Research Analysis, Colliers International

- UPS Express Vietnam is making efforts to launch its latest technological application "data cloud" with an investment of 1.0 billion USD to gain a competitive edge in Vietnam's logistics industry. This technology will aid the company in sourcing accurate information of enterprises' shipments at any point in time, forecasting delivery schedules and reducing inventory redundancy. The company's investment will play a major role in transforming Vietnam's logistics industry to its next phase.
- Vietnam's express logistics market is estimated to grow at a CAGR of 22% between the period 2018 to 2022 to be worth 1,469.9 million USD. The high growth rate can be attributed to the growth in e-commerce, higher demand for perishable goods and the increased use of express delivery for personal and corporate documents by consumers.

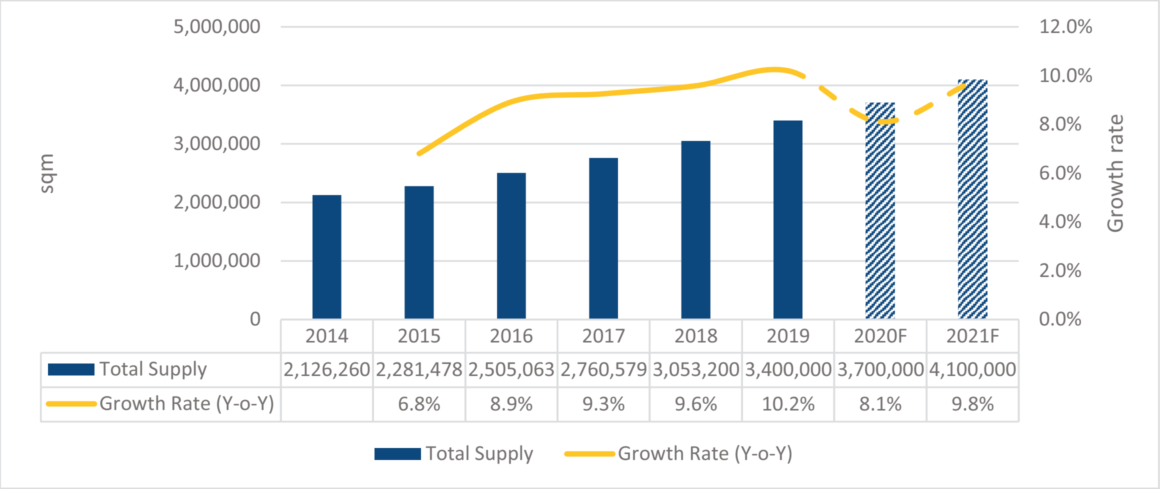
4.3. Vietnam's Logistics Market

4. 3.1 Segmentation of Vietnam Warehouse Market

Business Model	Rationale
Industrial / Retail Freight	• The industrial/retail freight segment is the largest revenue contributor to Vietnam's warehouse market. • The rising industrial / retail sector in Vietnam have led to higher requirements of warehouses in the country due to greater demand for storage of processed packaged foods and beverages, as modern food retailing businesses expands their operations to meet consumers' requirements. • Industrial warehouses, as per different requirements, have more complex infrastructure designs which can handle greater loads, larger volume and higher bays with greater use of robotics and high-tech picking system. • Recent retail trends have also led to the development of warehouse style retail stores in Vietnam which constitutes high ceiling buildings displaying retail goods on tall, heavy duty industrial racks rather than conventional retail shelving. Essentially, the same building serves as both a warehouse and retail store. • Moreover, rising internet and smartphone penetration in Vietnam have strengthened the e-commerce market. These retail companies require warehouses for storing goods and are one of the growth factors for warehouse space in Vietnam.
Container Freight	• The use of containers in export shipments makes the transportation and goods handling easier and faster. Additionally, the containers are designed to facilitate the carriage of goods without intermediate reloading.
Cold Storage	• The growing tech savvy population has led to more online food orders which drives demand for cold storage systems as most foods and drinks require cold storage. • Major sales of cold storage products in Vietnam include pharmaceutical products such as vaccines and infections which are required to be stored in a temperature-controlled environment.
Agriculture and Others	• General warehouses contain agriculture products for exports mainly to Laos and Cambodia. There are two general warehouses at Long Sap and Tay Trang border gates and 1 general warehouse at Tinh Bien border gate to efficiently store products.

4. 3.2 Supply

Figure 36: Warehouse Supply and Y-o-Y Growth Rate (2019)



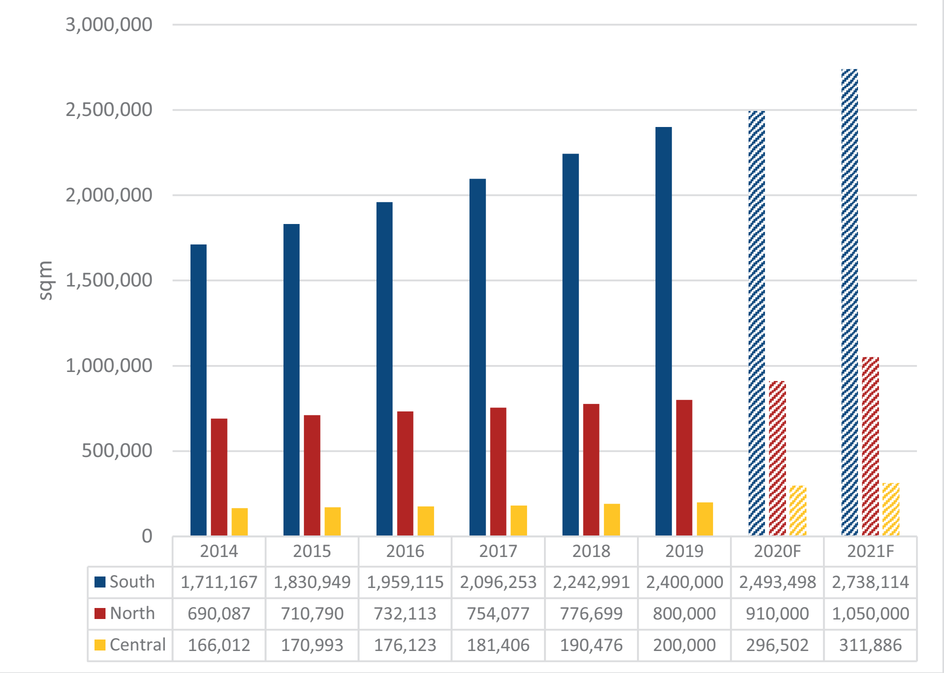
	2014	2015	2016	2017	2018	2019	2020F	2021F
Total Supply	2,126,260	2,281,478	2,505,063	2,760,579	3,053,200	3,400,000	3,700,000	4,100,000
Growth Rate (Y-o-Y)		6.8%	8.9%	9.3%	9.6%	10.2%	8.1%	9.8%

Source: Ken Research, Colliers International

By the end of 2019, Vietnam had approximately 3.4 million sqm of warehouse stock in the market, an increase of 10.2% as compared to 2018. Driven by the e-commerce boom during the period 2016 to 2019, demand for warehouse space is increasing.

Daiwa Loc An Binh Son with more than 43,000 sqm warehouse spaces got into operation is the notable project of 2020. Despite of Covid-19 pandemic, warehouse market has still shown positive signs. Total supply is expected to increase by approximately 900,000 sqm from 2019 to 2022 with a CAGR of 11.0%. Of which, more than 200,000 sqm of warehouse spaces come from BW Industrial

Figure 37: Warehouse Supply by Region

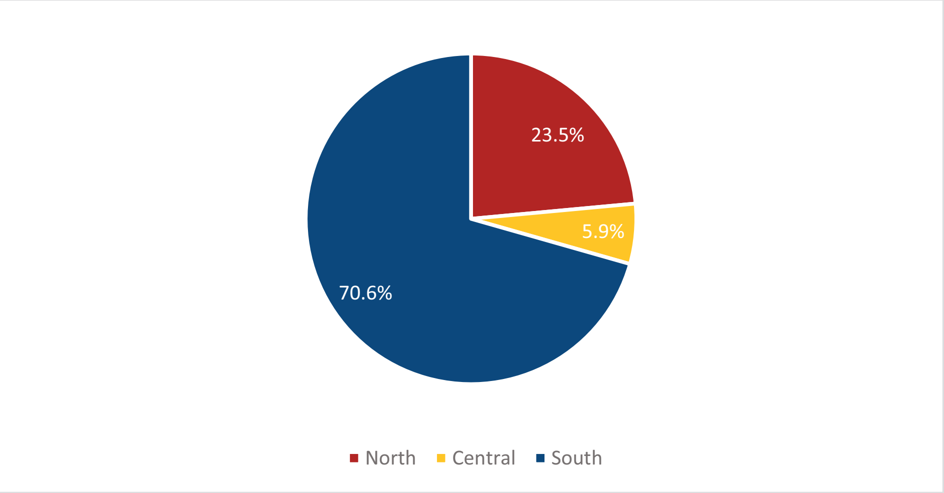


	2014	2015	2016	2017	2018	2019	2020F	2021F
■ South	1,711,167	1,830,949	1,959,115	2,096,253	2,242,991	2,400,000	2,493,498	2,738,114
■ North	690,087	710,790	732,113	754,077	776,699	800,000	910,000	1,050,000
■ Central	166,012	170,993	176,123	181,406	190,476	200,000	296,502	311,886

Source: Ken Research, Colliers International

- Northern and Central Vietnam accounted 29.4% of warehouse stock in the country in 2019.
- Vinafco, Saigon, Newport, Mappletree, Draco and Indo-Trans are some of the major players situated in North Vietnam whereas PSCH, Thanh Hoa, Vinafco and Transimex are some of the major players situated in Central Vietnam.
- Quang Tri, Quang Binh and Dien Bien have only one warehouse per border gate.
- Noi Bai international airport (Hanoi) and Danang international airport are major international airports in North and Central Vietnam respectively.

Figure 38: 2019 Vietnam Warehouse Market by Region



Source: Interviews with Vietnam's Logistics and Warehousing Market Experts, Colliers International

Supply by Grade

Warehouses in Vietnam are classified into Grade A, Grade B, and Grade C based on the following criteria:

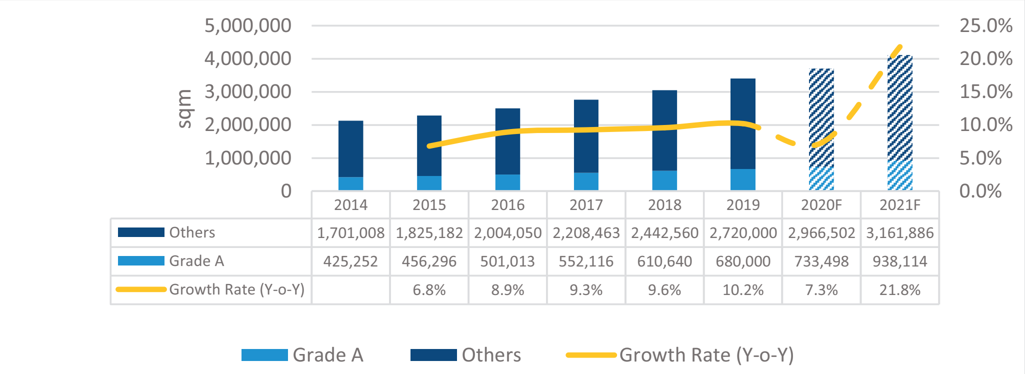
	Grade A	Grade B	Grade C
Building Eave Clear Height (m)	≥ 8	≥ 6	Any category lower than Grade B
Floor Loading (ton)	≥ 3	≥ 2	
Fire Safety	Full Sprinkler System	Fire safety without Sprinkle System	
Internal Driving Range Width (m)	≥ 40	≥ 30	
Raised Floor (m)	≥ 1.3	≥ 0.7	
Floor Plate (sqm)	≥ 10,000	≥ 5,000	

Table 4: List of Significant Warehouses by Grade

#	Logistics Companies	Type	Location
North			
1	Mapletree	Grade A	Bac Ninh
2	Logis Valley	Grade A	Bac Ninh
3	Bac Ky Logistics	Grade A	Bac Ninh
4	Daiwa House	Grade B	Ha Noi
5	Logistic Valley	Grade B	Bac Ninh
6	BWI Hai Duong	Grade B	Hai Duong

Source: Colliers International Vietnam

Figure 39: Vietnam Warehouse Supply by Grade and Y-o-Y Total Growth Rate



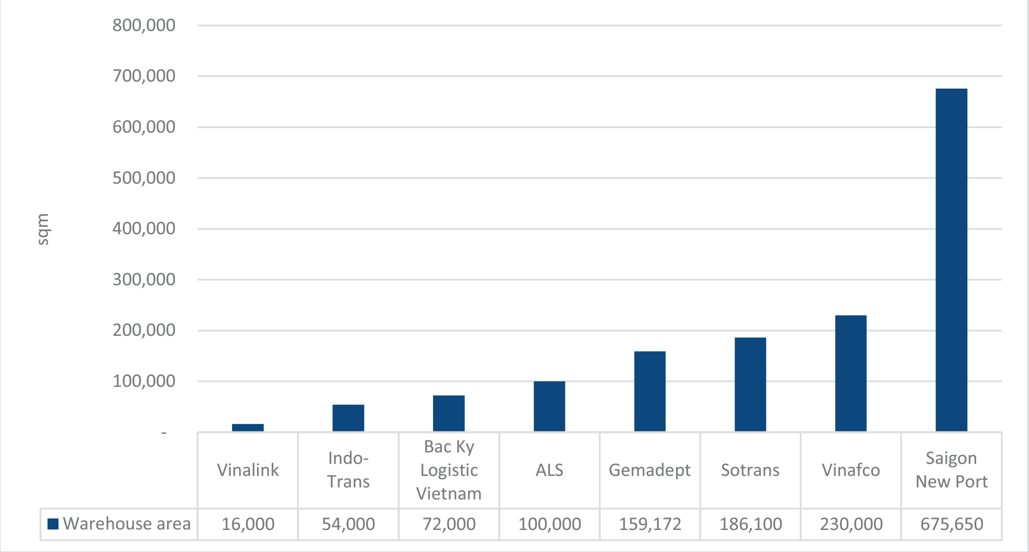
	2014	2015	2016	2017	2018	2019	2020F	2021F
Others	1,701,008	1,825,182	2,004,050	2,208,463	2,442,560	2,720,000	2,966,502	3,161,886
Grade A	425,252	456,296	501,013	552,116	610,640	680,000	733,498	938,114
Growth Rate (Y-o-Y)		6.8%	8.9%	9.3%	9.6%	10.2%	7.3%	21.8%

Since 2014, the number of Grade A stock has increased from 400,237 sqm to 680,000 sqm in 2019 due to the positive economy as well as other positive factors affecting the logistic market. As more and more big enterprises enter the market and with large companies such as Mapletree, Daiwa House, BW Industrial, etc. having expansion plans, Grade A supply is estimated to increase to 938,114 sqm in 2021. Grade A warehouse space can command a rental premium of approximately 15% - 20%.

Covid-19 pandemic did not make a serious impact on logistic warehouse and industrial park market. The reason behind this being that warehouse and logistic contracts are all long-term.

4. 3.3 Major Players/Providers

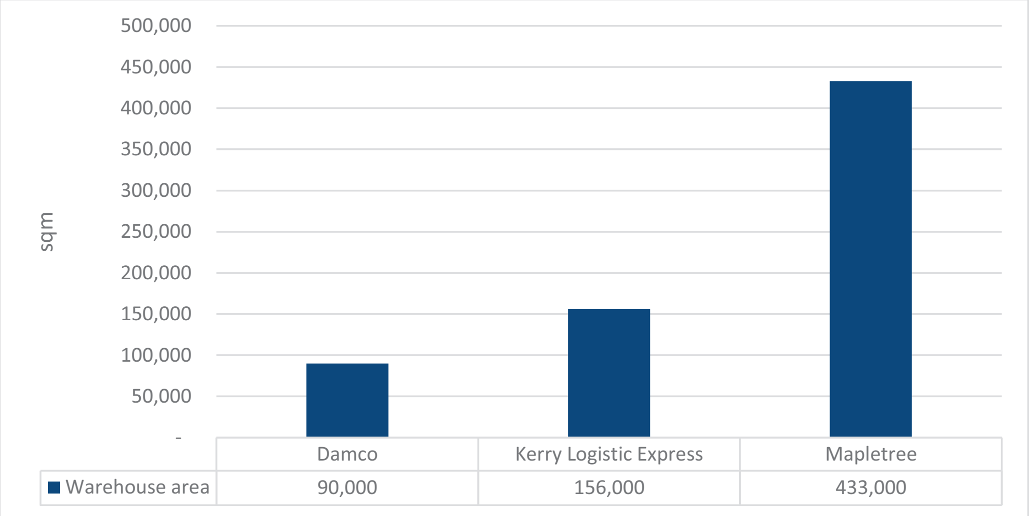
Figure 40: Warehouse Area of Major Domestic Logistics Players in Vietnam



	Vinalink	Indo-Trans	Bac Ky Logistic Vietnam	ALS	Gemadept	Sotrans	Vinafco	Saigon New Port
■ Warehouse area	16,000	54,000	72,000	100,000	159,172	186,100	230,000	675,650

Source: Ken Research, Colliers International Vietnam

Figure 41: Warehouse Area of Major Foreign Logistics Players in Vietnam



	Damco	Kerry Logistic Express	Mapletree
■ Warehouse area	90,000	156,000	433,000

Source: Ken Research, Colliers International Vietnam

Foreign enterprises mainly focus on the southern provinces, especially HCMC, Bac Ninh, Binh Duong and Dong Nai. These enterprises also occupy a very large warehouse area, of which Mapletree has the largest storage area of 433,000 sqm.

Domestic enterprises have strong differentiation in the market they operate in and are concentrated near large ports of the country. Saigon New Port is one of the leading companies with facilities located along Vietnam including the South (Ho Chi Minh, An Giang, Dong Nai, Binh Duong) and the North (Hai Phong).

The smallest business is Vinalink which occupies a warehouse space of 16,000 sqm. In general, domestic enterprises take advantage of leased factory area and there is still a big gap in warehouse leasing requirements between domestic enterprises and foreign enterprises. However, foreign enterprises have better quality, scale, and brand reliability.

To increase competitiveness, warehouses of major domestic and foreign players are equipped with modern equipment, cold storage facilities, 24/7 CCTV and alarms for all situations.

Logistics Hub

Location preferences for setting up a Logistics Hub- a specific hub or region that connects activities related to the transportation, organization, separation, coordination and distribution of goods for national and international shipping, on a commercial basis of different operators.:

- The companies setting up these logistics facilities generally choose a location which provides them with better accessibility to roadways, railways and waterways. For instance, freight-forwarding companies dealing with sea freight must locate their facilities near to major seaports.
- Various factors such as highway accessibility, proximity to the market, land availability, infrastructure facilities, labor supply and the degree of government's support must be carefully evaluated beforehand to assess location alternatives.

In fact, national and international logistics hubs which function as companies' headquarters (HQs) are located in cities such as Hanoi, Da Nang and Northeast Ho Chi Minh City. Beyond their HQs, companies develop smaller scale logistics hubs in regional, sub-regional and economic corridors.

The main logistics hubs located in the North are situated in Ha Noi, Hai Phong and Bac Ninh. These three provinces/cities are strong in logistics because they are home to many large logistics enterprises such as ALS, Sotrans, Vinfco, Kerry, Mapletree, etc. FM Logistics is expected to complete Phase 1 of its Bac Ninh distribution center in 1Q2020 with an area of 52,000 sqm. In addition, there are heavy investments in infrastructure in the three provinces/cities with many highways/national highways connecting provinces together such as national highways 1A, national highways 5A, 5B, and national highways 17, 18, etc. The development of Hai Phong's logistics industry is being facilitated with its advantage of being a port-city, leading to an increase in demand for warehouses and transportation services.

Logistics activities in the Central region is not as active as the other two regions, most of which are concentrated in Da Nang which is the main logistics hub in this region. With the presence of some big names in the industry such as Vinfco, ALS, Kerry, along with the continuous growth of import and export, the outlook of the logistics industry in Da Nang is quite positive.

Vietnam is one of the six countries in the Greater Mekong Sub-region trying to strengthen its transportation linkages to other members' countries so as to improve cross-border transportation connectivity. Additionally, the country's direct access to the Eastern Sea shipping route can further aid Vietnam to transform into a logistics hub from where goods can be transported not only to Southeast Asia, but also to Northeast Asia, America and Oceania.

The country continues to focus on attracting investments in logistics infrastructure development, constructing regional and international logistics service centers, improving the efficiency of connection between Vietnam and other countries, to become a modern logistics hub in near future.

Figure 42: Significant Major Players by Region (North, South and Middle)

Major players in the North:
- Sotrans Ngoc Hoi, Long Bien & Thanh Tri
- Vinafco: DC Thanh Tri, Gia Lam & Tien Son
- Mapletree Logistic Park Phase 2

Major players in the Middle:
- Transimex Danang

Major players in the South:
- Gemadept Di An & DC 1,2,3,4
- Kerry Song Than Logistic Center Binh Duong
- Indo – Trans Tan Binh
- Mapletree Logistic Park Phase 1
- BW Indsutrial Nhon Trach 2

Source: Colliers International Vietnam

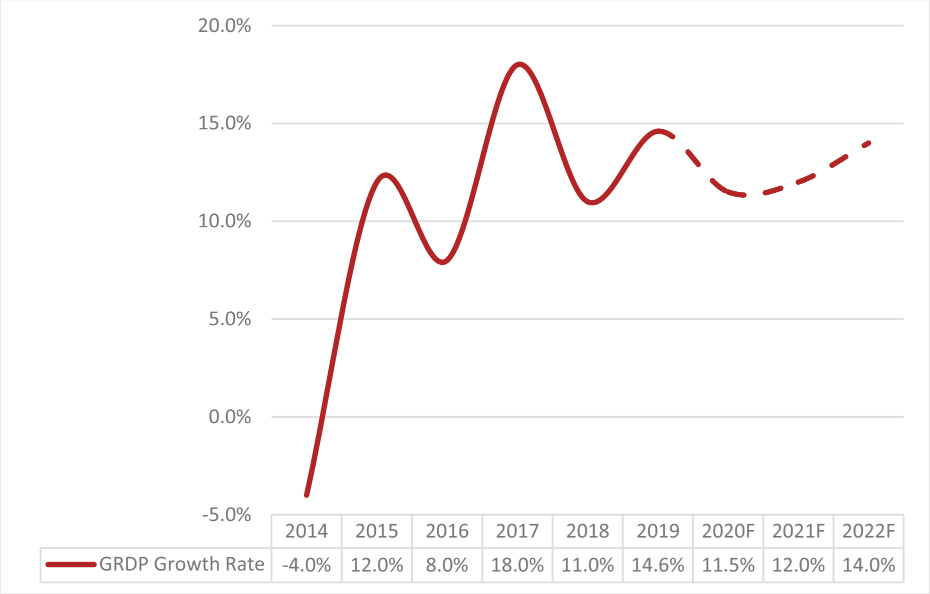
5 Bac Ninh Logistics Market Study

5.1. Economic Overview

Gross Regional Domestic Product (GRDP)

Due to the Covid-19, many key industries all declined deeply in the second quarter. In the first 6 months of 2020, Bac Ninh's GRDP at constant 2010 prices was estimated at 2,253.5 billion USD, down 3.3% over the same period; In which, Industry - Construction (Industry-Construction) sector decreased by 2.8% and decreased 2.06 percentage points of growth, meanwhile, service sector went down 7% and decreased 1.34 percentage points growth. Particularly, product tax increased by 4.9% and contributed 0.21 percentage point to growth.

Figure 43: Bac Ninh - GRDP Growth Rate



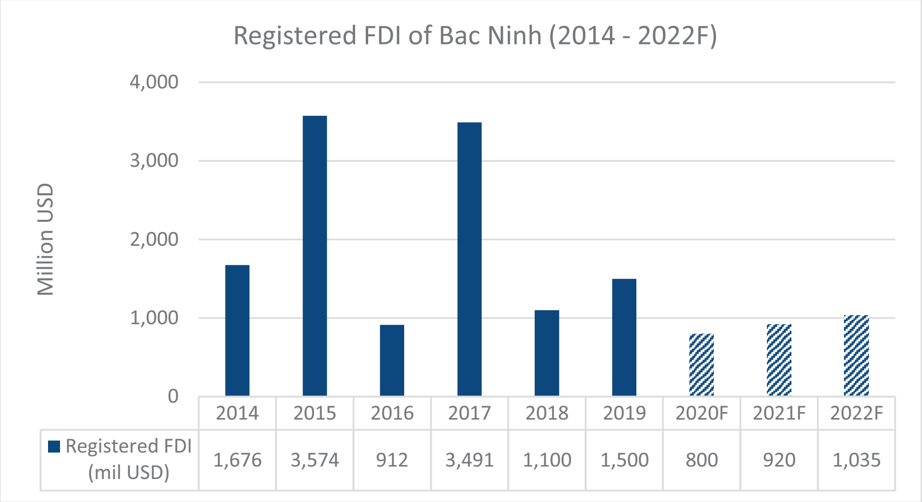
	2014	2015	2016	2017	2018	2019	2020F	2021F	2022F
GRDP Growth Rate	-4.0%	12.0%	8.0%	18.0%	11.0%	14.6%	11.5%	12.0%	14.0%

Source: bacninh.gov.vn

Foreign Direct Investment (FDI)

FDI in the first six months of 2020 was 183 million USD, it is forecasted that investment capital will increase in the last quarter when the pandemic is controlled well all over the world. By the end of 2020, total FDI capital is expected to reach 800 million USD and may exceed 2 billion USD in the next three years due to strong investments by foreign businesses. To attract domestic and foreign investors, Bac Ninh province has focused on improving the investment environment. With the view to attract investment selectively and according to the orientation "2 less, 3 high", the province will give priority to projects using less land and less labor with high investment rate, high budget contribution and high technology content.

Figure 44: Bac Ninh – Registered FDI



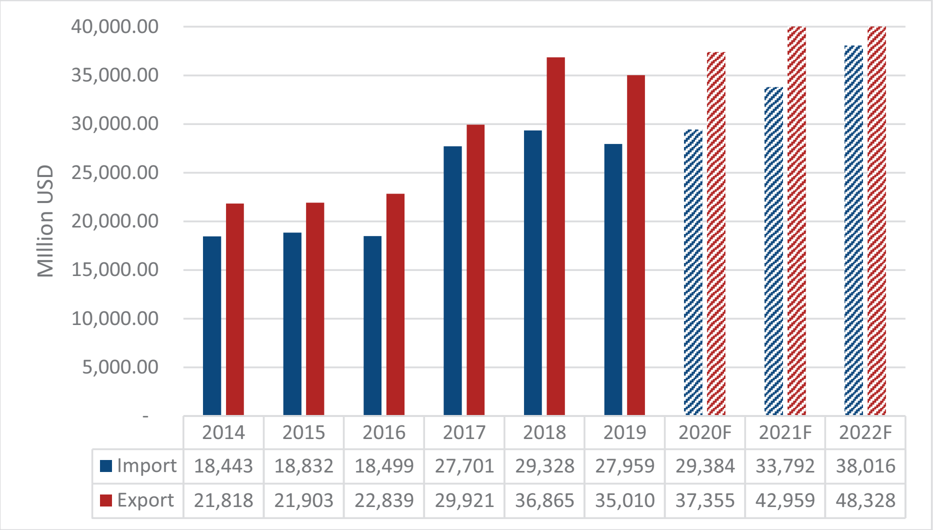
	2014	2015	2016	2017	2018	2019	2020F	2021F	2022F
■ Registered FDI (mil USD)	1,676	3,574	912	3,491	1,100	1,500	800	920	1,035

Source: Ministry of Planning and Investment

Export and Import

Export and import value increased significantly from 2014 to 2019. Export value rose from 21,818 million USD in 2014 to 35,010 million USD with the CAGR of 8.2% in 2018, while import value increased from 18,443 million USD to 27,959 million USD with the CAGR of 7.2% in the same period. However, in 2019, total export turnover was down 5.3% in comparison to the same period last year and with import value, this number was 6.2% lower than 2018 due to the proportion of exports to East Asian countries has decreased sharply. In the first six months of the year, the Covid-19 pandemic had a direct impact on global trade flows. The signing of new export orders is facing difficulties due to the decreasing purchasing power of consumers, many businesses reducing the scale of operations, difficulties in financial resources in maintaining production and reinvestments. Globalization of the supply chain has also been severely impacted by immigration restrictions. However, over the past few months, as countries around the world learnt to adapt to the new normal in the COVID environment, with social distancing measures in place and travel bubbles being explored, global trade flows have also begun to recover as well, Particularly, in Bac Ninh, the situation in the province has gradually stabilized, and is slowly returning to growth mode. Bac Ninh's electronic component manufacturing industry (accounting for over 90% of the province's import and export) still managed to record an increase in the amount of import and export. As a result, over the same period, foreign trade flows in the province still managed to achieve positive results. Over the first 6 months of 2020, export turnover is estimated at 14,885.5 million USD, up 6.7% over the same period while total import turnover was estimated at 12,887.3 million USD, up 5.1% over the same period last year.

Figure 45: Bac Ninh - Export and Import Value



	2014	2015	2016	2017	2018	2019	2020F	2021F	2022F
■ Import	18,443	18,832	18,499	27,701	29,328	27,959	29,384	33,792	38,016
■ Export	21,818	21,903	22,839	29,921	36,865	35,010	37,355	42,959	48,328

Source: *bacninh.gov.vn*

5.2. Government Planning and Policies

Decision 200/QD-TTg dated February 14, 2017 is an action plan to improve the competitiveness and development of logistics services. Accordingly, by 2025, Vietnam hopes to become an important logistics hub in the region; with the industry accounting for 8-10% of GDP and a LPI raking of 50 or higher. In 2018, the country achieved an LPI ranking of 39.

Decision No. 1831/QD-TTg was approved in relation to the master plan on socio-economic development of Bac Ninh province through 2020, with orientations toward 2030 which includes the following principal contents: to bring into the fullest play the potential and advantages of its gateway position and human resources for fast and sustainable socio-economic development and to intensively develop highly competitive sectors. Several specific economic goals were outlined: by 2020 GDP per capita to reach about 6,560 USD; proportion of industry, service, agriculture in GDP to account for 73.2%, 23.0%, 3.8% respectively; total export turnover to reach about 20 billion USD.

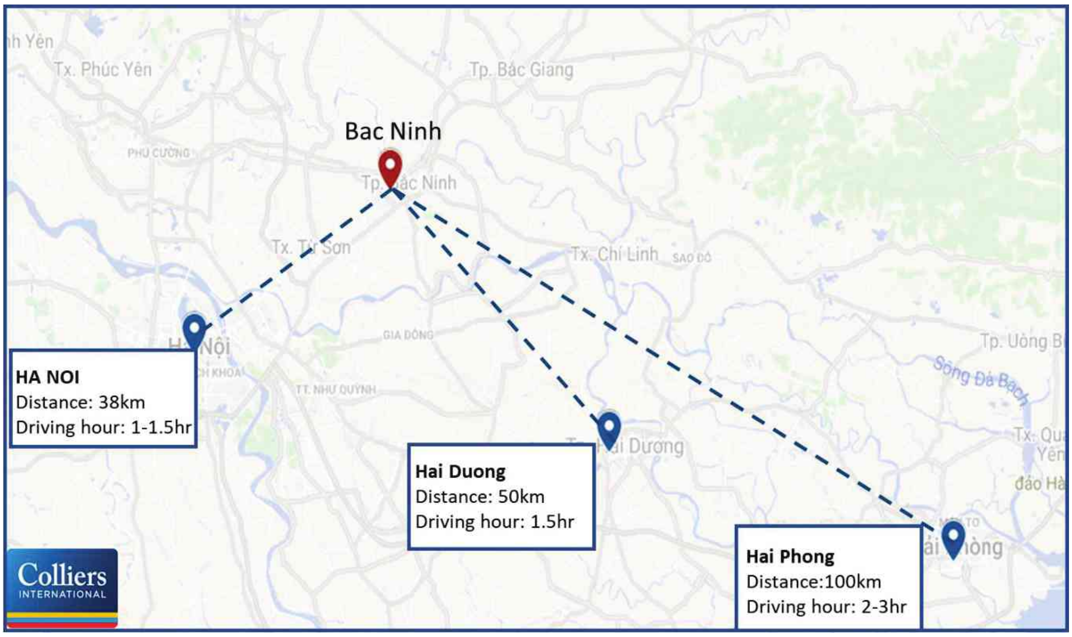
The main objective is the planning of urban construction and development in Bac Ninh to achieve the standard of Grade I urban center under the central government, as a premise to establish Bac Ninh province as a municipality by 2022. In addition, the decision also included the development of inter-regional key infrastructure systems such as clean water supply, electricity supply, communication, wastewater treatment, solid waste and environmental protection, as well as the requirement to study the possibility of developing underground traffic.

5.3. Infrastructure Development

Bac Ninh borders three provinces to the north, east and south and is also a gateway to the capital, Hanoi, to the west. Not only does it lie in the key economic triangle area of Hanoi – Haiphong – Quang Ninh, it also links the key cities on the economic corridors of Nanning – Lang Son – Hanoi – Hai Phong. Currently, the provincial road network spans over 3,810 km, in which there are four key national roads namely National Highway 1, National Highway 18, National Highway 38 and Hanoi - Bac Ninh - Lang Son railway route.

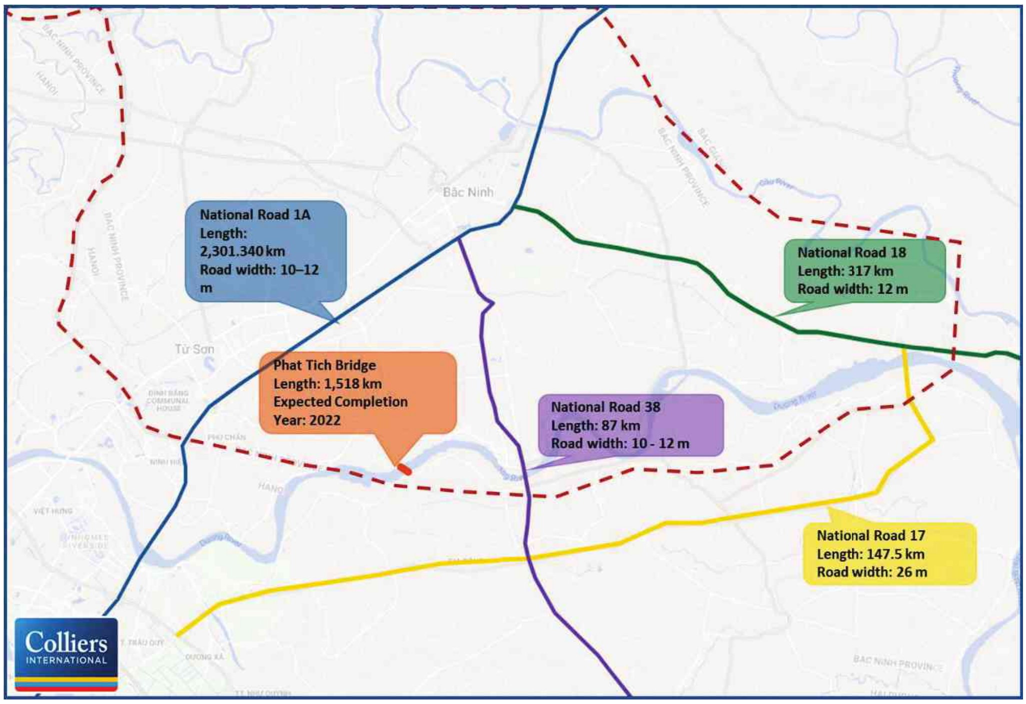
Recognising its strategic location and potential economic advantages, the local government has invested strongly in infrastructure. Modern and continuous improvement in road networks has played a favourable role to the investment scene in Bac Ninh. Along National Highway 38, which passes through Bac Ninh City, Yen Phong and Que Vo District, modern and large scale industrial parks such as Yen Phong and Que Vo have been developed. Additionally, there are other inter-provincial roads such as National Highway 17 (formerly Provincial Highway 282) passing through Thanh District, Gia Binh District where Thanh 1 Industrial Park and Thanh 2 Industrial Park are sited. These industrial activities in and outside of the industrial parks have rapidly contributed to the shift of the local economy towards an industrial economy.

Figure 46: Distance Between Bac Ninh and Majors Cities



Source: Colliers International

Figure 47: Detailed Map of Bac Ninh's Main Expressways



Source: Colliers International

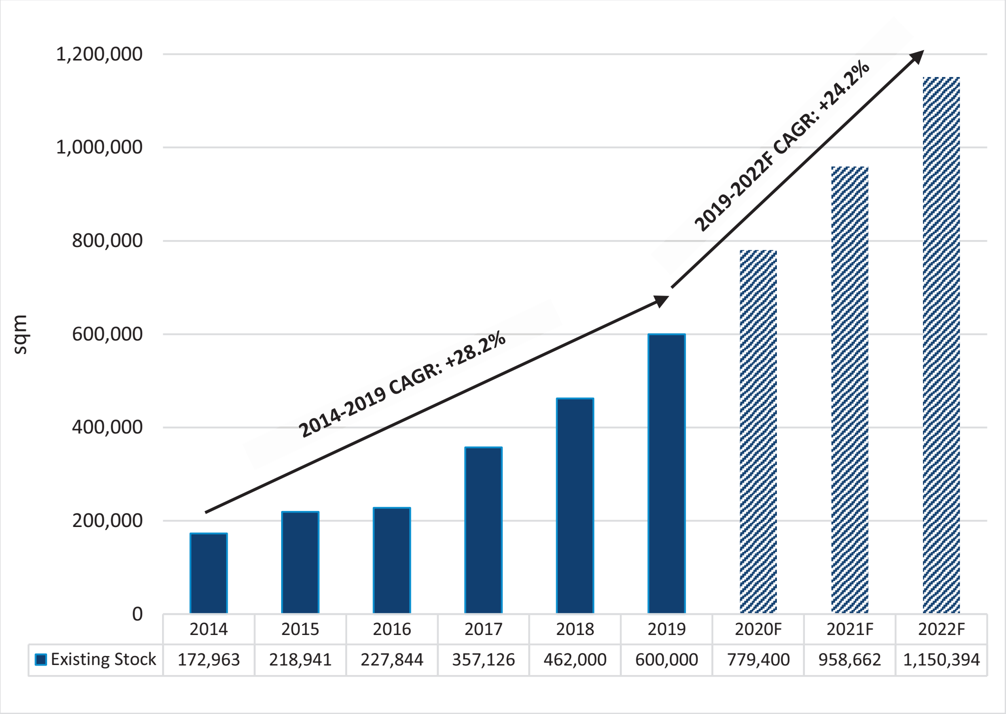
In recent years, the local authority has also focused on renovating and upgrading transportation network to further promote trading between Bac Ninh, Hanoi and neighboring provinces. An example is the renovation and upgrading of Provincial Highway 282 (now termed National Highway 17), or Binh Than bridge which commenced operations in 2012 and 2015, respectively. Another notable project aimed at attracting investment to Tien Son Industrial Park in Dai Dong – Hoan Son is the upgrade of more than 12 km in length of a highway from Bac Ninh City to Tu Son Town, linking the capital of Hanoi and Bac Giang province. In addition, more than VND 250 billion has been invested into the intersection of Yen Phong 1 Industrial Park and National Highway 18, facilitating transportation of goods and workers, consequently easing up traffic congestion in the area during rush hour.

Bac Ninh is of proximity to China, facilitating access to the Chinese market. Currently, there are many logistics companies in Bac Ninh that transport goods to China. DHL has the largest market share in this segment. Other players include TNT, VNP, FedEx, and Vinh Cat Logistics, etc. These businesses all support two-way transportation with low costs and create opportunities for growth in the logistics market in Bac Ninh as well as the Northern region of Vietnam.

5.4. Bac Ninh Logistics Property Market

5. 4.1 Supply and Demand

Figure 48: Bac Ninh - Total Warehouse Supply

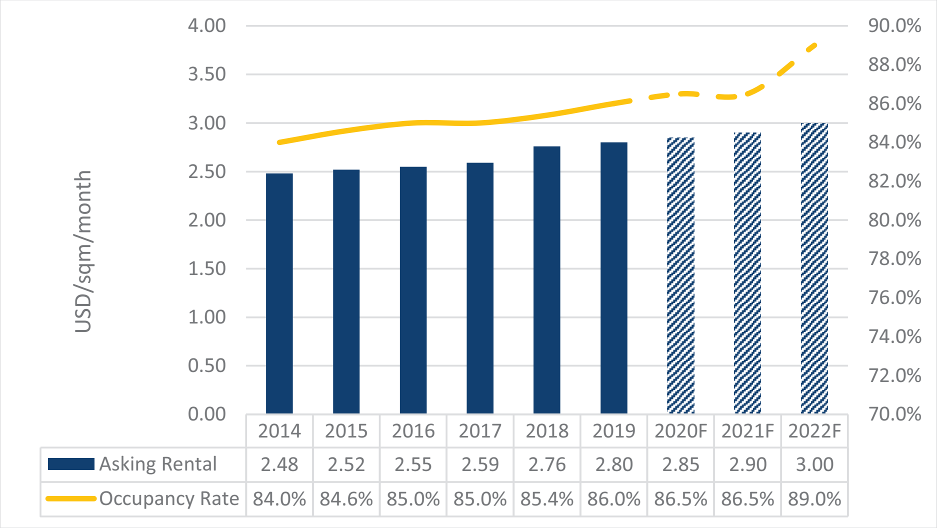


	2014	2015	2016	2017	2018	2019	2020F	2021F	2022F
■ Existing Stock	172,963	218,941	227,844	357,126	462,000	600,000	779,400	958,662	1,150,394

Source: Ken Research, Colliers International

Total supply of warehouses in Bac Ninh increased from 172,963 sqm in 2014 to 600,000 sqm in 2019 with a CAGR of 282.%. In the next three years, supply in Bac Ninh is expected to increase by at a CAGR of 24.2% to reach 1,150,394 sqm in 2022, concentrated mainly in the southern part of the province.

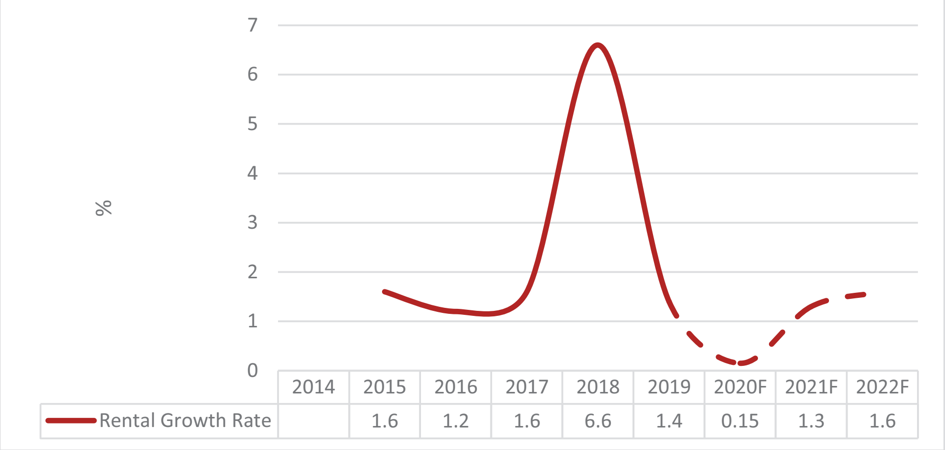
Figure 49: Bac Ninh - Warehouse Average Rent and Occupancy Rate



	2014	2015	2016	2017	2018	2019	2020F	2021F	2022F
■ Asking Rental	2.48	2.52	2.55	2.59	2.76	2.80	2.85	2.90	3.00
— Occupancy Rate	84.0%	84.6%	85.0%	85.0%	85.4%	86.0%	86.5%	86.5%	89.0%

Source: Ken Research, Colliers International

Figure 50: Bac Ninh - Warehouse Rental Growth Rate



	2014	2015	2016	2017	2018	2019	2020F	2021F	2022F
Rental Growth Rate		1.6	1.2	1.6	6.6	1.4	0.15	1.3	1.6

Source: Ken Research, Colliers International

Rental growth remained stable in Bac Ninh between 2014 to 2017. From 2017 onwards, the import and export industry in Bac Ninh have seen many positive changes with higher growth rates than previous years (about 15-30%) reinforcing occupancy rates for warehouse in this area. With a limited supply of warehouse space, rents have increased by 6.6% in 2018 and continued to increase by 1.4% in 2019 and 0.15% in 2020. The vacancy rate is expected to decrease from 14.6% in 2018 down to 11% in 2020. With the upcoming completion of warehouses by logistics enterprises such as Mapletree, FM logistics, the Bac Ninh market is expected to become more active and rentals are expected to increase slightly during the period of 2020 to 2022.

5. 4.2 Transactions

Below are some of warehouse / industrial transactions in Bac Ninh Province from 2017 – 2019:

Table 5: Warehouse / Industrial Transactions in Bac Ninh

Property Name	Location	Transaction date	Property Type	Scale (sf)	Selling Price (Million USD)	Buyer	Seller
Land at Quang Chau	Quang Chau Industrial Park	Dec 2018	Commercial - Industrial	504,423	3.40	Bon Fame Co Ltd	Saigon - Bac Giang Industrial Park
Logisvalley Vina	Lot CN7-8 CN8-5, Yen Phong, Bac Ninh	Nov 2018	Warehouse/distribution property	408,563	46.60	Mirae Asset JV Naver Corporation	N/A
Swire Australia Cold Storage Warehouse 2018	30-32 Street No.5, VS IP, Tu Son, Bac Ninh	Dec 2017	Warehouse	236,808	NA	Emergent Cold from	John Swire & Sons

Source: Real Capital Analytics

5. 4.3 Investors and Investment Trend

With access to Hanoi, the largest consumer market and business centre of the North, Bac Ninh has the potential to serve as a regional industrial hub as industrial parks and facilities are moving out of the capital. The province is also well-connected to Hai Phong port and Noi Bai airport through newly developed infrastructure. Logistics is a major demand driver for the warehouse market in Bac Ninh. The market has welcomed some of the biggest names in the industry such as DB Schenker, DHL, Linfox logistics, ALS, Vinafco and large numbers of Korean and Japanese logistics companies.

5. 5.3 Overview of Subject Property - Mapletree Logistics Park Bac Ninh Phase 3

The Subject Property comprises a logistics warehouse development known as Mapletree Logistics Park Bac Ninh Phase 3 (“BN3”), erected upon a parcel of industrial land at No. 3, Street 6, Vietnam-Singapore Industrial Park Bac Ninh, Phu Chan Commune, Tu Son District, Bac Ninh Province, Vietnam. The site has a surveyed title land area of 83,148 sq m (20.55 acres or 894,998 square feet) with land tenure until November 2057 (37 years remaining).

Bac Ninh Province is one of the top industrial hubs in Northern Vietnam and consistently ranked within top 5 of Vietnam’s highest recipients of foreign direct investment. Some of the most notable foreign investors in the province include Samsung, Foxconn, Canon, etc. Due to its proximity to China, which allows manufacturers to source supplies from the Southern part of China, abundant labor force and well-developed infrastructure, Bac Ninh remains a top destination for foreign investors. The site is located within Vietnam-Singapore Industrial Park Bac Ninh, a 700-ha integrated modern township and industrial park developed by

Vietnam-Singapore Industrial Park JV Co., Ltd. (a joint venture between Singapore's Sembcorp and Vietnam's Becamex IDC Corp).

The site's location in Tu Son district is also a strategic hotspot for logistics and distribution. Due to its proximity to Hanoi, the largest consumption market in the North, warehouses in this location are sought after by both 3PLs and end-users for last mile delivery. The site is accessible from major ports through a well-developed infrastructure network such as Highway 1 (connecting Hanoi city and China border), Highway 18 (connecting Noi Bai International Airport) and Highway 5B (connecting Hai Phong deep seaport), making it suitable for export and import consolidation as well.

The Subject Property comprises 3 blocks of single-storey warehouse with mezzanine office space. The specifications of the multi-tenanted facility are among the highest available for lease in the Vietnam market. The facility is equipped with raised floor, high ceiling height and sprinkler system, which is a major competitive advantage, as this allows tenants to enjoy significant operational efficiency and cost savings compared to local warehouse developments with lower specifications.

The facility, while modular in design with 18 units, has one of the largest floorplates in the market (193,750 sf). This means units can be combined to achieve a total contiguous space of up to 193,750 sf on a same single floor. This provides the Landlord flexibility to cater to both smaller space requirements as well as tenants operating large regional distribution centers. The floor-plate size is an important consideration for tenants when making location decisions, especially for tenants who have major plans for expansion and would like to expand on the same floor to ensure logistics efficiency.

As of September 2020, the Subject Property enjoys 100% occupancy rate with an average rental rate of circa VND 7,560 per sq ft per month.

Table 6: Travel Time from Mapletree Logistics Park Bac Ninh Phase 3

Destination (major structure)	Estimated driving time
Noi Bai International Airport	40 minutes
Hai Phong Seaport	1 hour 40 minutes
Nearest Highway entrance	7 minutes
Hanoi City Center	30 minutes

Source: Colliers International Vietnam

Figure 51: Distance from Mapletree Phase 3 Bac Ninh to key locations

Figure 52: SWOT Analysis of Mapletree Logistics Park Bac Ninh Phase 3

Strengths:

- Strategic Location – accessible to airport, seaport, city center and conveniently linked to major highways
- Infrastructure - located within international standard logistics park
- Grade A Specifications - which help tenants to optimize operational efficiency
- Good construction quality and maintenance upkeep

Weakness:

- Standard specifications for multi-tenanted use, which might not be suitable for customers with specific requirements (such as cold storage). However, customers may be allowed to do their own modifications.

Opportunities:

- Strong domestic consumption due to the fast-growing middle class population coupled with the e-commerce boom.
- US-China Trade War as well as Vietnam's commendable efforts in controlling the COVID-19 pandemic resulting in a robust inflow of FDI, mostly for manufacturing.
- Strong demand for high-specification warehouse at prime location

Threats:

- Logistics in Vietnam is seen as having high potential and not severely impacted by the pandemic, resulting in more competitors trying to enter the market.

Source: Colliers International Vietnam

Mapletree Logistics Park Bac Ninh Phase 3 Performance Outlook

There are several competitors' warehouses situated in other industrial parks in Tu Son town. In comparison, Mapletree Logistics Park Bac Ninh Phase 3 is located within Vietnam-Singapore Industrial Park, which has the advantage of being the closest in proximity to Hanoi city. Additionally, the industrial park is one of the most well-maintained and developed parks in Northern Vietnam, which allows tenants to enjoy international standard infrastructure and service.

Appendix

APPENDIX I

LIST OF PRIORITIZED LOGISTICS CENTER PROJECTS BY 2020

(Promulgated together with the Prime Minister's Decision No. 1012/QD-TTg dated July 03, 2015)

No.	Name of project	Class	Area
1	North Hanoi logistics center	I	20 – 30 hectares
2	Logistics center along the coastal economic corridor of Northeast of the North.	II	20 hectares
3	Logistics center of Da Nang city	I	30 – 40 hectares
4	Logistics center along the economic corridor of Road 19 and the south central coast	II	20 hectares
5	Logistics center of economic sub-region of Northeast provinces of Ho Chi Minh City (in the Southeast)	I	60 – 70 hectares
6	Logistics center of economic sub-region of the Mekong Delta	II	30 hectares
7	Aviation logistics center of the Red River Delta (associated with Noi Bai International Airport)	Special class	5 – 7 hectares

PLANNING FOR LOGISTICS CENTERS NATIONWIDE BY 2020 AND ORIENTATION TOWARDS 2030

(promulgated together with the Prime Minister's Decision No. 1012/QD-TTg dated July 03, 2015)

No.	Name of project	Class	Area
I	**RED RIVER DELTA**		
1	North Hanoi logistics center	I	20 – 30 hectares (stage I) and over 50 hectares (stage II)
2	South Hanoi logistics center	II	15 – 20 hectares (stage I) and over 30 hectares (stage II)
3	Logistics center along the coastal economic corridor of Southeast of the North.	II	10 hectares (stage I) and 30 hectares (stage II)

4	Logistics center along the coastal economic corridor of Northeast of the North.	II	20 hectares (stage I) and 40 hectares (stage II)
5	Special class aviation logistics center of the Red River Delta (associated with Noi Bai International Airport)	Special class	5 – 7 hectares (stage I) and over 7 hectares (stage II)
II	**Northern midlands and highlands**		
1	Logistics center along Hanoi - Lang Son economic corridor	II	10 hectares (stage I) and 20 hectares (stage II)
2	Logistics center along Hanoi – Lao Cai economic corridor	II	20 hectares (stage I) and 30 hectares (stage II)
3	Logistics center along the Northwest economic corridor of the North	II	10 hectares (stage I) and 20 hectares (stage II)
III	**ALONG THE NORTH CENTRAL COAST AND CENTRAL COAST**		
1	Logistics center of Da Nang city	I	30 – 40 hectares (stage I) and over 70 hectares (stage II)
2	Logistics center along the economic corridor of Road 8, Road 12A and the north central coast	II	20 hectares (stage I) and 40 hectares (stage II)
3	Logistics center along the economic corridor of Road 9	II	10 hectares (stage I) and 20 hectares (stage II)
4	Logistics center along the economic corridor of Road 14B	II	10 hectares (stage I) and 20 hectares (stage II)
5	Logistics center along the economic corridor of Road 19 and the south-central coast	II	20 hectares (stage I) and 30 hectares (stage II)
6	Special class aviation logistics center of Da Nang city (associated with Da Nang International Airport)	Special class	3 - 4 hectares (stage I) and 7 – 8 hectares (stage II)
IV	**TAY NGUYEN REGION (CENTRAL HIGHLANDS)**		
	Logistics center along East Truong Son economic corridor	II	10 hectares (stage I) and 20 hectares (stage II)
V	**THE SOUTHEAST**		

1	Logistics center of Ho Chi Minh City and adjacent provinces (to the North of the city)	II	40 - 50 hectares (stage I) and 70 hectares (stage II)
2	Logistics center of Ho Chi Minh City and adjacent provinces (to the South of the city)	II	40 - 50 hectares (stage I) and 70 hectares (stage II)
3	Logistics center of economic sub-region of Northeast provinces of Ho Chi Minh City (in the Southeast)	I	60 – 70 hectares (stage I) and over 100 hectares (stage II)
4	Special class aviation logistics center of Ho Chi Minh City (associated with Tan Son Nhat – Long Thanh International Airport)	Special class	3 - 4 hectares (stage I) and 7 – 8 hectares (stage II)
VI	**MEKONG DELTA**		
1	Logistics center of economic sub-region of Southwest provinces of Ho Chi Minh City (in the Mekong Delta)	II	20 hectares (stage I) and 50 hectares (stage II)
2	Logistics center of economic sub-region of the Mekong Delta	II	30 hectares (stage I) and 70 hectares (stage II)

INDEPENDENT FINANCIAL ADVISER'S LETTER

INDEPENDENT FINANCIAL ADVISER'S LETTER TO THE INDEPENDENT DIRECTORS AND THE AUDIT AND RISK COMMITTEE OF THE MANAGER AND THE TRUSTEE

ERNST & YOUNG CORPORATE FINANCE PTE. LTD.
(Incorporated in the Republic of Singapore)
(Company Registration Number: 199702967E)
One Raffles Quay
North Tower, Level 18
Singapore 048583

2 November 2020

The Independent Directors and the Audit and Risk Committee of
Mapletree Logistics Trust Management Ltd.
(As Manager of Mapletree Logistics Trust)
10 Pasir Panjang Road
#13-01 Mapletree Business City
Singapore 117438

HSBC Institutional Trust Services (Singapore) Limited
(As Trustee of Mapletree Logistics Trust)
10 Marina Boulevard
Marina Bay Financial Centre
Tower 2 #48-01
Singapore 018983

Dear Sirs:

(1) THE PROPOSED ACQUISITIONS OF (A) THE REMAINING 50.0% INTEREST IN 15 PROPERTIES AND A 100.0% INTEREST IN SEVEN PROPERTIES IN PRC THROUGH THE ACQUISITION OF PROPERTY HOLDING COMPANIES, (B) THE MALAYSIA PROPERTY, AND (C) A 100.0% INTEREST IN A PROPERTY IN VIETNAM THROUGH THE ACQUISITION OF A PROPERTY HOLDING COMPANY, AS INTERESTED PERSON TRANSACTIONS;

(2) THE PROPOSED ISSUE OF NEW UNITS IN MLT AS PARTIAL CONSIDERATION FOR THE PRC ACQUISITIONS; AND

(3) THE PROPOSED WHITEWASH RESOLUTION

1 INTRODUCTION

Mapletree Logistics Trust Management Ltd. (as the manager of Mapletree Logistics Trust ("**MLT**" or the "**Trust**")) (the "**Manager**") is convening an extraordinary general meeting ("**EGM**") of MLT to seek approval from its unitholders (the "**Unitholders**") for the following resolutions (the "**Resolutions**" and each, a "**Resolution**"):

(i) **Resolution 1:** The proposed acquisitions of (a) the remaining 50.0% interest in 15 properties and 100.0% interest in seven (7) properties in the Peoples Republic of China ("**PRC**" or

"**China**") through the acquisition of property holding companies, (b) the Malaysia Property[1], and (c) a 100.0% interest in one (1) property in Vietnam through the acquisition of a property holding company, as interested person transactions (the "**Acquisitions**");

(ii) **Resolution 2:** The proposed issue of new units in MLT as partial consideration for the PRC Acquisitions (as defined) (the "**Consideration Units**"); and

(iii) **Resolution 3:** The proposed Whitewash Resolution.

Resolution 1: The proposed Acquisitions as interested person transactions

The Manager has identified 24 Properties as being suitable for acquisition by MLT.

The Acquisitions will be effected by the Manager and HSBC Institutional Trust Services (Singapore) Limited (as the trustee of MLT) (the "**Trustee**") as follows:

(a) PRC Acquisitions

On 19 October 2020, the Trustee entered into a total of 22 conditional share purchase agreements (the "**PRC Share Purchase Agreements**"), comprising 20 PRC Share Purchase Agreements with the subsidiaries of Mapletree Investments Pte. Ltd. ("**MIPL**" or the "**Sponsor**", and its subsidiaries, the "**MIPL Subsidiaries**", each a "**MIPL Subsidiary**") and two PRC Share Purchase Agreements with both MIPL Subsidiaries and subsidiaries of Itochu Corporation ("**Itochu**", and its subsidiaries, the "**Itochu Subsidiaries**") in the percentage shareholding of 80.0% and 20.0% respectively (collectively, the "**PRC Vendors**").

Out of the 22 PRC Share Purchase Agreements, the Trustee has entered into:

(i) 15 PRC Share Purchase Agreements with certain MIPL Subsidiaries to acquire the remaining 50.0% interest not held by MLT in each of the 15 Hong Kong SAR special purpose vehicles (the "**HK (A) SPVs**") that hold the Partially Owned Properties (the "**PRC Acquisition Part A**"); and

(ii) seven (7) PRC Share Purchase Agreements with certain MIPL Subsidiaries and certain Itochu Subsidiaries to acquire 100.0% interest in each of the six Hong Kong SAR special purpose vehicles (the "**HK (B) SPVs**", and together with the HK (A) SPVs, the "**HK SPVs**") and a Singapore special purpose vehicle (the "**SG SPV**") that hold the New PRC Properties (the "**PRC Acquisition Part B**"),

wherein each of the HK SPVs, and SG SPV holds a 100.0% interest in a PRC wholly foreign-owned enterprise (the "**PRC WFOE**"). In turn, each PRC WFOE holds a property located in the PRC (collectively, the "**PRC Properties**").

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[1] "**Malaysia Property**" means the sub-lease over all of the area particularly described as Plot D40 & D44, Jalan DBP/8, Zone B, Pelabuhan Tanjung Pelepas 81560, Gelang Patah, Johor being part of the leasehold land of ninety-nine (99) years expiring on 22 May 2099 held under H.S.(D) 303949, Lot PTD 2426, Mukim Tajung Kupang, Daerah Johor Bahru, Negeri Johor (the "**Malaysia Parent Land**"), measuring approximately 27.92 acres in area of the Malaysia Parent Land for a term of 40 years commencing on 7 April 2015 and expiring on 23 March 2055 which is broken down into two (2) lease periods, the first of which commenced on 7 April 2015 and will expire on 23 March 2045 (the "**First Term**") which is registered on the title to the Malaysia Parent Land on 20 June 2017 vide presentation number 41326/2017, for a term of 29 years and 351 days commencing from 7 April 2015 to 23 March 2045, and the second of which shall, subject to an option to extend the First Term being exercised by the Malaysia SPV, continue from 24 March 2045 until 23 March 2055 (the "**Second Term**").

The HK SPVs and SG SPV are collectively referred to as the "**PRC Property SPVs**", and the acquisitions of the PRC Property SPVs, the "**PRC Acquisitions**".

The HK (A) SPVs are owned by MLT and certain MLT Subsidiaries in the proportion of 50.0% each. Four (4) of the HK (B) SPVs are wholly-owned by one of the MIPL Subsidiaries (being Mapletree Overseas Holdings Ltd. ("**MOHL**")) (the "**Sponsor-owned HK SPVs**") while two (2) of the HK (B) SPVs (which hold Mapletree Nantong 2 and Mapletree Ningbo) are owned by MIPL Subsidiaries and Itochu Subsidiaries in the proportion of 80.0% and 20.0% respectively (the "**Co-owned HK SPVs**"). The SG SPV is wholly-owned by an MIPL Subsidiary.

PRC Acquisition Part A involves an acquisition of the remaining 50.0% of the entire ordinary issued share capital in the HK (A) SPVs not held by MLT from the MIPL Subsidiaries. PRC Acquisition Part B involves an acquisition of 100.0% of the entire ordinary issued share capital in the HK (B) SPVs that is wholly-owned by MOHL and in the SG SPV from the relevant MIPL Subsidiary, and in the case of the Co-owned HK SPVs, an acquisition of 80.0% and 20.0% of the entire ordinary issued share capital from the respective MIPL Subsidiaries and Itochu Subsidiaries. For the avoidance of doubt, PRC Acquisition Part A and PRC Acquisition Part B are entered into by the Trustee concurrently, and are delineated for the purpose of clarifying the respective interests to be acquired in relation to the Partially Owned PRC Properties and the New PRC Properties.

Following the PRC Acquisitions, MLT will hold a 100.0% interest in each of the PRC Property SPVs.

(b) Malaysia Acquisition

The Malaysia Acquisition will be made via an asset-backed securitisation structure (the "**Malaysia ABS Structure**"). Under the Malaysia ABS Structure, a bankruptcy-remote special purpose vehicle, Semangkuk 2 Berhad (the "**Malaysia SPV**"), incorporated in Malaysia, will acquire the Malaysia Property, bearing the address Mapletree Logistics Hub, Tanjung Pelepas, Plot D40 & 44, Jalan DBP/8, Zone B, Port Tanjung Pelepas, 81560 Gelang Patah, Johor Darul Takzim, Malaysia. The Malaysia Property includes a single-storey warehouse with mezzanine floor offices, two blocks of double-storey ramp-up warehouse with mezzanine floor offices and other ancillary buildings erected thereon and all equipment, fixtures and fittings within the same.

The Malaysia SPV has entered into a conditional sale and purchase agreement (the "**Malaysia Asset Purchase Agreement**") with Trinity Bliss Sdn. Bhd., a company indirectly owned by MIPL and Itochu in the proportion of 80.0% and 20.0% respectively (the "**Malaysia Vendor**"), on 19 October 2020 to acquire the Malaysia Property (the "**Malaysia Acquisition**"). For the avoidance of doubt, the Malaysia SPV intends to acquire the Malaysia Property from the Malaysia Vendor as an asset acquisition.

Following the Malaysia Acquisition, the Malaysia Property will be held by the Malaysia SPV. MLT and/or its subsidiaries (the "**MLT Group Entities**") will subscribe for either (a) the bridge medium term notes to be issued by the Malaysia SPV with an early redemption option (the "**Bridge MTN**") which are intended to be refinanced by the issue of the medium term notes comprising multiple tranches of variously-ranked notes (the "**ABS MTN**") to sophisticated investors, by the Malaysia SPV, or (b) junior ranking ABS MTN (the "**Junior ABS MTN**") which will be issued to MLT (and/or its subsidiaries), together with the senior ranking ABS MTN (the "**Senior ABS MTN**") to be issued to sophisticated investors by the Malaysia SPV.

(c) Vietnam Acquisition

MapletreeLog VSIP 1 Warehouse Pte. Ltd., a wholly-owned subsidiary of MLT (the "**Vietnam Purchaser**"), has entered into a conditional share purchase agreement (the "**Vietnam Share Purchase Agreement**") with Mapletree Citrine Ltd., a wholly-owned indirect subsidiary of MIPL (the "**Vietnam Vendor**"), on 19 October 2020 to acquire a 100.0% interest in a Cayman Islands special purpose vehicle (the "**Cayman SPV**", and the acquisition of the Cayman SPV, the "**Vietnam Acquisition**") which holds a 100.0% interest in a Vietnam special purpose vehicle (the "**Vietnam SPV**"). In turn, the Vietnam SPV holds the property known as Mapletree Bac Ninh 3 located at No. 3, Street 6, VSIP Bac Ninh, Phu Chan Commune, Tu Son Town, Bac Ninh Province, Vietnam (the "**Vietnam Property**"). Following the Vietnam Acquisition, MLT will hold a 100.0% interest in the Cayman SPV.

For the purposes of the circular to the unitholders of MLT ("**Unitholders**" and the circular, the "**Circular**") and this letter, and unless otherwise stated, the "**Properties**" refer to the PRC Properties, the Malaysia Property and the Vietnam Property. The "**Purchase Agreements**" refer to the PRC Share Purchase Agreements, the Malaysia Asset Purchase Agreement and the Vietnam Share Purchase Agreement. The "**Vendors**" refer to the PRC Vendors, the Malaysia Vendor and the Vietnam Vendor. The "**Acquisitions**" refers to the PRC Acquisitions, the Malaysia Acquisition and the Vietnam Acquisition. The "**Existing Portfolio**" refers to the 146 properties held by MLT as at 22 October 2020, being the latest practicable date prior to the printing of the Circular (the "**Latest Practicable Date**"). The "**Enlarged Portfolio**" refers to the Existing Portfolio and the Properties.

Unless otherwise stated, the information contained in this letter and in the Circular on the Existing Portfolio is as at 30 September 2020 and the information on the Properties is as at the Latest Practicable Date.

The total acquisition price in respect of the Acquisitions would be the sum of the PRC Acquisition Price, the Malaysia Acquisition Price and the Vietnam Acquisition Price, being S$1,074.4 million (the "**Total Acquisition Price**").

Interested Person Transactions and Interested Party Transactions

As at the Latest Practicable Date, MIPL holds, through its wholly-owned subsidiaries, an aggregate interest in 1,166,144,518 units in MLT (the "**Units**"), which is equivalent to approximately 30.59% of the total number of Units in issue. MIPL is therefore regarded as a "controlling unitholder" of MLT under both the Listing Manual of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") (the "**Listing Manual**") and Appendix 6 of the Code on Collective Investment Schemes issued by the Monetary Authority of Singapore (the "**MAS**" and Appendix 6, the "**Property Funds Appendix**"). In addition, as the Manager is a wholly-owned subsidiary of MIPL, MIPL is therefore regarded as a "controlling shareholder" of the Manager under both the Listing Manual and the Property Funds Appendix.

As each of the PRC Vendors (other than the Itochu Subsidiaries), the Malaysia Vendor and the Vietnam Vendor are MIPL Subsidiaries, for the purposes of Chapter 9 of the Listing Manual and Paragraph 5 of the Property Funds Appendix, each of them (being a subsidiary of a "controlling unitholder" of MLT and a "controlling shareholder" of the Manager) is (for the purposes of the Listing Manual) an "interested person" and (for the purposes of the Property Funds Appendix) an "interested party" of MLT.

Under Chapter 9 of the Listing Manual, where MLT proposes to enter into a transaction with an interested person and the value of the transaction (either in itself or when aggregated with the value of the other transactions, each of a value equal to or greater than S$100,000, with the same interested person during the same financial year) is equal to or exceeds 5.0% of MLT's latest audited net tangible assets ("**NTA**"), Unitholders' approval is required in respect of the transaction. Paragraph 5 of the Property Funds Appendix also imposes a requirement for Unitholders' approval for an interested party transaction by MLT whose value (either in itself or when aggregated with the value of other transactions with the same interested party during the current financial year) exceeds 5.0% of MLT's latest audited net asset value ("**NAV**").

Based on the audited financial statements of MLT for the financial year ended 31 March 2020 (the "**FY19/20 Financial Statements**"), the NTA and NAV of MLT was S$4,580.2 million (represented by Unitholders' funds) as at 31 March 2020. Accordingly, if the value of a transaction which is proposed to be entered by MLT with an interested party is, either in itself or in aggregation with all other earlier transactions entered into with the interested party during the current financial year, equal to or greater than S$229.0 million, such a transaction would be subject to Unitholders' approval. Given that the Total Acquisition Cost less the Acquisition Fee and the estimated professional and other fees and expenses in relation to the Acquisitions is approximately S$1,074.4 million, which in aggregate is 23.5% of the NTA and NAV of MLT as at 31 March 2019, such value exceeds the said threshold and Unitholders' approval is required to be sought pursuant to Rule 906(1)(a) of the Listing Manual and paragraph 5 of the Property Funds Appendix.

Therefore, the Acquisitions will constitute "interested person transactions" under Chapter 9 of the Listing Manual as well as "interested party transactions" under the Property Funds Appendix, in respect of which the approval of the Unitholders is required.

In approving the Acquisitions, Unitholders are deemed to have approved all such acts and things and documents which are required to be executed by the parties in order to give effect to the Acquisitions.

Resolution 2: The proposed issue of Consideration Units as partial consideration for the PRC Acquisitions

The Manager proposes to issue up to approximately S$300.0 million worth of Consideration Units to Mulberry Pte. Ltd. ("**Mulberry**") (being an MIPL Subsidiary), which has been nominated by the Relevant PRC Vendors to receive the Consideration Units, as partial consideration for the PRC Acquisitions.

To demonstrate its continued commitment to MLT, MIPL, which holds the Relevant PRC Vendors, has agreed to receive the Consideration Units in satisfaction of part of the PRC Acquisition Price, with Mulberry, which is an MIPL Subsidiary, being nominated by the Relevant PRC Vendors to receive the Consideration Units.

Interested Person Transaction

As Mulberry is an MIPL Subsidiary, and MIPL is a controlling shareholder of the Manager, the proposed issue of the Consideration Units to Mulberry (which has been nominated by the Relevant PRC Vendors to receive the Consideration Units) will constitute an "interested person transaction" under Chapter 9 of the Listing Manual, in respect of which the approval of Unitholders is required.

Accordingly, the Manager is seeking the approval of Unitholders by way of an Ordinary Resolution for the proposed issue of the Consideration Units to Mulberry (which has been nominated by the Relevant PRC Vendors to receive the Consideration Units).

Resolution 3: The proposed Whitewash Resolution

Waiver of the Singapore Code of Take-overs and Mergers

The Securities Industry Council ("**SIC**") has granted a waiver (the "**SIC Waiver**") of the requirement by Mulberry, being an MIPL Subsidiary which has been nominated by the Relevant PRC Vendors to receive the Consideration Units, to make a mandatory general offer under Rule 14 of the Singapore Code on Take-overs and Mergers (the "**Code**") for Units not already owned or controlled by Mulberry and parties acting in concert with Mulberry (the "**Concert Parties**" and the mandatory general offer, the "**Mandatory Offer**"), in the event that they incur an obligation to make a Mandatory Offer pursuant to Rule 14 of the Code as a result of the receipt by Mulberry (which has been nominated by the Relevant PRC Vendors to receive the Consideration Units) of the Consideration Units as partial consideration for the PRC Acquisitions, subject to the satisfaction of the conditions specified in the SIC Waiver including the approval of the Whitewash Resolution by Unitholders other than MIPL and its Concert Parties and parties which are not independent of Mulberry and its Concert Parties and parties which are not independent of Mulberry (the "**Independent Unitholders**") at a general meeting of Unitholders.

The Manager is seeking approval from the Independent Unitholders for a waiver of their right to receive a Mandatory Offer from Mulberry and its Concert Parties, in the event that they incur an obligation to make a Mandatory Offer as a result of the receipt by Mulberry (which has been nominated by the Relevant PRC Vendors to receive the Consideration Units) of the Consideration Units as partial consideration for the PRC Acquisitions.

Rule 14.1(a) of the Code states that Mulberry and its Concert Parties would be required to make a Mandatory Offer, if Mulberry and its Concert Parties, acquires, whether by a series of transactions over a period of time or not, Units which (taken together with the Units held or acquired by persons acting in concert with him) carry 30.0% or more of the voting rights of MLT.

As at the Latest Practicable Date and prior to (a) the issue of New Units under the Equity Fund Raising, (b) the issue of New Units to Mulberry (which has been nominated by the Manager to receive the New Units), as payment for the management fees (the "**2Q Management Fee Units**") that the Manager is entitled to for the period from 1 July 2020 to 30 September 2020 (the "**2Q FY20/21**") pursuant to the trust deed dated 5 July 2004 constituting MLT, as supplemented, amended and restated from time to time (the "**Trust Deed**"), and (c) the issue of New Units to Mulberry (which has been nominated by the Property Manager to receive the New Units) as payment of the property management fees and the lease management fees (the "**2Q Property Management Fee Units**") in respect of certain properties within the MLT portfolio for 2Q FY20/21, MIPL holds an aggregate indirect interest in 1,166,144,518 Units, representing approximately 30.59% of the total number of Units in issue (being 3,810,982,930 Units). As a result of the issue of (a) 319,078,675 New Units pursuant to the Equity Fund Raising, (b) approximately 2,228,416 2Q Management Fee Units and (c) approximately 180,562 2Q Property Management Fee Units, MIPL would hold an aggregate indirect interest in 1,190,710,242 Units, representing approximately 28.81% of the total number of Units in issue immediately following the issue of New Units pursuant to the Equity Fund Raising and prior to the issue of Consideration Units (being 4,132,470,583 Units).

As a further result of the receipt of the Consideration Units by Mulberry, which has been nominated by the Relevant PRC Vendors to receive the Consideration Units, Mulberry and its Concert Parties would hold an aggregate indirect interest in 1,338,712,215 Units, representing approximately 31.27% of the total number of Units in issue immediately following the issue of Consideration Units, which will result in Mulberry and its Concert Parties holding more than 30% of the voting rights of MLT and thereby trigger the requirement for Mulberry to make a Mandatory Offer.

Unless waived by the SIC, pursuant to Rule 14.1(a) of the Code, Mulberry and its Concert Parties would then be required to make a Mandatory Offer. The SIC has granted this waiver subject to the satisfaction of the conditions specified in the SIC Waiver including the Whitewash Resolution being approved by Independent Unitholders at the EGM.

Based on an issue price of S$2.027 per Consideration Unit and assuming that approximately S$300.0 million out of the PRC Acquisition Price in relation to the Relevant PRC Properties to be paid to the Relevant PRC Vendors (the "**Relevant Vendors Consideration**") is satisfied with the issue of Consideration Units to Mulberry, the aggregate unitholding of Mulberry and its Concert Parties will increase from approximately 29.16% to approximately 31.61% immediately following the issue of the Consideration Units.

In accordance with the abovementioned requirements, more details of which are set out in the Circular, Ernst & Young Corporate Finance Pte Ltd ("**EYCF**") has been appointed as the independent financial adviser ("**IFA**") as required under Rule 921(4)(a) of the Listing Manual and Appendix 1 of the Code as well as to advise the independent directors of the Manager (the "**Independent Directors**"), the audit and risk committee of the Manager (the "**Audit and Risk Committee**"), and the Trustee on whether:

(a) the Acquisitions are on normal commercial terms and are not prejudicial to the interests of MLT and its minority Unitholders;

(b) the proposed issue of the Consideration Units as partial consideration for the PRC Acquisitions is on normal commercial terms and are not prejudicial to the interests of MLT and its minority Unitholders; and

(c) the proposed Whitewash Resolution is fair and reasonable.

This letter sets out, *inter alia,* our evaluation of the Acquisitions, the Consideration Units and the Whitewash Resolution, and our opinions thereon. This letter forms part of the Circular to be issued by the Manager which provides, *inter alia*, the details of the Acquisitions, the Consideration Units and the Whitewash Resolution, and the recommendation of the Independent Directors and the Audit and Risk Committee in respect thereof.

Unless otherwise defined or the context otherwise requires, all terms in the Circular shall have the same meaning in this letter. For illustrative purposes, foreign currency amounts have been translated into Singapore dollars ("**S$**"). Unless otherwise indicated, such translations in relation to the Existing Portfolio are as at 30 September 2020 and have been made based on the illustrative exchange rate of S$1.00 = Chinese Renminbi ("**RMB**") 5.00 / Malaysian ringgit ("**MYR**") 3.04 / US dollars ("**USD**") 0.73, while such translations in relation to the Properties are as at the Latest Practicable Date, and have been made based on the illustrative exchange rate of S$1.00 = RMB4.91 / MYR3.06 / USD0.74.

2 TERMS OF REFERENCE

EYCF has been appointed as required under Rule 921(4)(a) of the Listing Manual and Appendix 1 of the Code as well as to provide opinions to the Independent Directors, the Audit and Risk Committee, and the Trustee in respect of the Acquisitions, the Consideration Units and the Whitewash Resolution.

Our views as set forth in this letter are based on the prevailing market conditions, economic conditions, and financial conditions, and our evaluation of the Acquisitions, the Consideration Units and the Whitewash Resolution, as well as information provided to us by MLT and the management of the Manager (the "**Management**"), as at the Latest Practicable Date. Accordingly, we assume no responsibility to update, revise or reaffirm our opinions as a result of any subsequent development after the Latest Practicable Date. Unitholders should take note of any announcement and/or event relevant to the proposed transactions which may be released by MLT and/or the Manager after the Latest Practicable Date.

We are not and were not involved in any aspect of the discussions and negotiations pertaining to the Acquisitions, the Consideration Units and the Whitewash Resolution nor were we involved in the deliberations leading up to the decisions by the directors of the Manager (the "**Directors**") in connection with the Acquisitions, the Consideration Units and the Whitewash Resolution. We have not conducted a comprehensive review of the business, operations or financial condition of MLT and its subsidiaries and associates. It is not within our terms of reference to assess the rationale for, legal, strategic, commercial and financial merits and/or risks of the Acquisitions, the Consideration Units and the Whitewash Resolution, and to comment on such merits and/or risks of the Acquisitions, the Consideration Units and the Whitewash Resolution. We have only expressed our opinions on whether the Acquisitions and the Consideration Units are on normal commercial terms and are not prejudicial to the interests of MLT and its minority Unitholders, and whether the Whitewash Resolution is fair and reasonable. The assessment of the legal, strategic, commercial and financial merits and/or risks of the Acquisitions, the Consideration Units and the Whitewash Resolution remains the sole responsibility of the Directors, although we may draw upon their views in respect thereof (to the extent deemed necessary or appropriate by us) in arriving at the opinion set out in this letter.

It is also not within our terms of reference to compare the relative merits of the Acquisitions, the Consideration Units and the Whitewash Resolution vis-à-vis any alternative transaction previously considered by MLT and/or the Manager (if any) or that MLT and/or the Manager may consider in the future, and as such, we do not express an opinion thereon.

In the course of our evaluation of the Acquisitions, the Consideration Units and the Whitewash Resolution, we have held discussions with the Directors and the Management. We have also examined and relied on information in respect of MLT collated by us, as well as information provided and representations and assurances made to us, both written and verbal, by the Directors, the Management and/or professional advisers of MLT and/or the Manager, including information contained in the Circular. We have not independently verified such information or any representation or assurance, whether written or verbal, and accordingly cannot and do not warrant or accept responsibility for the accuracy or completeness of such information, representation or assurance. Nevertheless, the Directors (including those who may have delegated supervision of the Circular) and the Management have confirmed to us, after making all reasonable enquiries that, to the best of their knowledge and belief, all material information relating to MLT, the Acquisitions, the Consideration Units and the Whitewash Resolution has been disclosed to us, that such information constitutes a full and true disclosure, in all material respects, of all material facts about MLT, the Acquisitions, the Consideration Units and the Whitewash Resolution, and there is no material information the omission of which would make any of the information contained herein or in the Circular misleading in any material respect. The Directors have jointly and severally accepted such responsibility accordingly.

We have also made reasonable enquiries and exercised our judgement on the reasonable use of such information and have found no reason to doubt the accuracy or the reliability of such information. We have further assumed that all statements of fact, belief, opinion and intention made by the Directors in relation to the Acquisitions, the Consideration Units and the Whitewash Resolution have been reasonably made after due and careful enquiry. We have not conducted a comprehensive review of the business, operations and financial condition of MLT and/or the Properties. We have also not made an independent evaluation or appraisal of the assets and liabilities of MLT and/or the Properties. However, we have been furnished with the independent valuation reports commissioned by the Manager and the Trustee and issued by the following independent valuers in connection with the open market values of the Properties (the "**Valuation Reports**"):

Property	**Independent Valuer appointed by the Trustee**	**Independent Valuer appointed by the Manager**
For the PRC Properties	Cushman & Wakefield International Property Advisers (Shanghai) Co., Ltd ("**Cushman**")	Knight Frank Petty Limited ("**KF PRC**")
For the Malaysia Property	Knight Frank Malaysia Sdn Bhd ("**KF Malaysia**")	First Pacific Valuers Property Consultants Sdn Bhd ("**First Pacific**")
For the Vietnam Property	CBRE (Vietnam) Co., Ltd ("**CBRE**")	Colliers International Vietnam ("**Colliers**")

Source: Circular

We are not experts and do not regard ourselves to be experts in the valuation of the Properties, and we have taken into consideration the Valuation Reports respectively prepared by Cushman, KF PRC, KF Malaysia, First Pacific, CBRE and Colliers (collectively, the "**Independent Valuers**").

In preparing this letter, we have not had regard to the specific investment objectives, financial situation, tax position and/or unique needs and constraints of any individual Unitholder or any specific group of Unitholders. As each Unitholder would have different investment objectives and profiles, any individual Unitholder or group of Unitholders who may require specific advice in relation to his or their Units should consult his or their stockbroker, bank manager, solicitor, accountant or other professional advisers.

We were not involved and have not provided any advice, whether financial or otherwise, in the preparation, review and verification of the Circular (other than in connection with this letter). Accordingly, we do not take any responsibility for, and express no views on, whether expressed or implied, the contents of the Circular (other than in connection with this letter).

This letter and our opinions are pursuant to Rule 921(4)(a) of the Listing Manual and Appendix 1 of the Code as well as addressed for the use and benefit of the Independent Directors, the Audit and Risk Committee, and the Trustee in connection with and for the purpose of their consideration of the Acquisitions, the Consideration Units and the Whitewash Resolution, and the recommendations made by the Independent Directors and the Audit and Risk Committee to the Unitholders shall remain the sole responsibility of the Independent Directors and the Audit and Risk Committee.

Our opinions in relation to the Acquisitions, the Consideration Units and the Whitewash Resolution should be considered in the context of the entirety of this letter and the Circular.

3 DETAILS OF THE ACQUISITIONS AS INTERESTED PERSON TRANSACTIONS

The details of the Acquisitions, including details of the Properties and the documents required to give effect to the Acquisitions, are set out in the Summary section, Paragraph 2 of the Letter to Unitholders of the Circular and Appendix A to the Circular. We set out below the salient information on the Acquisitions and the Properties.

3.1 Description of the Properties

The Manager has identified the following Properties as being suitable for acquisition by MLT, namely:

PRC

(i) Mapletree Wuxi New District Logistics Park ("**Mapletree Wuxi**");

(ii) Mapletree Hangzhou Logistics Park ("**Mapletree Hangzhou**");

(iii) Mapletree Nantong Chongchuan Logistics Park ("**Mapletree Nantong**");

(iv) Mapletree Changshu Logistics Park ("**Mapletree Changshu**");

(v) Mapletree Changsha Logistics Park Phase 1 ("**Mapletree Changsha**");

(vi) Mapletree Wuhan Yanglao Logistics Park ("**Mapletree Wuhan**");

(vii) Mapletree Fengdong (Xi'an) Industrial Park ("**Mapletree Xi'an**");

(viii) Mapletree Tianjin Wuqing Logistics Park ("**Mapletree Tianjin**");

(ix) Mapletree Jiaxing Logistics Park ("**Mapletree Jiaxing**");

(x) Mapletree Nanchang Logistics Park ("**Mapletree Nanchang**");

(xi) Mapletree Zhenjiang Logistics Park ("**Mapletree Zhenjiang**");

(xii) Chengdu DC Logistics Park ("**Mapletree Chengdu**");

(xiii) Mapletree Shenyang Logistics Park ("**Mapletree Shenyang**");

(xiv) Mapletree Jinan International Logistics Park ("**Mapletree Jinan**");

(xv) Mapletree Changsha Industrial Park (Phase 2) ("**Mapletree Changsha 2**");

(xvi) Mapletree Tianjin Xiqing Logistics Park ("**Mapletree Tianjin 2**");

(xvii) Mapletree Chengdu Qingbaijiang Logistics Park ("**Mapletree Chengdu 2**");

(xviii) Mapletree Huangdao Logistics Park ("**Mapletree Qingdao**");

(xix) Mapletree Guizhou Longli Logistics Park ("**Mapletree Guiyang**");

(xx) Mapletree Nantong (EDZ) Logistics Park ("**Mapletree Nantong 2**");

(xxi) Mapletree (Cixi) Logistics Park ("**Mapletree Ningbo**"); and

(xxii) Mapletree Changsha Airport Logistics Park ("**Mapletree Changsha 3**");

(out of which the properties listed at (i) to (xv) are, prior to the present proposed acquisition by MLT, 50.0% held by MLT (the "**Partially Owned PRC Properties**"), with the proposed acquisition of the remaining 50.0% stake in them, resulting in MLT holding an eventual 100.0% interest in the Partially Owned PRC Properties. For the avoidance of doubt, MLT does not currently hold any stake in the properties listed at (xvi) to (xxii) (the "**New PRC Properties**"));

Malaysia

(xxiii) Mapletree Logistics Hub – Tanjong Pelepas[1] ("**Mapletree PTP**"); and

Vietnam

(xxiv) Mapletree Logistics Park Bac Ninh Phase 3 ("**Mapletree Bac Ninh 3**").

The 15 Partially Owned PRC Properties listed in (i) to (xv) above are held by 15 PRC WFOEs, which are in turn wholly-owned by the HK (A) SPVs in which the respective MIPL Subsidiaries and MLT each hold 50.0% of the entire ordinary issued share capital. MLT intends to acquire the remaining 50.0% interest in each of the 15 HK (A) SPVs from the respective MIPL Subsidiaries.

The four PRC Properties listed in (xvi) to (xix) above are held by four PRC WFOEs, which are in turn wholly-owned by the Sponsor-owned HK SPVs. The Sponsor-owned HK SPVs are in turn 100.0% owned by MOHL. MLT intends to acquire a 100.0% interest in each of the Sponsor-owned HK SPVs from the MOHL.

The two PRC Properties listed in (xx) to (xxi) above are held by two PRC WFOEs, which are in turn wholly-owned by two Co-owned HK SPVs in which the relevant MIPL Subsidiaries and Itochu Subsidiaries hold 80.0% and 20.0% of the entire ordinary issued share capital respectively. MLT intends to acquire a 100.0% interest in each of the Co-owned HK SPVs through the acquisition of an 80.0% interest from the respective MIPL Subsidiaries and the remaining 20.0% interest from the respective Itochu Subsidiaries.

The PRC Property listed in (xxii) above is held by a PRC WFOE, which is in turn wholly-owned by the SG SPV. The SG SPV is in turn 100.0% owned by an MIPL Subsidiary. MLT intends to acquire a 100.0% interest in the SG SPV from the relevant MIPL Subsidiary.

Following the PRC Acquisitions, MLT will hold a 100.0% interest in each of the 21 HK SPVs and the SG SPV.

The Malaysia Property listed in (xxiii) above is held by the Malaysia Vendor. The Malaysia SPV intends to acquire the Malaysia Property from the Malaysia Vendor as an asset acquisition. Following the Malaysia Acquisition, the Malaysia Property will be held by the Malaysia SPV. MLT (and/or its subsidiaries) will subscribe for either (a) the Bridge MTN, which are intended to be refinanced by the issue of the ABS MTN to sophisticated investors (upon securing such investors) by the Malaysia SPV, or (b) the Junior ABS MTN which will be issued to MLT (and/or its subsidiaries), together with the Senior ABS MTN to be issued to sophisticated investors, by the Malaysia SPV.

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[1] The proposed acquisition is in respect of the entire sub-lease over Mapletree PTP.

The Vietnam Property listed in (xxiv) above is held by a Vietnam SPV, which is in turn wholly-owned by the Cayman SPV. The Cayman SPV is in turn 100.0% owned by the Vietnam Vendor. MLT intends to acquire all of the shares in the Cayman SPV from the Vietnam Vendor. Following the Vietnam Acquisition, MLT will hold a 100.0% interest in the Cayman SPV.

3.2 Structure of the Acquisitions

The details of the structure of the Acquisitions are set out in the Summary section and Paragraph 2.2 of the Letter to Unitholders of the Circular.

(a) PRC Properties

Pursuant to the PRC Share Purchase Agreements each dated 19 October 2020, the Trustee, on behalf of MLT, will acquire the remaining 50.0% interest in each of the 15 HK (A) SPVs that hold the Partially Owned PRC Properties, and a 100.0% interest in each of the six HK (B) SPVs and the SG SPV that hold the New PRC Properties from the PRC Vendors.

Pursuant to the terms of the PRC Share Purchase Agreements, the aggregate purchase consideration payable by the Trustee in connection with the PRC Acquisitions (the "**PRC Aggregate Share Consideration**") is the aggregate of (i) 50.0% of the adjusted consolidated net asset value (the "**PRC Adjusted Net Asset Value**") of the 15 HK (A) SPVs and (ii) 100.0% of the PRC Adjusted Net Asset Value of the six HK (B) SPVs and the SG SPV (together, the "**PRC Total Adjusted Net Asset Values**") as at the date of completion of the Acquisitions (the "**PRC Completion**"). The PRC Aggregate Share Consideration, to be satisfied in cash, is estimated to be RMB744.4 million (S$151.7 million)[1], subject to post-PRC Completion adjustments to the PRC Total Adjusted Net Asset Values (including taking into account the actual income and expenses relating to the PRC Properties as at the date of the PRC Completion). The PRC Adjusted Net Asset Value of each PRC Property SPV shall take into account the agreed value of the PRC Property indirectly owned by each PRC Property SPV (the "**Agreed PRC Property Value**"). For the avoidance of doubt, the PRC Aggregate Share Consideration shall take into account the existing PRC Property SPVs' shareholders' loans of RMB2,381.0 million (S$485.4 million) owed to the PRC Vendors (the "**PRC Shareholders' Loans**") and the existing external bank loans owed by the PRC Property SPVs to certain financial institutions (as further described below) (comprising the balance 50.0% *pro rata* stake in the existing external bank loans owed by the HK (A) SPVs and the full 100.0% stake in the existing external bank loans owed by HK (B) SPVs and SG SPV respectively) (the "**PRC Bank Loans**")[2]. Following the PRC Completion, the PRC Shareholders' Loans shall be owed by the PRC Property SPVs to the Trustee. The value of each of the PRC Shareholders' Loans is subject to adjustments based on the actual date of the PRC Completion to take into account interest accruing up to such date. Given that the Trustee currently owns 50.0% interest in each of the 15 HK (A) SPVs, there are existing shareholders' loans owing by the 15 HK (A) SPVs to the Trustee which will remain.

In addition to the payment of the PRC Aggregate Share Consideration to the PRC Vendors, the Trustee will, at the PRC Completion, extend approximately RMB1,023.5 million (S$208.6

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[1] This amount comprises the purchase consideration of RMB730.4 million (S$148.9 million) payable to the MIPL Subsidiaries and the purchase consideration of RMB14.0 million (S$2.9 million) payable to the Itochu Subsidiaries.

[2] This has been stated on a 50.0% basis to reflect MLT's acquisition of the remaining 50.0% in each of the HK (A) SPVs. For avoidance of doubt, the Trustee will be discharging 100.0% of the existing external bank loans owed by the HK (A) SPVs at Completion, which includes approximately RMB621.6 million (S$126.7 million) to discharge MLT's own 50.0% *pro rata* stake in the existing external bank loans owed by the HK (A) SPVs. For the avoidance of doubt, the amount of approximately RMB621.6 million (S$126.7 million) does not constitute part of the acquisition price of the PRC Properties.

million) to directly repay and discharge some of the PRC Bank Loans (the "**Repaid PRC Bank Loans**"), and take over the remaining PRC Bank Loans that are not repaid by the Trustee at PRC Completion (the "**Subsisting PRC Bank Loans**"), to the amount of RMB328.2 million (S$66.9 million). The values of each of the PRC Bank Loans is subject to adjustments based on the actual date of the PRC Completion to take into account interest accruing up to such date.

The acquisition price payable by the Trustee in respect of the PRC Acquisitions (the "**PRC Acquisition Price**") would therefore be the aggregate of the PRC Aggregate Share Consideration, the value of the PRC Shareholders' Loans, and the value of the PRC Bank Loans, being approximately RMB4,477.1 million (S$912.7 million). Out of the PRC Acquisition Price, the PRC Aggregate Share Consideration will be paid in cash to the PRC Vendors while the PRC Shareholders' Loans will be satisfied partly in cash and partly via the issue of Consideration Units to the Relevant PRC Vendors (as defined herein) on the terms set out in the respective PRC Share Purchase Agreements.

To demonstrate its continued commitment to MLT, MIPL, which holds certain of the PRC Vendors which are MIPL Subsidiaries (the "**Relevant PRC Vendors**"), has agreed to receive the Consideration Units in satisfaction of part of the PRC Acquisition Price, Mulberry, which is an MIPL Subsidiary, being nominated by the Relevant PRC Vendors to receive the Consideration Units.

Following the PRC Completion, MLT will own 100.0% of the ordinary shares in the issued share capital of each of the 22 PRC Property SPVs via its 100.0% interest in the HK SPVs and SG SPV.

(b) Malaysia Property

The Malaysia SPV has entered into the Malaysia Asset Purchase Agreement dated 19 October 2020 to acquire the Malaysia Property from the Malaysia Vendor via the Malaysia ABS Structure.

Pursuant to the terms of the Malaysia Asset Purchase Agreement, the aggregate purchase consideration payable by the Malaysia SPV in connection with the Malaysia Acquisition (the "**Malaysia Acquisition Price**") is MYR402.5 million (S$131.6 million), being also the "**Agreed Malaysia Property Value**". The Malaysia Acquisition Price will be paid in cash to the Malaysia Vendor on the terms set out in the Malaysia Asset Purchase Agreement.

Pursuant to the Malaysia ABS Structure, the Malaysia SPV currently holding the Existing Malaysia Property was established to purchase various commercial/industrial warehouses and logistics properties or, as the case may be, the rights, title and interest as a contractual lessee, sub-lessee or tenant under an existing lease, sub-lease or tenancy in relation to such properties, such as the Malaysia Property. The ordinary shares of the Malaysia SPV are held by a professional trustee on a discretionary trust for the benefit of charitable organisations. Pursuant to a 60-year, asset-backed medium-term note programme of up to MYR5.0 billion (or approximately S$1.6 billion) (the "**MTN Programme**"), the Malaysia SPV will issue, on a "limited recourse" basis[1], either (a) the Bridge MTN to, *inter alia*, bridge finance the purchase of the Malaysia Property which are intended to be refinanced by the issuance of the ABS MTN or (b) the Junior ABS MTN together with the Senior ABS MTN to, *inter alia*, finance the purchase of the Malaysia Property.

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[1] The recourse of the holders of the MTN to the Malaysia SPV is limited to the assets of the Malaysia SPV and no petition for the winding-up or dissolution of the Malaysia SPV may be made by the MTN holders under the terms of the MTN Programme.

The Bridge MTN, if issued, shall be subscribed in full by the MLT Group Entities and shall be freely tradable and transferable, subject to such restrictions on transfer as may be applicable. The Bridge MTN will be a form of bridging debt financing pending the finalisation and issuance of the Junior ABS MTN and the Senior ABS MTN. The quantum of the Bridge MTN will essentially be the Malaysia Acquisition Price until the Senior ABS MTN and Junior ABS MTN are issued to refinance the Bridge MTN.

The Senior ABS MTN, when issued, will be issued to sophisticated investors[1] and the Junior ABS MTN, when issued, will be subscribed in full by the MLT Group Entities. The Manager will determine the split between the Senior ABS MTN and the Junior ABS MTN depending on market conditions and demand from sophisticated investors in Malaysia for the Senior ABS MTN. The Senior ABS MTN is a form of onshore debt financing and will provide natural capital hedge given that it will be denominated in Malaysian Ringgit.

By subscribing for the Bridged MTN or the Junior ABS MTN, MLT is investing indirectly in the underlying real estate held by the Malaysia SPV (including the Malaysia Property as at the date of completion of the Malaysia Acquisition) and will be receiving cash flow from such real estate, in the form of interest income from the Bridge MTN or the Junior ABS MTN. The Bridge MTN or the Junior ABS MTN provide MLT with the same economic interest as if it had acquired the Malaysia Property directly as it allows MLT (through the Malaysia SPV) to receive the performance coupon, after netting off payments to the Senior ABS MTN holders (applicable only if issued together with the Junior ABS MTN), fees and expenses in relation to the Malaysia Acquisition.

The Malaysia ABS Structure is essentially a financing structure in the form of an asset-backed securitisation arrangement. Through the Malaysia ABS Structure with MMMSB providing asset management services and MPM providing services similar to a property manager, MLT will have sufficient protection and safeguards in respect of MLT's interest in the Malaysia Property.

In terms of accounting treatment in the financial statements of MLT, the Malaysia Property will be treated like any other property in the portfolio of MLT.

(c) Vietnam Property

Pursuant to the Vietnam Share Purchase Agreement dated 19 October 2020, the Vietnam Purchaser will acquire a 100.0% interest in the Cayman SPV from the Vietnam Vendor.

Pursuant to the terms of the Vietnam Share Purchase Agreement, the aggregate purchase consideration payable by the Vietnam Purchaser in connection with the Vietnam Acquisition (the "**Vietnam Aggregate Share Consideration**") is the adjusted net asset value of the Cayman SPV (the "**Vietnam Adjusted Net Asset Value**") as at the date of completion of the Vietnam Acquisition (the "**Vietnam Completion**"). The Vietnam Aggregate Share Consideration is estimated to be USD5.1 million (S$6.9 million), subject to post-Vietnam Completion adjustments to the Vietnam Adjusted Net Asset Value (including taking into account the actual income and expenses relating to the Vietnam Property as at the date of the Vietnam Completion). The Vietnam Adjusted Net Asset Value shall take into account the agreed value of the Vietnam Property indirectly owned by the Cayman SPV (the "**Agreed Vietnam Property Value**") and shall be subject to post completion adjustments. For the avoidance of doubt, the Vietnam Aggregate Share Consideration shall take into account the existing Cayman SPV's shareholder's loan of USD17.1 million (S$23.1 million) owed to the

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[1] As permitted under the Capital Markets and Services Act, 2007 of Malaysia.

Vietnam Vendor (the "**Vietnam Shareholder's Loan**"). Following the Vietnam Completion, the Vietnam Shareholder's Loan shall be owed by the Cayman SPV to the Trustee. The value of the Vietnam Shareholder's Loan is subject to adjustments based on the actual date of Vietnam Completion to take into account interest accruing up to such date.

The acquisition price payable by the Trustee in respect of the Vietnam Acquisition (the "**Vietnam Acquisition Price**") would therefore be the Vietnam Aggregate Share Consideration which shall take into account the value of the Vietnam Shareholder's Loan being USD22.2 million (S$30.1 million). The Vietnam Acquisition Price will be paid in cash to the Vietnam Vendor on the terms set out in the Vietnam Share Purchase Agreement.

Following Vietnam Completion, MLT will own 100.0% of the ordinary shares in the issued share capital of the Cayman SPV.

(d) Total Acquisition Price

The Total Acquisition Price in respect of the Acquisitions would therefore be the sum of the PRC Acquisition Price, the Malaysia Acquisition Price and the Vietnam Acquisition Price, being S$1,074.4 million.

3.3 Valuation

The details of the valuation of the Properties are set out in Paragraph 2.3 of the Letter to Unitholders of the Circular and the summary valuation certificates of the Independent Valuers are set out as Appendix B to the Circular. We set out below the salient terms of the valuation of the Properties.

The agreed property value of each Property (the "**Agreed Property Value**") was arrived at on a willing-buyer and willing-seller basis, after taking into account the two independent valuations of each Property as at 30 September 2020 (the "**Valuation Date**").

In this respect, the Trustee and the Manager have each commissioned independent property valuers to value each of the Properties. In arriving at the open market value of each Property, the Independent Valuers relied on the following valuation methods:

	Independent Valuer appointed by the Trustee	**Valuation Methods of the Independent Valuer appointed by the Trustee**	**Independent Valuer appointed by the Manager**	**Valuation Methods of the Independent Valuer appointed by the Manager**
PRC Properties	Cushman	Income Capitalisation Approach and Discounted Cash Flow Approach	KF PRC	Discounted Cash Flow Approach and Sales Comparison Approach
Malaysia Property	KF Malaysia	Discounted Cash Flow Method and Comparison Approach	First Pacific	Direct Capitalisation Method and Cost Approach

	Independent Valuer appointed by the Trustee	Valuation Methods of the Independent Valuer appointed by the Trustee	Independent Valuer appointed by the Manager	Valuation Methods of the Independent Valuer appointed by the Manager
Vietnam Properties	CBRE	Capitalisation Approach, Discounted Cash Flow Analysis and Depreciated Replacement Cost Approach	Colliers	Discounted Cash Flow Analysis and Market Approach

Source: Circular

3.4 Certain Key Information on the Properties

The following table shows certain key information relating to the Properties, with independent valuations by the Independent Valuers being as at the Valuation Date:

	Property Name	Location	NLA[(1)] (sqm)	Independent Valuation by the relevant Independent Valuer appointed by the Trustee (in millions)	Independent Valuation by the relevant Independent Valuer appointed by the Manager (in millions)	Agreed Property Value (in millions)	Discount of the Agreed Property Value to the Independent Valuation	Land Expiry Date	Approximate Remaining Land Tenure
PRC Properties									
1	Mapletree Wuxi	Wuxi, Jiangsu	122,403[(2)]	RMB529.1 (S$107.9)	RMB528.0 (S$107.6)	RMB521.8 (S$106.4)	Trustee: 1.4% Manager: 1.2%	16 Mar 2064	43 years
2	Mapletree Hangzhou	Hangzhou, Zhejiang	106,726[(2)]	RMB465.2 (S$94.8)	RMB459.0 (S$93.6)	RMB453.8 (S$92.5)	Trustee: 2.5% Manager: 1.1%	5 Sep 2064	44 years
3	Mapletree Nantong	Nantong, Jiangsu	78,624[(2)]	RMB295.6 (S$60.3)	RMB293.0 (S$59.7)	RMB290.3 (S$59.2)	Trustee: 1.8% Manager: 0.9%	East: 19 Oct 2064; West: 29 Jan 2065	44 years
4	Mapletree Changshu	Changshu, Jiangsu	60,967[(2)]	RMB221.1 (S$45.1)	RMB218.0 (S$44.4)	RMB216.8 (S$44.2)	Trustee: 2.0% Manager: 0.6%	14 Feb 2065	44 years
5	Mapletree Changsha	Changsha, Hunan	79,253[(2)]	RMB356.3 (S$72.6)	RMB352.0 (S$71.8)	RMB350.0 (S$71.4)	Trustee: 1.8% Manager: 0.6%	20 Jun 2064	44 years
6	Mapletree Wuhan	Wuhan, Hebei	69,984[(2)]	RMB282.0 (S$57.5)	RMB279.0 (S$56.9)	RMB277.1 (S$56.5)	Trustee: 1.8% Manager: 0.7%	10 Jun 2065	45 years
7	Mapletree Xi'an[(3)]	Xi'an, Shaanxi	63,558[(2)]	RMB381.0 (S$77.7)	RMB376.0 (S$76.6)	RMB373.8 (S$76.2)	Trustee: 1.9% Manager: 0.6%	9 Dec 2063	43 years

	Property Name	Location	NLA[1] (sqm)	Independent Valuation by the relevant Independent Valuer appointed by the Trustee (in millions)	Independent Valuation by the relevant Independent Valuer appointed by the Manager (in millions)	Agreed Property Value (in millions)	Discount of the Agreed Property Value to the Independent Valuation	Land Expiry Date	Approximate Remaining Land Tenure
8	Mapletree Tianjin	Wuqing District, Tianjin	29,148[2]	RMB126.7 (S$25.8)	RMB124.0 (S$25.3)	RMB123.6 (S$25.2)	Trustee: 2.5% Manager: 0.4%	12 Feb 2065	44 years
9	Mapletree Jiaxing	Jiaxing, Zhejiang	35,683[2]	RMB183.1 (S$37.3)	RMB182.0 (S$37.1)	RMB180.1 (S$36.7)	Trustee: 1.6% Manager: 1.0%	26 Jan 2066	45 years
10	Mapletree Nanchang	Nanchang, Jiangxi	73,950[2]	RMB249.1 (S$50.8)	RMB245.0 (S$49.9)	RMB241.8 (S$49.3)	Trustee: 2.9% Manager: 1.3%	14 Jan 2066	45 years
11	Mapletree Zhenjiang	Jurong, Jiangsu	101,616[2]	RMB472.1 (S$96.2)	RMB468.0 (S$95.4)	RMB464.1 (S$94.6)	Trustee: 1.7% Manager: 0.8%	1 Oct 2066	46 years
12	Mapletree Chengdu[3]	Chengdu, Sichuan	20,138[2]	RMB114.1 (S$23.3)	RMB113.0 (S$23.0)	RMB112.2 (S$22.9)	Trustee: 1.6% Manager: 0.7%	27 Oct 2065	45 years
13	Mapletree Shenyang	Shenyang, Liaoning	42,881[2]	RMB149.3 (S$30.4)	RMB148.0 (S$30.2)	RMB147.0 (S$30.0)	Trustee: 1.6% Manager: 0.7%	28 Sep 2066	46 years
14	Mapletree Jinan	Jinan, Shandong	80,931[2]	RMB377.9 (S$77.0)	RMB373.0 (S$76.0)	RMB371.9 (S$75.8)	Trustee: 1.6% Manager: 0.3%	15 Mar 2065	44 years
15	Mapletree Changsha 2	Changsha, Hunan	97,888[2]	RMB419.7 (S$85.6)	RMB415.0 (S$84.6)	RMB413.1 (S$84.2)	Trustee: 1.6% Manager: 0.5%	26 Dec 2064	44 years
16	Mapletree Tianjin 2	Xiqing District, Tianjin	37,689	RMB229.5 (S$46.8)	RMB227.0 (S$46.3)	RMB226.0 (S$46.1)	Trustee: 1.5% Manager: 0.5%	7 Oct 2066	46 years
17	Mapletree Chengdu 2[3]	Chengdu, Sichuan	107,379	RMB440.4 (S$89.8)	RMB436.0 (S$88.9)	RMB432.6 (S$88.2)	Trustee: 1.8% Manager: 0.8%	11 Dec 2066	46 years

	Property Name	Location	NLA[(1)] (sqm)	Independent Valuation by the relevant Independent Valuer appointed by the Trustee (in millions)	Independent Valuation by the relevant Independent Valuer appointed by the Manager (in millions)	Agreed Property Value (in millions)	Discount of the Agreed Property Value to the Independent Valuation	Land Expiry Date	Approximate Remaining Land Tenure
18	Mapletree Qingdao	Qingdao, Shandong	74,192	RMB270.8 (S$55.2)	RMB267.0 (S$54.4)	RMB265.3 (S$54.1)	Trustee: 2.0% Manager: 0.6%	17 May 2067	47 years
19	Mapletree Guiyang	Guiyang, Guizhou	51,656	RMB216.9 (S$44.2)	RMB214.0 (S$43.6)	RMB212.0 (S$43.2)	Trustee: 2.3% Manager: 0.9%	4 Jul 2068	48 years
20	Mapletree Nantong 2	Nantong, Jiangsu	67,504	RMB246.3 (S$50.2)	RMB243.0 (S$49.5)	RMB242.6 (S$49.5)	Trustee: 1.5% Manager: 0.2%	9 Jun 2065	45 years
21	Mapletree Ningbo(3)	Ningbo, Zhejiang	138,588	RMB504.1 (S$102.8)	RMB506.0 (S$103.1)	RMB492.4 (S$100.4)	Trustee: 2.3% Manager: 2.7%	30 Dec 2064	44 years
22	Mapletree Changsha 3(3)	Changsha, Hunan	35,108	RMB207.8 (S$42.4)	RMB205.0 (S$41.8)	RMB204.2 (S$41.6)	Trustee: 1.7% Manager: 0.4%	30 Sep 2067	47 years
	Sub-total for the PRC Properties		1,575,867	RMB6,738.1 (S$1,037.6)	RMB6,671.0 (S$1,359.9)	RMB6,612.2 (S$1,347.9)	Trustee: 1.9% Manager: 0.9%	-	-
Malaysia Property									
23	Mapletree PTP	Pelepas Free Zone, Pelabuhan Tanjung Pelepas, Gelang Patah, Johor	131,986	MYR405.0 (S$132.5)	MYR409.0 (S$133.8)	MYR402.5 (S$131.6)	Trustee: 0.6% Manager: 1.6%	23 Mar 2055(4)	35 years(5)

	Property Name	Location	NLA[1] (sqm)	Independent Valuation by the relevant Independent Valuer appointed by the Trustee (in millions)	Independent Valuation by the relevant Independent Valuer appointed by the Manager (in millions)	Agreed Property Value (in millions)	Discount of the Agreed Property Value to the Independent Valuation	Land Expiry Date	Approximate Remaining Land Tenure
Vietnam Property									
24	Mapletree Bac Ninh 3	Bac Ninh, Hanoi	47,682	USD22.0 (S$29.9)	USD22.1 (S$29.9)	USD21.9 (S$29.6)	Trustee: 0.8% Manager: 1.0%	30 Nov 2057	37 years
Total			**1,755,535**	**S$1,535.9**	**S$1,523.6**	**S$1,509.2**	**Trustee: 1.7%** **Manager: 0.9%**		

Source: Circular

Notes:

*(1) '**NLA**' means net lettable area.*

(2) NLA is reflected on a 100.0% basis.

(3) The Manager expects the property title certificates in respect of Mapletree Xi'an and Mapletree Chengdu to be obtained by the first half of 2021, and in respect of Mapletree Chengdu 2, Mapletree Ningbo and Mapletree Changsha 3, to be obtained by the second half of 2021.

*(4) 23 March 2045 is the expiry date of the First Term presently registered on the title to the Malaysia Parent Land. Pursuant to an agreement to sub-lease and a supplemental agreement entered into pursuant thereto with Pelabuhan Tanjung Pelepas Sdn Bhd (the "**Sub-Lessor**") and the Malaysia Vendor, the Malaysia Vendor has been granted the entire sub-lease in respect of the Malaysia Property for a term of 40 years commencing on 7 April 2015 and expiring on 23 March 2055, which is broken down into two (2) lease periods, i.e. the First Term and the Second Term (the "**Agreement to Sub-Lease**"). Pursuant to the Agreement to Sub-Lease, the First Term granted by the Sub-Lessor in favour of the Malaysia Vendor was registered on 20 June 2017 vide presentation number 41326/2017, for a term of 29 years and 351 days commencing from 7 April 2015 to 23 March 2045 and the total rent for the First Term and the Second Term has been fully paid by the Malaysia Vendor to the Sub-Lessor as at the date of the Malaysia Asset Purchase Agreement. Pursuant to Section 222(3) of the National Land Code (Revised – 2020), where any sub-lease so granted relates to a part only of an alienated land, as it is in respect of the Malaysia Property, the term thereof shall not exceed 30 years. Therefore, while the lease expiry date is 23 March 2045, the Malaysia SPV will have an option to extend the term of the sub-lease and register the same on the title to the Malaysia Parent Land subject to the payment of RM1.00 before the expiration of the First Term in order to secure its registered interest for the Second Term. No regulatory approval is required to extend the term of the sub-lease and register the same on the title to the Malaysia Parent Land, except that the written consent of the Johor Port Authority is required to register the extension of the lease expiry date to 23 March 2055. The Johor Port Authority has consented to the Agreement to Sub-Lease which applies for the period up till 23 March 2055. Therefore, the Manager does not expect any difficulty in obtaining the written consent of the Johor Port Authority to register the extension of the sub-lease to 23 March 2055.*

(5) Includes the extension of the term of the sub-lease into the Second Term.

3.5 Certain Terms and Conditions of the Purchase Agreements

The principal terms of the Purchase Agreements for the Acquisitions are set out in the Summary section and Paragraph 2.5 of the Letter to Unitholders of the Circular.

3.6 Management Agreements in relation to the Acquisitions

The details of the management agreements in relation to the Acquisitions are set out in Paragraph 2.6 of the Letter to Unitholders of the Circular.

3.7 Corporate Guarantees in relation to the PRC Acquisitions

The details of the corporate guarantees in relation to the PRC Acquisitions are set out in the Summary Section and Paragraph 2.7 of the Letter to Unitholders of the Circular.

The three HK SPVs which hold Mapletree Chengdu 2, Mapletree Qingdao and Mapletree Guiyang have entered into bank facilities, pursuant to which MIPL has provided corporate guarantees to a certain bank. Pursuant to the terms of the PRC Share Purchase Agreements, the Trustee is required to provide, or procure the provision of, corporate guarantees (as guarantor) for the Subsisting PRC Bank Loans (the "**Corporate Guarantees**") at the PRC Completion, in place of the existing corporate guarantees provided by MIPL. The aggregate value of the Corporate Guarantees at any point in time will depend on the amounts drawn down under the bank facilities (including accrued interest).

By approving the Acquisitions, Unitholders will be deemed to have also approved the Corporate Guarantees.

3.8 Total Acquisition Cost and Total Acquisition Outlay

The details of the total cost of the Acquisitions (the "**Total Acquisition Cost**") are set out in the Summary section and Paragraph 2.8 of the Letter to Unitholders of the Circular, and we set out below the salient information on the Total Acquisition Cost.

The Total Acquisition Cost is estimated to be approximately S$1,097.2 million, comprising:

(a) the PRC Acquisition Price of approximately RMB4,477.1 million (S$912.7 million), which comprises (i) the PRC Aggregate Share Consideration which will be paid in cash, (ii) the PRC Shareholders' Loans, which will be satisfied partly in cash and partly via the issue of the Consideration Units and (iii) the PRC Bank Loans;

(b) the Malaysia Acquisition Price of approximately MYR402.5 million (S$131.6 million) which will be paid in cash;

(c) the Vietnam Acquisition Price of approximately USD22.2 million (S$30.1 million) which will be paid in cash;

(d) the acquisition fee payable in Units to the Manager for the Acquisitions (the "**Acquisition Fee**") which is estimated to be approximately S$5.4 million (representing 0.5% of the Total Acquisition Price); and

(e) the estimated professional and other fees and expenses of approximately S$17.4 million incurred or to be incurred by MLT in connection with the Acquisitions and the Equity Fund Raising.

The total acquisition outlay is estimated to be approximately S$1,030.2 million, comprising the Total Acquisition Cost less the Subsisting PRC Bank Loans which will not be discharged by the PRC Property SPVs and will remain after the PRC Completion (the "**Total Acquisition Outlay**").

3.9 Payment of Acquisition Fee in Units

The details of the payment of the Acquisition Fee in Units are set out in the Summary section and Paragraph 2.9 of the Letter to Unitholders of the Circular.

Pursuant to the Trust Deed, the Manager is entitled to receive an acquisition fee at the rate of 1.0% of the Total Acquisition Price (or such lower percentage as may be determined by the Manager in its absolute discretion). The Manager has, at its discretion, elected to receive an acquisition fee of 0.5% of the Total Acquisition Price. Accordingly, an acquisition fee of approximately S$5.4 million is payable to the Manager.

As the Acquisitions will constitute "interested party transactions" under the Property Funds Appendix, the Acquisition Fee payable in respect of the Acquisitions will be in the form of Units (the "**Acquisition Fee Units**"), which shall not be sold within one year from the date of issuance in accordance with Paragraph 5.7 of the Property Funds Appendix.

In relation to the PRC Acquisitions, while the acquisition interests of the Itochu Subsidiaries in the Co-owned HK SPVs will not constitute an "interested party transaction" under the Property Funds Appendix, the Manager has nevertheless elected to receive the Acquisition Fee payable in respect of the acquisition of interests from the Itochu Subsidiaries in the form of Acquisition Fee Units and not to dispose of such Units within one year from the date of issuance.

Based on the Trust Deed, the Manager shall be entitled to receive such number of Units as may be purchased for the relevant amount of the Acquisition Fee at the issue price of Units issued to finance or part finance the Acquisitions in respect of which the Acquisition Fee is payable or, where Units are not issued to finance or part finance the Acquisitions, the prevailing market price (as defined in the Trust Deed) (the "**Market Price**") of such Units on the date of completion of the Acquisitions.

Based on tan issue price of S$2.027 per Acquisition Fee Unit (being the issue price per new Unit under the Private Placement (as defined below) (the "**New Units**")), the number of Acquisition Fee Units issued shall be approximately 2,650,115 Units.

3.10 Method of Financing for the Acquisitions

The details of the method of financing for the Acquisitions are set out in the Summary section and Paragraph 2.10 of the Letter to Unitholders of the Circular.

The Manager intends to finance the Total Acquisition Outlay through a combination of (i) the proceeds of the Equity Fund Raising (as defined below); (ii) the issue of the Consideration Units for the part of the PRC Acquisitions in relation to the PRC Properties held by the Relevant PRC Vendors; and/or (iii) a drawdown of debt facilities (the "**Loan Facilities**").

The Manager has, on 20 October 2020 and 21 October 2020, announced the issue of 246,670,000 New Units representing approximately 6.5% of the existing number of issued Units as at the Latest Practicable Date under a private placement to institutional and other investors at an issue price of S$2.027 per New Unit to raise gross proceeds of approximately S$500.0 million (the "**Private Placement**"); and a non-renounceable preferential offering of 72,408,675 New Units to existing Unitholders at a preferential offering ratio of 19 preferential offering Units (the "**Preferential Offering Units**") for every 1,000 existing Units to raise gross proceeds of approximately S$144.1 million (the "**Preferential Offering**", and together with the Private Placement, the "**Equity Fund Raising**").

To demonstrate its continued commitment to MLT, MIPL has provided an irrevocable undertaking to the Manager to accept, subscribe and pay in full for, and procure that its subsidiaries accept, subscribe and pay in full for, its and its subsidiaries' total provisional allotment of units pursuant to the Preferential Offering (the "**Sponsor Irrevocable Undertaking**").

The Equity Fund Raising raised gross proceeds of approximately S$644.1 million.

The Manager intends to utilise approximately S$626.7 million from the gross proceeds of the Equity Fund Raising to partially finance the Total Acquisition Outlay.

In the event that MLT does not proceed with the proposed Acquisitions, the Manager may, subject to relevant laws and regulations, utilise the net proceeds from the Equity Fund Raising at its absolute discretion for other purposes including the funding of future investments and/or to repay existing indebtedness.

The Equity Fund Raising has been undertaken through an issuance of New Units relying on the general mandate of MLT obtained at the annual general meeting of MLT held on 14 July 2020.

The table below sets outs the changes to the Aggregate Leverage of MLT based on the above method of financing:

	Before the Acquisitions	**After the Acquisitions**
Aggregate Leverage *(Pro forma as at 30 Sep 2020)*	39.5%(1)	36.8%(2)

Source: Circular

Notes:

(1) Includes the proportionate share of borrowings and deposited property values of the joint ventures with the Sponsor.

(2) Includes the Loan Facilities and Subsisting PRC Bank Loans.

4 DETAILS OF THE PROPOSED ISSUE OF CONSIDERATION UNITS

The details of the proposed issue of the Consideration Units are set out in the Summary section and Paragraph 3 of the Letter to Unitholders of the Circular.

4.1 Proposed Issue of the Consideration Units

The Manager proposes to issue up to approximately S$300.0 million worth of Consideration Units to Mulberry (being an MIPL Subsidiary), which has been nominated by the Relevant PRC Vendors to receive the Consideration Units, as partial consideration for the PRC Acquisitions.

To demonstrate its continued commitment to MLT, MIPL, which holds the Relevant PRC Vendors, has agreed to receive Consideration Units in satisfaction of part of the PRC Acquisition Price.

The aggregate number of Consideration Units to be issued will be derived in the following manner, applied on a property by property basis:

Number of Consideration Units = Y ÷ Consideration Unit Issue Price

Where:

"**Y**" means approximately S$300.0 million, being a portion of the PRC Shareholders' Loans due to the Relevant PRC Vendors in Units after applying the Closing Exchange Rate.

"**Consideration Unit Issue Price**" means (i) (in the event the Private Placement has been undertaken by MLT to fund the proposed Acquisitions) the issue price of the Units under the Private Placement; or (ii) (in the event that no Private Placement has been undertaken by MLT) the volume weighted average price for a Unit for all trades on the SGX-ST for the period 10 Business Days immediately preceding the date of the PRC Completion, in accordance with the provisions of the Trust Deed.

Given that the Private Placement has been undertaken by MLT to fund the Acquisitions, the Consideration Unit Issue Price shall be the issue price of the Units under the Private Placement, being S$2.027.

The Consideration Units shall be issued on the date of the PRC Completion and when issued, will be fully paid.

4.2 Distribution Periods and Status of the Consideration Units

The details on the distribution in relation to the Consideration Units and the status of the Consideration Units are set out in Paragraphs 3.2 and 3.3 of the Letter to Unitholders of the Circular.

5 DETAILS OF THE PROPOSED WHITEWASH RESOLUTION

The details of the proposed Whitewash Resolution are set out in the Summary section and Paragraph 7 of the Letter to Unitholders of the Circular.

5.1 Rule 14 of the Code

The Manager is seeking approval from the Independent Unitholders for a waiver of their right to receive a Mandatory Offer from Mulberry and its Concert Parties, in the event that they incur an obligation to make a Mandatory Offer as a result of the receipt by Mulberry (which has been nominated by the Relevant PRC Vendors to receive the Consideration Units) of the Consideration Units as partial consideration for the PRC Acquisitions.

Upon the receipt by Mulberry of the Consideration Units, Mulberry and its Concert Parties may possibly end up acquiring units which exceeds the threshold pursuant to Rule 14.1(a) of the Code.

Rule 14.1(a) of the Code states that Mulberry and its Concert Parties would be required to make a Mandatory Offer, if Mulberry and its Concert Parties acquire whether by a series of transactions over a period of time or not, Units which (taken together with the Units held or acquired by persons acting in concert with him) carry 30.0% or more of the voting rights of MLT.

5.2 Unitholding of Mulberry and its Concert Parties in MLT

To the best of the knowledge of the Manager and the Relevant PRC Vendors, Mulberry and its Concert Parties hold, in aggregate, 1,180,544,344 Units representing approximately 30.97% of the voting rights of MLT as at the Latest Practicable Date.

5.3 Trigger of the requirement to make the Mandatory Offer

As at the Latest Practicable Date and prior to the issue of New Units under the Equity Fund Raising and the issue of 2Q Management Fee Units and the 2Q Property Management Fee Units to Mulberry (which has been nominated by the Manager and Property Manager to receive the 2Q Management Fee Units and Property Management Fee Units respectively), MIPL holds an aggregate indirect interest in 1,166,144,518 Units, representing approximately 30.59% of the total number of Units in issue (being 3,810,982,930 Units).

As a result of the issue of (a) 319,078,675 New Units pursuant to the Equity Fund Raising, (b) approximately 2,228,416 2Q Management Fee Units and (c) approximately 180,562 2Q Property Management Fee Units, MIPL would hold an aggregate indirect interest in 1,190,710,242 Units, representing approximately 28.81% of the total number of Units in issue immediately following the issue of units pursuant to the Equity Fund Raising and prior to the issue of Consideration Units (being 4,132,470,583 Units).

Further to the receipt by Mulberry (which has been nominated by the Relevant PRC Vendors to receive the Consideration Units) of 148,001,973 Consideration Units, MIPL would hold an aggregate indirect interest in 1,338,712,215 Units, representing approximately 31.27% of the total number of Units in issue immediately following the issue of Consideration Units, which will result in Mulberry and its Concert Parties holding more than 30% of the voting rights of MLT and thereby trigger the requirement for Mulberry and its Concert Parties to make a Mandatory Offer.

Unless waived by the SIC, pursuant to Rule 14.1(a) of the Code, Mulberry and its Concert Parties would then be required to make a Mandatory Offer. The SIC has granted this waiver on 15 October 2020 subject to, *inter alia*, Resolution 3 (the proposed Whitewash Resolution) being approved by Independent Unitholders at the EGM.

At an issue price of S$2.027 per Consideration Unit and assuming that approximately S$300.0 million out of the Relevant Vendors Consideration is satisfied with the issue of Consideration Units, the aggregate unitholding of Mulberry and its Concert Parties will increase from approximately 29.16% to approximately 31.61%, immediately following the issue of the Consideration Units.

5.4 Application for a waiver from Rule 14 of the Code

The details of the application to the SIC for a waiver from Rule 14 of the Code are set out in the Summary section and Paragraph 7.4 of the Letter to Unitholders of the Circular.

Independent Unitholders should note that by voting for the Whitewash Resolution, they are waiving their rights to receive a Mandatory Offer from Mulberry and its Concert Parties at the highest price paid or agreed to be paid by Mulberry and its Concert Parties for Units in the six months preceding the receipt by the Relevant PRC Vendors (and/or their nominees) of the Consideration Units as partial consideration for the PRC Acquisitions.

5.5 Subscription for Units under the Preferential Offering

Mulberry and its Concert Parties (including the Directors of the Manager) may subscribe for New Units under the Preferential Offering to the extent that they are existing Unitholders, including applying for excess New Units under the Preferential Offering, subject to (a) compliance with the Code and (b) Rule 877(10) of the Listing Manual so that in the allotment of any excess New Units under the Preferential Offering, preference will be given to the rounding of odd lots, and that MIPL, MIPL Subsidiaries and Directors of the Manager will rank last in priority for the rounding of odd lots and allotment of excess New Units under the Preferential Offering. The figures set out at Paragraph 7.3 of the Letter to Unitholders of the Circular are based on Mulberry and its Concert Parties subscribing for New Units under the Preferential Offering pursuant to the Sponsor Irrevocable Undertaking given by MIPL to the Manager to accept, and procure that MIPL's subsidiaries accept, subscribe and pay in full for MIPL's and its subsidiaries' total provisional allotment of New Units pursuant to the Preferential Offering. These figures will be different in the event that Mulberry and its Concert Parties apply for and receive excess New Units under the Preferential Offering. In any case, prior to the approval by Unitholders of the Whitewash Resolution at the EGM, the percentage unitholding of Mulberry and its Concert Parties in MLT upon the completion of the Preferential Offering cannot reach 30% without triggering the requirement for Mulberry and its Concert Parties to make a Mandatory Offer under the Code.

6 EVALUATION OF THE ACQUISITIONS

In our analysis and evaluation of the Acquisitions, and our recommendation thereon, we have taken into consideration the following:

(a) rationale for and key benefits of the Acquisitions;

(b) description of the Properties;

(c) valuation of the Properties by the Independent Valuers;

(d) comparison of the net property income ("**NPI**") yields ("**NPI Yields**") of the Properties with the Existing Portfolio and Enlarged Portfolio;

(e) comparison of the Properties with selected industrial/logistics property portfolio valuation of listed real estate investment trusts ("**REITs**" and each, "**REIT**") on the SGX-ST;

(f) pro-forma financial effects of the Acquisitions; and

(g) other factors which we deem to be relevant for our consideration.

The factors above are discussed in more detail in the following sections.

6.1 Rationale for and key benefits of the Acquisitions

The detailed rationale for and benefits of the Acquisitions are set out in Paragraph 4 of the Letter to Unitholders of the Circular, with the key sections set out below.

We note that the Acquisitions represent a continuation of the Manager's strategy to deepen MLT's network connectivity and competitive positioning through selective acquisitions of quality logistics properties in key logistics hubs.

MLT's network of 146 existing properties spread across eight geographic markets in Asia Pacific provides a key competitive advantage. It enables MLT to offer a variety of regional leasing solutions to support customers' business and expansion needs in multiple locations. At the same time, a growing network will enable MLT to capture the attractive market opportunities driven by positive demand-supply dynamics in the region, which include increasing urbanisation, consumption growth and a limited supply of Grade A warehouse space. The COVID-19 pandemic has also accelerated several pre-existing structural trends benefitting the logistics market. Notably, higher e-commerce adoption and a greater emphasis on supply chain resiliency have translated to a growing demand for modern logistics facilities in fast-growing domestic consumption markets.

We note that the Acquisitions will enable MLT to capitalise on these growth opportunities and bring the following key benefits to Unitholders:

(a) Exploit the positive demand-supply dynamics in China, Malaysia and Vietnam

  (i) Fast growing domestic markets supported by resilient economic fundamentals

  (ii) Accelerated e-commerce adoption

  (iii) Emphasis on supply chain resiliency

  (iv) Limited supply of Grade A warehouse space presents opportunity for MLT to fill the market gap

    - (v) Augmenting growth while maintaining large exposure to developed markets in Asia-Pacific

- (b) Strengthen MLT's network connectivity across key logistics nodes
    - (i) Enlarged network strengthens MLT's competitive positioning in Asia-Pacific
    - (ii) Excellent connectivity to transport infrastructure and key population catchments
    - (iii) Deepen and expand coverage across key cities of China with strong consumer markets
    - (iv) Establish presence in Malaysia's Port of Tanjung Pelepas, a regional distribution hub
    - (v) Deepen presence in Bac Ninh, a thriving logistics hub of Vietnam
- (c) Modern Grade A logistics facilities with a strong and diversified tenant base
    - (i) Modern Grade A logistics facilities
    - (ii) Strong and diversified tenant base
- (d) Attractive Value Proposition
    - (i) Discount to Independent Valuations
    - (ii) DPU and NAV per Unit accretive acquisitions with reduced leverage

We note that the Acquisitions are in line with MLT's principal investment strategy of acquiring good quality logistics properties and managing capital to maintain MLT's strong balance sheet and provide financial flexibility for growth.

6.2 Description of the Properties

We note that the Properties are built to modern Grade A specifications, including strong floor load, high ceilings and large floor plates, catering to the requirements of third-party logistics service providers ("**3PLs**") and e-commerce tenants. The Properties are also designed to be modular and highly versatile to support flexible leasing solutions. As at 30 September 2020, the weighted average age for the Properties is 2.8 years. Excluding the existing 15 Partially Owned PRC Properties, the weighted average age of the nine new Properties is 2.2 years. The Properties have a weighted average land tenure by NLA of approximately 43 years.

We also note that the supply of modern logistics properties in China, Malaysia and Vietnam is still relatively low, compared to other developed markets such as the United States of America. According to the independent market research consultants, namely KF PRC, KF Malaysia and Colliers (collectively, the "**Independent Market Research Consultants**"), only 7%, 11% and 21% of total stock across China, Malaysia and Vietnam respectively are of Grade A specifications.

Further, we note that the modern Grade A specifications of the Properties are also reflected in the rental rates and terms. The Properties also have high-quality and diversified tenant mix comprising primarily tenants serving domestic consumption, which account for approximately 91% of the Properties' gross revenue for the month of September 2020. A majority of the Properties' tenants are engaged in e-commerce/e-fulfilment activities, and key tenants include leading e-commerce players such as JD.com and Cainiao, international logistics companies like Maersk and Kuehne + Nagel, as well as strong consumer brands like Decathlon.

6.3 Valuation of the Properties by the Independent Valuers

The Manager and the Trustee have commissioned Independent Valuers to perform independent valuations on the Properties. The appraised values of the Independent Valuers for the Properties are as follows:

	Property Name	NLA (sqm)	Independent Valuation by the relevant Independent Valuer appointed by the Trustee (in millions)	Independent Valuation by the relevant Independent Valuer appointed by the Manager (in millions)	Agreed Property Value (in millions)	Discount of the Agreed Property Value to the Independent Valuation
PRC Acquisitions						
1	Mapletree Wuxi	122,403[(2)]	RMB529.1 (S$107.9)	RMB528.0 (S$107.6)	RMB521.8 (S$106.4)	Trustee: 1.4% Manager: 1.2%
2	Mapletree Hangzhou	106,726[(2)]	RMB465.2 (S$94.8)	RMB459.0 (S$93.6)	RMB453.8 (S$92.5)	Trustee: 2.5% Manager: 1.1%
3	Mapletree Nantong	78,624[(2)]	RMB295.6 (S$60.3)	RMB293.0 (S$59.7)	RMB290.3 (S$59.2)	Trustee: 1.8% Manager: 0.9%
4	Mapletree Changshu	60,967[(2)]	RMB221.1 (S$45.1)	RMB218.0 (S$44.4)	RMB216.8 (S$44.2)	Trustee: 2.0% Manager: 0.6%
5	Mapletree Changsha	79,253[(2)]	RMB356.3 (S$72.6)	RMB352.0 (S$71.8)	RMB350.0 (S$71.4)	Trustee: 1.8% Manager: 0.6%
6	Mapletree Wuhan	69,984[(2)]	RMB282.0 (S$57.5)	RMB279.0 (S$56.9)	RMB277.1 (S$56.5)	Trustee: 1.8% Manager: 0.7%
7	Mapletree Xi'an[(2)]	63,558[(2)]	RMB381.0 (S$77.7)	RMB376.0 (S$76.6)	RMB373.8 (S$76.2)	Trustee: 1.9% Manager: 0.6%
8	Mapletree Tianjin	29,148[(2)]	RMB126.7 (S$25.8)	RMB124.0 (S$25.3)	RMB123.6 (S$25.2)	Trustee: 2.5% Manager: 0.4%
9	Mapletree Jiaxing	35,683[(2)]	RMB183.1 (S$37.3)	RMB182.0 (S$37.1)	RMB180.1 (S$36.7)	Trustee: 1.6% Manager: 1.0%
10	Mapletree Nanchang	73,950[(2)]	RMB249.1 (S$50.8)	RMB245.0 (S$49.9)	RMB241.8 (S$49.3)	Trustee: 2.9% Manager: 1.3%
11	Mapletree Zhenjiang	101,616[(2)]	RMB472.1 (S$96.2)	RMB468.0 (S$95.4)	RMB464.1 (S$94.6)	Trustee: 1.7% Manager: 0.8%
12	Mapletree Chengdu[(2)]	20,138[(2)]	RMB114.1 (S$23.3)	RMB113.0 (S$23.0)	RMB112.2 (S$22.9)	Trustee: 1.6% Manager: 0.7%
13	Mapletree Shenyang	42,881[(2)]	RMB149.3 (S$30.4)	RMB148.0 (S$30.2)	RMB147.0 (S$30.0)	Trustee: 1.6% Manager: 0.7%

	Property Name	NLA (sqm)	Independent Valuation by the relevant Independent Valuer appointed by the Trustee (in millions)	Independent Valuation by the relevant Independent Valuer appointed by the Manager (in millions)	Agreed Property Value (in millions)	Discount of the Agreed Property Value to the Independent Valuation
14	Mapletree Jinan	80,931(2)	RMB377.9 (S$77.0)	RMB373.0 (S$76.0)	RMB371.9 (S$75.8)	Trustee: 1.6% Manager: 0.3%
15	Mapletree Changsha 2	97,888(2)	RMB419.7 (S$85.6)	RMB415.0 (S$84.6)	RMB413.1 (S$84.2)	Trustee: 1.6% Manager: 0.5%
16	Mapletree Tianjin 2	37,689	RMB229.5 (S$46.8)	RMB227.0 (S$46.3)	RMB226.0 (S$46.1)	Trustee: 1.5% Manager: 0.5%
17	Mapletree Chengdu 2(2)	107,379	RMB440.4 (S$89.8)	RMB436.0 (S$88.9)	RMB432.6 (S$88.2)	Trustee: 1.8% Manager: 0.8%
18	Mapletree Qingdao	74,192	RMB270.8 (S$55.2)	RMB267.0 (S$54.4)	RMB265.3 (S$54.1)	Trustee: 2.0% Manager: 0.6%
19	Mapletree Guiyang	51,656	RMB216.9 (S$44.2)	RMB214.0 (S$43.6)	RMB212.0 (S$43.2)	Trustee: 2.3% Manager: 0.9%
20	Mapletree Nantong 2	67,504	RMB246.3 (S$50.2)	RMB243.0 (S$49.5)	RMB242.6 (S$49.5)	Trustee: 1.5% Manager: 0.2%
21	Mapletree Ningbo(3)	138,588	RMB504.1 (S$102.8)	RMB506.0 (S$103.1)	RMB492.4 (S$100.4)	Trustee: 2.3% Manager: 2.7%
22	Mapletree Changsha 3(2)	35,108	RMB207.8 (S$42.4)	RMB205.0 (S$41.8)	RMB204.2 (S$41.6)	Trustee: 1.7% Manager: 0.4%
Sub-total for the PRC Properties		1,575,867	RMB6,738.1 (S$1,373.6)	RMB6,671.0 (S$1,359.9)	RMB6,612.2 (S$1,347.9)	Trustee: 1.9% Manager: 0.9%
Malaysia Acquisition						
23	Mapletree PTP	131,986	MYR405.0 (S$132.5)	MYR409.0 (S$133.8)	MYR402.5 (S$131.6)	Trustee: 0.6% Manager: 1.6%
Vietnam Acquisition						
24	Mapletree Bac Ninh 3	47,682	USD22.0 (S$29.9)	USD22.1 (S$29.9)	USD21.9 (S$29.6)	Trustee: 0.8% Manager: 1.0%
Total		**1,755,535**	**S$1,535.9**	**S$1,523.6**	**S$1,509.2**	**Trustee: 1.7%** **Manager: 0.9%**

Source: Circular, EY

Notes:

(1) NLA is reflected on a 100% basis.

(2) The Manager expects the property title certificates in respect of Mapletree Xi'an and Mapletree Chengdu to be obtained by the first half of 2021, and in respect of Mapletree Chengdu 2, Mapletree Ningbo and Mapletree Changsha 3, to be obtained by the second half of 2021.

We have been provided the Valuation Reports of the Properties and we note the following in our review:

(a) The basis of valuation, being 'Market Value', is defined as the estimated amount for which an asset or liability should exchange on the valuation date between a willing-buyer and a willing-seller in an arm's length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion. The basis of valuation and the definition are broadly consistent among the Independent Valuers and in line with market definition;

(b) The Independent Valuers have used the same Valuation Date for the Properties, being 30 September 2020;

(c) The methods used by the Independent Valuers are widely accepted methods for the purpose of valuing income producing properties, and the valuations have been prepared in accordance with the valuation standards accepted by the different markets. The details of the methods and valuation standards used by the Independent Valuers are set out below:

	Independent Valuer appointed by the Trustee	**Valuation Standards and Method of the Independent Valuer appointed by the Trustee**	**Independent Valuer appointed by the Manager**	**Valuation Standards and Method of the Independent Valuer appointed by the Manager**
PRC Properties	Cushman	RICS Valuation Global Standards 2020 / Income Capitalisation Approach and Discounted Cash Flow Approach	KF PRC	RICS Valuation Global Standards 2020 / Discounted Cash Flow Approach and Sales Comparison Approach
Malaysia Property	KF Malaysia	Malaysian Valuation Standards, RICS Valuation Global Standards and International Valuation Standards / Discounted Cash Flow Method and Comparison Method	First Pacific	Malaysian Valuation Standards, RICS Valuation Global Standards and International Valuation Standards / Direct Capitalisation Method and Cost Method
Vietnam Property	CBRE	RICS Valuation Global Standards and International Valuation Standards / Capitalisation Approach, Discounted Cash Flow Analysis and Depreciated Replacement Cost Approach	Colliers	RICS Valuation Global Standards and International Valuation Standards / Discounted Cash Flow Analysis and Market Approach

Source: Valuation Reports, Circular

We note that the Agreed Property Value for each of the Properties is lower than the valuation of the Independent Valuers, with discounts ranging from 0.2% to 2.9%. We also note that the aggregate Agreed Property Value for the Properties of S$1,509.2 million is 1.7% lower than the aggregate valuation of the Properties by the Independent Valuers appointed by the Trustee and 0.9% lower than the aggregate valuation of the Properties by the Independent Valuers appointed by the Manager.

6.4 Comparison of NPI Yields of the Properties with MLT's Existing Portfolio and Enlarged Portfolio

We have compared the weighted average lease expiry ("**WALE**") and NPI Yield of the Properties with those of MLT's Existing Portfolio of properties.

	Average WALE by NLA (years)	**NPI Yield**
Existing Portfolio	4.2(1)	5.6%(2)
The Properties	**2.3**	**5.2%(3)**
Enlarged Portfolio	**3.8**	**5.5%(4)**

Source: Management, Annual Report, Circular

Notes:

(1) *As at 30 September 2020.*

(2) *Based on the annualised NPI of the Existing Portfolio for the financial quarter ended 30 September 2020 divided by the valuation as at 31 March 2020.*

(3) *Assuming that the Acquisitions had a portfolio occupancy rate of 94.7% for the entire financial year ended 31 March 2020, all leases, whether existing or committed as at the Latest Practicable Date, were in place since 1 April 2019, and that all tenants were paying rents in full throughout the period.*

(4) *Combined NPI Yield is calculated based on the weighted average of the NPI Yields for the Existing Portfolio and NPI Yield for the Properties.*

We note that the average NPI Yield of the Properties of 5.2% is lower than the average NPI Yield of the Existing Portfolio as at 30 September 2020. We also note that the average WALE of the Properties of 2.3 years is shorter than the average WALE of 4.2 years of the Existing Portfolio.

On a combined basis, the estimated NPI Yield of 5.5% for the Enlarged Portfolio is expected to be slightly lower than the NPI Yield of the Existing Portfolio. In evaluating the impact of the Acquisitions on the NPI Yield of the entire MLT portfolio, we have taken into consideration other benefits to MLT such as the quality of the Properties and geographic diversification, as stated in Section 6.1 of this letter. The quality of the Properties, which have Grade A specifications, is a factor in the rental rates and NPI of the Properties. We have also considered the geographic diversification due to the Acquisitions in terms of the resulting NPI Yields of the Enlarged Portfolio and of the respective enlarged country portfolio which the Manager has provided to us.

6.5 Comparison of the Properties with Selected Industrial/Logistics Property Portfolio Valuation of Listed REITs on the SGX-ST

Based on our discussions with the Management and a search for comparable industrial/logistics property portfolio transactions and valuations on available databases and relevant stock exchanges, we recognise that there is no particular property portfolio that we may consider to be directly comparable to the Properties in the aspects of construction quality, accessibility, NLA, gross lettable area, profile and composition of tenants, usage of property, age of building, outstanding lease tenure, market risks, track record and other relevant factors.

However, we have extracted the following publicly available information on certain comparable industrial/logistics property portfolios in order to compare the yields implied by the consideration for the Properties with the yields of the industrial/logistics property portfolios owned by certain SGX-ST listed REITs (the "**Selected Industrial/Logistics Property Portfolio Valuations of Listed REITs**").

The Independent Directors, the Audit and Risk Committee, the Trustee, and the Unitholders should note that any comparison made with respect to the Selected Industrial/Logistics Property Portfolio Valuations of Listed REITs are for illustrative purposes only. For the analysis on the Selected Industrial/Logistics Property Portfolio Valuations of Listed REITs, we have used the available data/information as at the Latest Practicable Date. The conclusions drawn from such comparisons may not necessarily reflect the perceived or implied valuation of the Properties as at the Latest Practicable Date. In addition, we wish to highlight that the Selected Industrial/Logistics Property Portfolio Valuations of Listed REITs are by no means exhaustive.

For the purposes of our evaluation, we have considered the following Selected Industrial/Logistics Property Portfolio Valuations of Listed REITs:

REIT	Valuation Date	Valuation (S$'m)	GFA (sqm)	Occupancy Rate (%)	WALE by Income as at the Valuation Date (years)	NPI Yield(1)
AIMS APAC REIT	31 Mar 2020	1,526.7	671,191(2)	89.4	3.8	5.8%
ARA LOGOS Logistics Trust	31 Dec 2019	1,255.9	838,914	95.3	3.0	6.8%
Ascendas Real Estate Investment Trust	31 Dec 2019	12,842.0(3)	4,676,215	90.9	3.9	5.6%
EC World Real Estate Investment Trust	31 Dec 2019	1,600.0	960,461(2)	100.0	4.1	5.6%
ESR-REIT	31 Dec 2019	3,159.4	1,402,836	90.5	3.8	5.9%
Frasers Logistics & Industrial Trust	30 Sep 2019	3,357.5	2,223,452(4)	99.6	6.3	5.4%
Mapletree Industrial Trust	31 Mar 2020	5,920.5	1,940,000(2)	90.9	4.2	6.9%[5]
Sabana Shari'ah Compliant REIT	31 Dec 2019	884.4	380,902	75.4	2.8	5.8%
Low				75.4	2.8	5.4%
High				100.0	6.3	6.9%
Median				90.9	3.9	5.8%
Average				91.5	4.0	6.0%
The Properties – Based on the Agreed Property Value		**1,509.2**	**1,207,127**	**94.7**	**2.3**	**5.2%**
Enlarged Portfolio		**10,014.0**	**6,307,886**	**97.0**	**3.8**	**5.5%**

Source: Annual reports, financial reporting announcements, Circular and Management

Notes:

(1) Estimated NPI Yield based on reported NPI and valuation as at the latest reporting periods.

(2) Figure stated is NLA.

(3) Excludes 25 Ubi Road 4 and 27 Ubi Road 4 which were undergoing redevelopment as at 31 December 2019.

(4) Figure stated is gross lettable area.

(5) Based on the NPI Yield for the Singapore portfolio as at 31 March 2020, entry NPI for the North American data centres (excluding those held by Mapletree Redwood Data Centre Trust), and valuation as at 31 March 2020.

(6) Relevant foreign currencies are converted to Singapore dollars based on the exchange rate as at the relevant dates.

Based on the table above, we note that the average NPI Yield of the Properties is below the range of observed NPI Yields for the Selected Industrial/Logistics Property Portfolio Valuations of Listed REITs. We also note that the average WALE of the Properties is shorter than the low end of the range of WALEs of those of the Selected Industrial/Logistics Property Portfolio Valuations for Listed REITs. The average occupancy rate of the Properties is higher than the median and average occupancy rates of those of the Selected Industrial/Logistics Property Portfolio Valuations for Listed REITs.

On the Enlarged Portfolio basis, the NPI Yield of the Enlarged Portfolio is within the range of observed NPI Yields for the Selected Industrial/Logistics Property Portfolio Valuations of Listed REITs, and below the median and average NPI Yields. We also note that the average WALE of the Enlarged Portfolio is within the range of WALEs of those of the Selected Industrial/Logistics Property Portfolio Valuations for Listed REITs and slightly lower than the median and average WALEs. The average occupancy rate of the Enlarged Portfolio is higher than the median and average occupancy rates of the Selected Industrial/Logistics Property Portfolio Valuations for Listed REITs.

6.6 Pro Forma Financial Effects of the Acquisitions

The details of the pro forma financial effects of the Acquisitions, which are shown for illustrative purposes only, are set out in Paragraph 6 of the Letter to Unitholders of the Circular.

We note the following:

(a) The pro forma financial effects of the Acquisitions were prepared based on the FY19/20 Financial Statements, taking into account the Total Acquisition Cost, the Loan Facilities, the Consideration Units, and the Equity Fund Raising to raise gross proceeds of approximately S$644.1 million to partially fund the Total Acquisition Cost and assuming, *inter alia*, that the Properties had portfolio occupancy rates of 94.7% for the entire financial year ended 31 March 2020 and all leases, whether existing or committed as at the Latest Practicable Date, were in place since 1 April 2019. All tenants were paying rents in full.

(b) After the Acquisitions, the DPU increases from 8.142 Singapore cents to 8.280 Singapore cents, or by 0.14 Singapore cents (approximately 1.7%), for the pro forma financial effects of the Acquisitions on MLT's DPU for the FY19/20 Financial Statements, as if the Acquisitions, issuance of the New Units in connection with the Equity Fund Raising, issuance of Acquisition Fee Units, issuance of Consideration Units and drawdown of the Loan Facilities were completed on 1 April 2019, and as if, *inter alia*, MLT held the Properties through to 31 March 2020.

(c) After the Acquisitions, the pro forma NAV per Unit as at 31 March 2020 is expected to increase from S$1.21 to S$1.29, or by S$0.08 (approximately 7.2%), as if the Acquisitions, issuance of the New Units in connection with the Equity Fund Raising, issuance of Acquisition Fee Units, issuance of the Consideration Units and the drawdown of the Loan Facilities were completed on 31 March 2020.

(d) After the Acquisitions, the pro forma Aggregate Leverage as at 30 September 2020 is expected to decrease from 39.5% to 36.8%, as if the Acquisitions, issuance of the New Units in connection with the Equity Fund Raising, issuance of Acquisition Fee Units, issuance of the Consideration Units and drawdown of the Loan Facilities were completed on 30 September 2020.

6.7 Other relevant factors

6.7.1 The management agreements in relation to the Acquisitions

The details of the management agreements in relation to the Acquisitions are set out in Paragraph 2.6 of the Letter to Unitholders of the Circular.

The relevant management agreements are:

(a) Property management agreements in relation to the PRC Properties

Mapletree Property Management Pte. Ltd. ("**MPM**" or the "**Property Manager**"), which is the Property Manager of MLT, will be appointing Shanghai Mapletree Management Co., Ltd. (the "**PRC Property Manager**"), to be the local property manager for each PRC Property. The PRC Property Manager is a wholly-owned subsidiary of MIPL.

We note that the fees payable to the PRC Property Manager are on the same rates as those payable by MLT to the Property Manager under the Overseas Properties Property Management Agreement (the "**OPMA**"). We also note that the appointment of the PRC Property Manager is provided for under the Trust Deed and the OPMA, where the Manager and the Property Manager are entitled to appoint any service providers (including any related Mapletree entity) to perform their respective obligations thereunder, provided that, among others, the Manager and the Property Manager shall provide overall management and supervision and be liable for all acts and omissions of such persons.

In terms of the fees payable to the PRC Property Manager, we note that any fees payable for the PRC Properties will be taken into account in the computation of the Property Manager's fees payable under the OPMA and no double payment will be made in respect of property management services provided for the PRC Properties.

(b) Management Agreements in relation to the Malaysia Property

Malaysia Servicer Agreement. In relation to the Malaysia Acquisition, the Property Manager had been appointed as the servicer to administer the assets of the Malaysia SPV[1] (the "**Servicer**") under the programme terms of the Malaysia ABS Structure. The Servicer will be carrying out functions similar to a property manager.

The Servicer is entitled to receive, among others, a fee of up to 3% of the gross revenue received by the Malaysia SPV in relation to the Malaysia Properties[2] during the relevant period.

We note that the fees payable by the Malaysia SPV to the Servicer are on substantially the same rates as those payable by MLT to the Property Manager under the OPMA. Accordingly, the computation of the Property Manager's fees payable under the OPMA will take into account the fees payable to the Servicer and there will be no double payment for services provided for the Malaysia Properties[2].

Malaysia Asset Management Agreement. Mapletree Malaysia Management Sdn. Bhd. ("**MMMSB**"), a wholly-owned subsidiary of MIPL, had been appointed as the asset manager to the Malaysia SPV under the programme terms of the Malaysia ABS Structure.

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[1] Under the Guidelines on Unlisted Capital Market Products under the Lodge and Launch Framework issued by the Securities Commission of Malaysia, the Malaysia SPV is required to sub-contract to third parties all services that may be required by it in order to maintain the Malaysia SPV and its assets. The Servicer may appoint a licensed property management company to undertake property management services.

[2] "**Malaysia Properties**" means the Malaysia Property, and the various commercial/ industrial warehouses and logistics properties located in Malaysia or, as the case may be, the rights, title and interest as a contractual lessee, sub-lessee or tenant under an existing lease, sub-lease or tenancy in relation to such properties, that may be acquired from time to time, by the Malaysia SPV from vendors to be identified, and funded with the issuance of one or more classes of MTNs pursuant to the MTN Programme.

MMMSB is entitled to receive, among others, (i) a base fee of up to 0.5% per annum of all the Malaysia SPV's assets (including the Malaysia Property and all properties which are under management, cash and investments held), and (ii) a performance fee of up to 3.6% per annum of the net property income of the Malaysia SPV.

We note that the fees payable to MMMSB are on substantially the same rates as those payable by MLT to the Manager under the Trust Deed. Accordingly, the computation of the Manager's fees payable under the Trust Deed will take into account any asset management fees payable to MMMSB and there will be no double payment for services provided to the Malaysia SPV.

We note that by approving the Acquisitions, Unitholders will be deemed to have also approved the management agreements in relation to the Acquisitions.

6.7.2 The Acquisitions are DPU and NAV per Unit accretive with reduced aggregate leverage

We note that on a pro forma basis and based on the proposed method of financing, the Acquisitions are DPU and NAV accretive, with reduced aggregate leverage.

	Before the Acquisitions	**After the Acquisitions**
DPU (Singapore cents)	8.142[(1)]	8.280
DPU accretion (%)	-	*1.7%*
NAV (S$)	1.21	1.29
NAV accretion (%)	-	*7.2%*
Aggregate Leverage	39.5%	36.8%

Source: Circular

Notes:

(1) For the financial year ended 31 March 2020.

For illustrative purposes only, and assuming the Acquisitions, issuance of New Units in connection with the Equity Fund Raising, issuance of Consideration Units, issuance of Acquisition Fee Units and drawdown of the Loan Facilities were completed on 1 April 2019 and as if MLT held the Properties through to 31 March 2020, the pro forma financial effects of the Acquisitions on MLT's DPU for the FY19/20 Financial Statements is an increase by 0.14 Singapore cents or approximately 1.7%.

For illustrative purposes only, and as if the Acquisitions, issuance of New Units in connection with the Equity Fund Raising, issuance of Consideration Units, issuance of Acquisition Fee Units and drawdown of the Loan Facilities were completed on 31 March 2020, the pro forma financial effects of the Acquisitions on NAV per Unit as at 31 March 2020 is an increase by 0.08 Singapore cents or approximately 7.2%.

For illustrative purposes only, and as if the Acquisitions, issuance of New Units in connection with the Equity Fund Raising, issuance of Consideration Units, issuance of Acquisition Fee Units and drawdown of the Loan Facilities were completed on 30 September 2020, the pro forma Aggregate Leverage as at 30 September 2020 is a decrease by 2.7%, from 39.5% to 36.8%.

7 EVALUATION OF THE CONSIDERATION UNITS AND THE WHITEWASH RESOLUTION

In our analysis and evaluation of the Consideration Units and the Whitewash Resolution, and our opinions thereon, we have taken into consideration the following:

(a) rationale for the issue of the Consideration Units and the Whitewash Resolution;

(b) the trigger for the Whitewash Resolution, being the issue of the Consideration Units;

(c) number and pricing of the Consideration Units;

(d) the status of the Consideration Units and relevant distribution periods;

(e) the pricing of the Acquisition Fee Units; and

(f) the pricing of the 2Q Management Fee Units and 2Q Property Management Fee Units.

The factors above are discussed in more detail in the following sections.

7.1 Rationale for the issue of the Consideration Units and the Whitewash Resolution

The rationale and key benefits for the issue of the Consideration Units and the Whitewash Resolution are set out in the Summary section and Paragraph 7.5 of the Letter to Unitholders of the Circular.

We note that the Whitewash Resolution is to enable Mulberry to receive the Consideration Units (as the nominee of the Relevant PRC Vendors) as partial consideration for the PRC Acquisitions.

We note that the Manager is of the view that allowing Mulberry (being an MIPL Subsidiary which has been nominated by the Relevant PRC Vendors to receive the Consideration Units) to be issued the Consideration Units will demonstrate the long-term commitment of the Manager and the Sponsor to MLT. It will also further align the interests of the Manager and the Sponsor with Unitholders, incentivising the Manager to raise the performance of MLT to the benefit of Unitholders.

7.2 The Whitewash Resolution in relation to the Consideration Units

The Manager is seeking approval from the Independent Unitholders for a waiver of their right to receive a Mandatory Offer from Mulberry and its Concert Parties, in the event that they incur an obligation to make a Mandatory Offer as a result of the receipt by Mulberry (which has been nominated by the Relevant PRC Vendors to receive the Consideration Units) of the Consideration Units as partial consideration for the PRC Acquisitions.

Upon the receipt by Mulberry of the Consideration Units, Mulberry and its Concert Parties may possibly end up acquiring units which exceeds the threshold pursuant to Rule 14.1(a) of the Code.

Rule 14.1(a) of the Code states that Mulberry and its Concert Parties would be required to make a Mandatory Offer, if Mulberry and its Concert Parties acquire whether by a series of transactions over a period of time or not, Units which (taken together with the Units held or acquired by persons acting in concert with him) carry 30.0% or more of the voting rights of MLT.

As at the Latest Practicable Date and prior to the issue of New Units under the Equity Fund Raising and the issue of 2Q Management Fee Units and the 2Q Property Management Fee Units to Mulberry (which has been nominated by the Manager and Property Manager to receive the 2Q Management Fee Units and Property Management Fee Units respectively), MIPL holds an aggregate indirect interest in 1,166,144,518 Units, representing approximately 30.59% of the total number of Units in issue (being 3,810,982,930 Units).

As a result of the issue of (a) 319,078,675 New Units pursuant to the Equity Fund Raising, (b) approximately 2,228,416 2Q Management Fee Units and (c) approximately 180,562 2Q Property Management Fee Units, MIPL would hold an aggregate indirect interest in 1,190,710,242 Units, representing approximately 28.81% of the total number of Units in issue immediately after the issue of units pursuant to the Equity Fund Raising and prior to the issue of Consideration Units (being 4,132,470,583 Units).

Further to the receipt by MIPL (through Mulberry, which has been nominated by the Relevant PRC Vendors to receive the Consideration Units) of 148,001,973 Consideration Units, MIPL would hold an aggregate indirect interest in 1,338,712,215 Units, representing approximately 31.27% of the total number of Units in issue immediately after the issue of Consideration Units, which will result in Mulberry and its Concert Parties holding more than 30% of the voting rights of MLT and thereby trigger the requirement for Mulberry and its Concert Parties to make a Mandatory Offer.

Unless waived by the SIC, pursuant to Rule 14.1(a) of the Code, Mulberry and its Concert Parties would then be required to make a Mandatory Offer. The SIC has granted this waiver on 15 October 2020 subject to, *inter alia*, Resolution 3 (the proposed Whitewash Resolution) being approved by Independent Unitholders at the EGM.

At an issue price of S$2.027 per Consideration Unit and assuming that approximately S$300.0 million out of the Relevant Vendors Consideration is satisfied with the issue of Consideration Units, the aggregate unitholding of MIPL will increase from 28.81% to 31.27%, immediately after the issue of the Consideration Units.

7.3 Number and pricing of the Consideration Units as partial consideration for the PRC Acquisitions

The Manager proposes to issue up to S$300.0 million worth of Consideration Units to Mulberry (being a wholly-owned subsidiary of MIPL), which has been nominated by the Relevant PRC Vendors to receive the Consideration Units as partial consideration for the PRC Acquisitions in relation to the PRC Properties which are held by the Relevant PRC Vendors.

As set out in the Summary section and Paragraph 3 of the Letter to Unitholders of the Circular, the aggregate number of Consideration Units to be issued will be based on the agreed formula and will be applied on a property by property basis. We note that, in accordance with the provisions of the Trust Deed, the Consideration Unit Issue Price will be based on either:

(a) the issue price of the Units under the Private Placement in the event the Private Placement has been undertaken by MLT to fund the proposed Acquisitions; or

(b) the volume weighted average price for a Unit for all trades on the SGX-ST for the period of 10 Business Days immediately preceding the Closing Date.

Given that the Private Placement has been undertaken by MLT to fund the Acquisitions, the Consideration Unit Issue Price shall be the issue price of the Units under the Private Placement, being S$2.027.

We note that, as announced by the Manager on 20 October 2020 and 21 October 2020, the issue price of the Units under the Private Placement have been determined after taking into account precedent transactions, the transaction size and following a book-building process by the Joint Global Co-ordinators and Bookrunners[1].

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[1] The "**Joint Global Co-ordinators and Bookrunners**" for the Equity Fund Raising are Citigroup Global Markets Singapore Pte. Ltd., DBS Bank Ltd., The Hongkong and Shanghai Banking Corporation Limited, Singapore Branch, and Overseas-Chinese Banking Corporation Limited.

We also note that the structure and timing of the Equity Fund Raising (including the Private Placement) and the issue price have been determined in accordance with, among others, Chapter 8 of the Listing Manual.

7.4 Status of the Consideration Units and relevant distribution periods

We note that, at present, the Manager implements quarterly distributions of MLT's distributable income, with the last quarterly distribution announced for the period of 1 July 2020 to 30 September 2020 (the "**2Q FY20/21 Distribution**") for Units traded under the "M44U" counter.

In connection with the Private Placement, the Manager has implemented an advanced distribution for the period from 1 October 2020 to the date immediately prior to the date on which the New Units are issued pursuant to the Private Placement (the "**Advanced Distribution**", and together with the 2Q FY20/21 Distribution, the "**Cumulative Distribution**"). The Advanced Distribution was intended to ensure fairness to existing Unitholders holding Units on the day immediately prior to the date on which the new Units are issued under the Private Placement.

The next distribution following the Cumulative Distribution will comprise MLT's distributable income for the period from the day the New Units are issued pursuant to the Private Placement to 31 December 2020 (the "**Relevant Period Distribution**"). Quarterly distributions will resume thereafter.

The Consideration Units will only be entitled to participate in the distributable income of MLT for the period from the date of their listing to 31 December 2020 whereas the existing Units are entitled to participate in MLT's distributable income for the entire 2Q FY20/21 Distribution and the Relevant Distribution Period.

As the Consideration Units will not be entitled to participate in MLT's distributable income for the period from the day the New Units are issued pursuant to the Private Placement to the day immediately prior to the date the Consideration Units are issued, it is necessary for the Consideration Units to trade under a separate stock counter for the period commencing from their date of listing to the last day of "cum-distribution" trading for them as well as the existing Units in respect of the Relevant Distribution Period, which is expected to be in January 2021. After the last day of "cum-distribution" trading, the Units trading on the temporary stock counter as well as the existing Units will be aggregated and traded under the same stock counter on the next market day, i.e. the first day of "ex-distribution" trading for both the Consideration Units and the existing Units.

We note that the Consideration Units will not be entitled to distributions by MLT for the period preceding the date of listing of the Consideration Units, and will only by entitled to receive distributions by MLT from the date of their listing to the end of the financial quarter in which the Consideration Units are issued, as well as all distributions thereafter. Other than the aforementioned, the Consideration Units will, upon issue, rank *pari passu* in all respects with the existing Units in issue as at the date of listing of the Consideration Units.

7.5 Pricing of the Acquisition Fee Units

Based on the Trust Deed, the Manager shall be entitled to receive such number of Units as may be purchased for the relevant amount of the Acquisition Fee at the issue price of Units issued to finance or part finance the Acquisitions in respect of which the Acquisition Fee is payable.

We note that the issue price of the Acquisition Fee Units will be based on the issue price of the new Units to be issued under the Equity Fund Raising. We also note that in the event that there is a difference in the issue price for the Private Placement and the Preferential Offering, the Acquisition Fee Units will be received at the higher of the two issue prices.

7.6 Pricing of the 2Q Management Fee Units and 2Q Property Management Fee Units

The issue price of the 2Q Management Fee Units and 2Q Property Management Fee Units will be equal to the "Market Price" as defined in the Trust Deed.

For the purposes of the Management Fee, where MLT is listed, "Market Price" is defined in the Trust Deed to mean "*the volume weighted average traded price for a Unit for all trades on the SGX-ST or (as the case may be) the relevant Recognised Stock Exchange in the ordinary course of trading on the SGX-ST or (as the case may be) the relevant Recognised Stock Exchange for the last 10 Business Days immediately preceding (and, for the avoidance of doubt, including) (a) (in relation to the Base Fee) the end date of the relevant financial quarter to which such Base Fee relates and/or (b) (in relation to the Performance Fee) the end date of the relevant Financial Year to which such Performance Fee relates, or if the Manager believes that the foregoing calculation does not provide a fair reflection of the Market Price of a Unit, means an amount as determined by the Manager (after consultation with a Stockbroker approved by the Trustee), and as approved by the Trustee, as being the fair Market Price.*"

8 OUR OPINIONS ON THE ACQUISITIONS, THE CONSIDERATION UNITS AND THE WHITEWASH RESOLUTION

In arriving at our advice to the Independent Directors, the Audit and Risk Committee, and the Trustee on the Acquisitions, the Consideration Units and the Whitewash Resolution, we have reviewed and deliberated on the factors which we consider to be relevant and to have a significant bearing on our assessment of the Acquisitions, the Consideration Units and the Whitewash Resolution. The factors we have considered in our evaluation, which are based on, among others, representations made by MLT, the Directors and the Management and discussed in detail in the earlier sections of this letter and which we have relied upon, are as follows:

In relation to the Acquisitions:

(a) rationale for and key benefits of the Acquisitions;

(b) description of the Properties;

(c) valuation of the Properties by the Independent Valuers;

(d) comparison of the NPI Yields of the Properties with MLT's Existing Portfolio and Enlarged Portfolio;

(e) comparison of the Properties with Selected Industrial/Logistics Property Portfolio Valuations of Listed REITs on the SGX-ST;

(f) pro-forma financial effects of the Acquisitions;

(g) the property management agreements in relation to the PRC Properties;

(h) the management agreements in relation to the Malaysia Property; and

(i) the Acquisitions being DPU and NAV per Unit accretive with reduced aggregate leverage.

Having considered the factors and the assumptions set out in this letter, and subject to the qualifications set out herein, we are of the opinion that the Acquisitions are on normal commercial terms and are not prejudicial to the interests of MLT and its minority Unitholders.

In relation to the Consideration Units and the Whitewash Resolution:

(a) rationale for the issue of the Consideration Units and the Whitewash Resolution;

(b) the trigger for the Whitewash Resolution, being the issue of the Consideration Units;

(c) the basis of the Consideration Unit Issue Price will be in accordance with the provisions of the Trust Deed and will comply with Chapter 8 of the Listing Manual;

(d) the number of the Consideration Units will be based on an agreed formula wherein the portion of the PRC Shareholders' Loans due to the Relevant PRC Vendors in Units is divided by the Consideration Unit Issue Price;

(e) the Consideration Units will not be entitled to distributions by MLT for the period preceding the date of listing of the Consideration Units, and will only by entitled to receive distributions by MLT from the date of their listing to the end of the financial quarter in which the Consideration Units are issued, as well as all distributions thereafter;

(f) the issue price of the Acquisition Fee Units will be based on the issue price of the New Units to be issued under the Equity Fund Raising, and in the event that there is a difference in the issue price for the Private Placement and the Preferential Offering, the Acquisition Fee Units will be received at the higher of the two issue prices; and

(g) the issue price of the 2Q Management Fee Units and 2Q Property Management Fee Units will be equal to the "Market Price" as defined in the Trust Deed.

Having considered the factors and the assumptions set out in this letter, and subject to the qualifications set out herein, we are of the opinion that, in the context of the Acquisitions, the issue of the Consideration Units is on normal commercial terms and is not prejudicial to the interests of MLT and its minority Unitholders, and the Whitewash Resolution is fair and reasonable.

Accordingly, we advise the Independent Directors and the Audit and Risk Committee to recommend that Unitholders vote in favour of the Acquisitions, the Consideration Units and the Whitewash Resolution.

Unitholders should note that Resolution 1 (the Acquisitions) and Resolution 2 (the Consideration Units) are conditional upon each other and upon Resolution 3 (the Whitewash Resolution). In the event that any of Resolution 1, Resolution 2 or Resolution 3 is not approved, none of Resolution 1 or Resolution 2 will be carried.

We wish to highlight that in approving the Acquisitions, Unitholders are deemed to have approved all such acts and things and documents which are required to be executed by the parties in order to give effect to the Acquisitions.

We also wish to highlight that by voting for the Whitewash Resolution, the Independent Unitholders are waiving their rights to receive a Mandatory Offer from Mulberry and its Concert Parties at the highest price paid or agreed to be paid by Mulberry and its Concert Parties for Units in the six months preceding the announcement of the Equity Fund Raising.

The Independent Directors, the Audit and Risk Committee, and the Trustee should note that we have arrived at our opinions based on information made available to us prior to, and including, the Latest Practicable Date. Our opinions on the Acquisitions, the Consideration Units and the Whitewash Resolution cannot and does not take into account any subsequent developments after the Latest Practicable Date as these are governed by factors beyond the scope of our review, and would not fall within our terms of reference in connection with our evaluation of the Acquisitions, the Consideration Units and the Whitewash Waiver.

We have prepared this letter as required under Rule 921(4)(a) of the Listing Manual and the Code, and for the use of the Independent Directors, the Audit and Risk Committee, and the Trustee in connection with and for the purposes of their consideration of the Acquisitions, the Consideration Units and the Whitewash Resolution, but any recommendation made by the Independent Directors and the Audit and Risk Committee in respect of the Acquisitions, the Consideration Units and the Whitewash Resolution shall remain their responsibility.

While a copy of this letter may be reproduced in the Circular, no other person may reproduce, disseminate or quote this letter (or any part thereof) for any purpose (other than the intended purpose in relation to the Acquisitions, the Consideration and the Whitewash Resolution) at any time and in any manner without our prior written consent in each specific case. For the avoidance of doubt, nothing in this letter prevents MLT, the Manager, the Directors, the Trustee or the Unitholders from reproducing, disseminating or quoting this letter without our prior consent for the purpose of any matter relating to the Acquisitions, the Consideration Units and the Whitewash Resolution. This opinion is governed by, and construed in accordance with, the laws of Singapore, and is strictly limited to the matters stated herein and does not apply by implication to any other matter.

Yours faithfully
For and on behalf of
Ernst & Young Corporate Finance Pte Ltd

Luke Pais	Elisa Montano
Managing Director	Associate Partner

MAPLETREE LOGISTICS TRUST

(Constituted in the Republic of Singapore
pursuant to a Trust Deed dated 5 July 2004 (as amended))

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an EXTRAORDINARY GENERAL MEETING ("EGM") of the holders of units of Mapletree Logistics Trust ("**MLT**", and the holders of units of MLT, "**Unitholders**") will be held at 20 Pasir Panjang Road, Mapletree Business City, Town Hall – Auditorium, Singapore 117439 and by way of electronic means on Monday, 23 November 2020 at 2.30 p.m., for the purpose of considering and, if thought fit, passing, with or without modifications, the following resolutions:

ORDINARY RESOLUTIONS

1. THE PROPOSED ACQUISITIONS AS INTERESTED PERSON TRANSACTIONS

That, subject to and contingent upon the passing of Resolution 2 and Resolution 3:

(i) approval be and is hereby given for the proposed acquisitions of (a) the remaining 50.0% interest in 15 properties and a 100.0% interest in seven properties in the PRC through the acquisition of property holding companies, (b) the Malaysia Property (as defined in the circular to Unitholders dated 2 November 2020 (the "**Circular**")) and (c) a 100.0% interest in one property in Vietnam through the acquisition of a property holding company (collectively, the "**Acquisitions**"), as interested person transactions, in the manner described in the Circular;

(ii) approval be and is hereby given for the payment of all fees and expenses relating to the Acquisitions; and

(iii) Mapletree Logistics Trust Management Ltd. (as manager of MLT) (the "**Manager**"), any director of the Manager ("**Director**"), and HSBC Institutional Trust Services (Singapore) Limited (as trustee of MLT) (the "**Trustee**"), be and are hereby severally authorised to complete and do all such acts and things (including executing all such documents as may be required) (the "**Acquisition Documents**") as the Manager, such Director or, as the case may be, the Trustee may consider expedient or necessary or in the interests of MLT to give effect to the Acquisitions and all transactions contemplated under the Acquisition Documents, and in this connection, the board of directors of the Manager (the "**Board**") be hereby authorised to delegate such authority to such persons as the Board deems fit.

2. THE PROPOSED ISSUE OF NEW UNITS IN MLT AS PARTIAL CONSIDERATION FOR THE PRC ACQUISITIONS

That, subject to and contingent upon the passing of Resolution 1 and Resolution 3:

(i) approval be and is hereby given for the issue, in the manner described in the Circular, of such number of Consideration Units (as defined in the Circular) to Mulberry Pte. Ltd. ("**Mulberry**") (which was nominated by the Relevant PRC Vendors (as defined in the Circular) to receive the Consideration Units), a subsidiary of Mapletree Investments Pte Ltd ("**MIPL**"), in relation to the proposed PRC Acquisitions (as defined in the Circular); and

(ii) the Manager, any Director and the Trustee be and are hereby severally authorised to complete and do all such acts and things (including executing all such documents as may be required) as the Manager, such Director or, as the case may be, the Trustee, may consider expedient or necessary or in the interests of MLT to give effect to the issue of Consideration Units and all transactions in connection therewith.

3. THE PROPOSED WHITEWASH RESOLUTION

That subject to the conditions in the SIC Waiver (as defined in the Circular) being fulfilled, Unitholders other than Mulberry, parties acting in concert with Mulberry ("**Concert Parties**") and parties which are not independent of Mulberry, hereby (on a poll taken) waive their rights to receive a Mandatory Offer from Mulberry and its Concert Parties for all the remaining issued units in MLT ("**Units**") not owned or controlled by Mulberry and its Concert Parties, in the event that they trigger a mandatory bid obligation pursuant to Rule 14 of the Singapore Code on Take-overs and Mergers as a result of the receipt by Mulberry (which has been nominated by the Relevant PRC Vendors to receive the Consideration Units) of the Consideration Units as partial consideration for the PRC Acquisitions.

BY ORDER OF THE BOARD
Mapletree Logistics Trust Management Ltd.
(Company Registration No. 200500947N)
As Manager of Mapletree Logistics Trust

Wan Kwong Weng
Joint Company Secretary

Singapore
2 November 2020

Important Notice:

1. The EGM will be held at 20 Pasir Panjang Road, Mapletree Business City, Town Hall – Auditorium, Singapore 117439 pursuant to the COVID-19 (Temporary Measures) (Control Order) Regulations 2020 (the "**Physical Meeting**") and by way of electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020 (the "**Virtual Meeting**"). Any reference to a time of day is made by reference to Singapore time.

2. Pre-registration Requirements applicable to all Unitholders

Unitholders and CPF and SRS investors can scan the Quick Response ("**QR**") code to pre-register for the Physical Meeting or the Virtual Meeting

All Unitholders and CPF and SRS investors who wish to attend either the Physical Meeting or the Virtual Meeting are required to pre-register at MLT's website at the URL https://www.mapletreelogisticstrust.com from now till 20 November 2020, 2.30 p.m., to enable the Manager to verify their status as Unitholders.

Unitholders and CPF and SRS investors who have pre-registered by the 20 November 2020 deadline but fail to receive any confirmation email in relation to the Physical Meeting or the Virtual Meeting by 22 November 2020, 2.30 p.m. should immediately contact the Unit Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at +65 6230 9580/586 or at srs.teamd@boardroomlimited.com.

3. Details of the Physical Meeting

Due to the current COVID-19 restriction orders in Singapore, the Manager will restrict the number of in-person attendees at the Physical Meeting by imposing a limit of 30 Unitholders and CPF and SRS investors to be accommodated at the Physical Meeting. It should be noted that this limit for in-person attendees at the Physical Meeting may be subject to change taking into account any regulations, directives, measures or guidelines that may be issued by any government and regulatory agency in light of the COVID-19 situation from time to time.

Successful authenticated Unitholders and CPF and SRS investors: Following the verification by the Manager, authenticated Unitholders and CPF and SRS investors who are successful in the pre-registration for the Physical Meeting will by 22 November 2020, 2.30 p.m. receive:

– a confirmation email for the Physical Meeting containing details as well as instructions on attending the Physical Meeting (the "**Confirmation Email for Physical Meeting**"); and

– a confirmation email for the Virtual Meeting containing unique user ID and password details as well as instructions on how to access the live audio-visual webcast and live audio-only stream of the EGM proceedings and submit questions during the EGM via the online chat box (the "**Confirmation Email for Virtual Meeting**"), which can be used to attend the Virtual Meeting in the event the successful Unitholder or CPF/SRS investor is unable to attend the Physical Meeting for unforeseen reasons (see paragraph 4 below for further details on the Virtual Meeting).

Unitholders and CPF and SRS investors who have received the Confirmation Email for Physical Meeting will be required to bring their original NRIC/Passport for registration on the day of the EGM. Unitholders and CPF and SRS investors who did not receive the Confirmation Email for Physical Meeting will not be allowed entry into the Physical Meeting.

Unsuccessful authenticated Unitholders and CPF and SRS investors: Following the verification by the Manager, authenticated Unitholders and CPF and SRS investors who are unsuccessful in the pre-registration for the Physical Meeting due to excess demand will by 22 November 2020, 2.30 p.m. receive the Confirmation Email for Virtual Meeting.

(See paragraph 5 of the announcement titled "Extraordinary General Meeting to be held on 23 November 2020" (the "**EGM Announcement**"), which can be accessed through the QR code below, for further details on the pre-registration for the Physical Meeting, and the precautionary measures to be taken at the Physical Meeting to ensure the safety of attendees and minimise the risk of community spread of COVID-19.)

Unitholders and CPF and SRS investors can scan the QR code to access the EGM Announcement and the Proxy Form

4. Details of the Virtual Meeting

Unitholders and CPF and SRS investors attending the Virtual Meeting will be able to observe and/or listen to the EGM proceedings through a live audio-visual webcast or live audio-only stream via their mobile phones, tablets or computers.

(See paragraph 6 of the EGM Announcement for further details on the pre-registration for the Virtual Meeting.)

5. Question and Answer

Unitholders and CPF and SRS investors who wish to ask questions should note the following:

(i) if attending the Physical Meeting, Unitholders and CPF and SRS investors will be able to raise questions at the Physical Meeting;

(ii) if attending the Virtual Meeting, Unitholders and CPF and SRS investors will be able to ask questions at the EGM live during the live audio-visual webcast via the online chat box function; and

(iii) Unitholders and CPF and SRS investors are also encouraged to submit questions related to the resolutions to be tabled for approval at the EGM to the Chairman of the EGM, in advance of the EGM.

In order for Unitholders and CPF and SRS investors to submit questions in advance of the EGM, the questions must be submitted in the following manner by 20 November 2020, 2.30 p.m.:

(a) via MLT's website at the URL https://www.mapletreelogisticstrust.com; or

(b) via email to the Manager, at Ask-MapletreeLog@mapletree.com.sg.

Unitholders and CPF and SRS investors who submit questions via email must provide the following information for authentication:

(1) the Unitholder's full name;

(2) the Unitholder's address; and

(3) the manner in which the Unitholder holds Units in MLT (e.g., via CDP, CPF or SRS).

The Manager's Chairman, Mr Lee Chong Kwee, the Lead Independent Director, Mr Tarun Kataria, the Chairman of the Audit and Risk Committee, Mr Lim Joo Boon, together with the senior management of the Manager, will conduct the proceedings of the EGM. The Manager will endeavour to address all substantial and relevant questions submitted in advance of the EGM, prior to or during the EGM, and the Manager will publish the responses to those questions which the Manager will not be addressing during the EGM, on MLT's website and on SGXNET prior to the EGM. The Manager will publish the minutes of the EGM on MLT's website and on SGXNET, and the minutes will include the responses to the substantial and relevant questions which are addressed during the EGM.

6. Voting by Proxy only

A Unitholder (whether individual or corporate) must appoint the Chairman of the EGM as his/her/its proxy to attend, speak and vote on his/her/its behalf at the EGM if such Unitholder wishes to exercise his/her/its voting rights at the EGM, and there will not be real-time remote electronic voting at the Physical Meeting.

Where a Unitholder (whether individual or corporate) appoints the Chairman of the EGM as his/her/its proxy, he/she/it must give specific instructions as to voting, or abstention from voting, in respect of a resolution in the form of proxy, failing which the appointment of the Chairman of the EGM as proxy for that resolution will be treated as invalid.

The Proxy Form must be submitted in the following manner:

(a) if submitted by post, be lodged at the Unit Registrar's office at Boardroom Corporate & Advisory Services Pte. Ltd., 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623; or

(b) if submitted electronically, be submitted via email to the Unit Registrar at srs.teamd@boardroomlimited.com,

in either case, by not later than 20 November 2020, 2.30 p.m., being 72 hours before the time fixed for the EGM.

A Unitholder who wishes to submit an instrument of proxy must first complete and sign the Proxy Form, before submitting it by post to the address provided above, or before scanning and sending it by email to the email address provided above.

In view of the current COVID-19 situation and the related safe distancing measures which may make it difficult for Unitholders to submit completed Proxy Forms by post, Unitholders are strongly encouraged to submit completed Proxy Forms electronically via email.

7. Relevant Intermediaries

Persons who hold Units through relevant intermediaries (as defined in Section 181 of the Companies Act, Chapter 50 of Singapore), and who wish to participate in the EGM by (a) attending the Physical Meeting; (b) observing and/or listening to the EGM proceedings through live audio-visual webcast or live audio-only stream; (c) submitting questions in advance of the EGM; (d) submitting questions during the EGM via the online chat box and/or (e) appointing the Chairman of the EGM as proxy to attend, speak and vote on their behalf at the EGM, should contact the relevant intermediary through which they hold such Units as soon as possible in order to make the necessary arrangements for them to participate in the EGM.

In addition, CPF and SRS investors who wish to appoint the Chairman of the EGM as proxy should approach their respective CPF Agent Banks or SRS Operators to submit their votes by 11 November 2020, 5.00 p.m., being 7 working days before the date of the EGM.

8. Other details

(a) The Chairman of the EGM, as proxy, need not be a Unitholder of MLT.

(b) The Circular may be accessed at MLT's website at the URL https://www.mapletreelogisticstrust.com.

(c) Due to the COVID-19 situation in Singapore, the Manager may be required to change the arrangements for the EGM at short notice. Unitholders should check MLT's website at the URL https://www.mapletreelogisticstrust.com for the latest updates on the status of the EGM.

Personal Data Privacy:

By (a) submitting an instrument appointing the Chairman of the EGM as proxy to attend, speak and vote at the EGM and/or any adjournment thereof, (b) completing the pre-registration for the Physical Meeting or the Virtual Meeting in accordance with this Notice, or (c) submitting any question prior to the EGM in accordance with this Notice, a Unitholder consents to the collection, use and disclosure of the Unitholder's personal data by the Manager and the Trustee (or their agents) for the following purposes:

(i) the processing and administration by the Manager and the Trustee (or their agents) of proxy forms appointing the Chairman of the EGM as a proxy for the EGM (including any adjournment thereof);

(ii) the processing of the pre-registration for purposes of granting access to Unitholders (or their corporate representatives in the case of Unitholders which are legal entities) to the Physical Meeting or the Virtual Meeting, and providing them with any technical assistance where necessary;

(iii) addressing relevant and substantial questions from Unitholders and CPF and SRS investors received before the EGM and if necessary, following up with the relevant Unitholders and CPF and SRS investors in relation to such questions;

(iv) the preparation and compilation of the attendance lists, proxy lists, minutes and other documents relating to the EGM (including any adjournment thereof); and

(v) in order for the Manager and the Trustee (or their agents) to comply with any applicable laws, listing rules, regulations and/or guidelines.

mapletree
logistics

(Constituted in the Republic of Singapore
pursuant to a Trust Deed dated 5 July 2004 (as amended))

PROXY FORM

EXTRAORDINARY GENERAL MEETING

IMPORTANT

1. The Extraordinary General Meeting ("**EGM**") will be held at 20 Pasir Panjang Road, Mapletree Business City, Town Hall – Auditorium, Singapore 117439 pursuant to the COVID-19 (Temporary Measures) (Control Order) Regulations 2020 (the "**Physical Meeting**") and by way of electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020 (the "**Virtual Meeting**").
2. **Due to the current COVID-19 restriction orders in Singapore, Mapletree Logistics Trust Management Ltd., in its capacity as manager of Mapletree Logistics Trust ("MLT", and the manager of MLT, the "Manager"), will restrict the number of in-person attendees at the Physical Meeting by imposing a limit of 30 Unitholders and CPF and SRS investors to be accommodated at the Physical Meeting.** It should be noted that this limit for in-person attendees at the Physical Meeting may be subject to change taking into account any regulations, directives, measures or guidelines that may be issued by any government and regulatory agency in light of the COVID-19 situation from time to time.
3. Alternative arrangements relating to attendance at the Physical Meeting and the Virtual Meeting (including arrangements by which the meeting can be electronically accessed via live audio-visual webcast or live audio-only stream), submission of questions to the Chairman of the EGM in advance of the EGM, submission of questions to the Chairman of the EGM during the EGM via the online chat box, addressing of substantial and relevant questions prior to or during the EGM and voting by appointing the Chairman of the EGM as proxy at the EGM, are set out in the Notice of EGM.
4. **A Unitholder (whether individual or corporate) must appoint the Chairman of the EGM as his/her/its proxy to attend, speak and vote on his/her/its behalf at the EGM if such Unitholder wishes to exercise his/her/its voting rights at the EGM, and there will not be real-time remote electronic voting at the Physical Meeting.**
5. CPF and SRS investors who wish to appoint the Chairman of the EGM as proxy should approach their respective CPF Agent Banks or SRS Operators to submit their votes by 11 November 2020, 5.00 p.m., being 7 working days before the date of the EGM.
6. By submitting an instrument appointing the Chairman of the EGM as proxy, the Unitholder accepts and agrees to the personal data privacy terms set out in the Notice of EGM dated 2 November 2020.
7. **Please read the notes overleaf which contain instructions on, inter alia, the appointment of the Chairman of the EGM as a Unitholder's proxy to attend, speak and vote on his/her/its behalf at the EGM.**

I/We ____

____________________ (Name(s) and NRIC/Passport/Company Registration Number(s))

of ____ (Address)

being a Unitholder/Unitholders of MLT, hereby appoint the Chairman of the EGM as my/our proxy to attend, speak and to vote for me/us on my/our behalf, at the EGM of MLT to be held at 20 Pasir Panjang Road, Mapletree Business City, Town Hall – Auditorium, Singapore 117439 and by way of electronic means on Monday, 23 November 2020 at 2.30 p.m. and at any adjournment thereof.

(Voting will be conducted by poll. If you wish the Chairman of the EGM as your proxy to cast all your votes "for" or "against" a resolution, please indicate with an "X" in the "For" or "Against" box provided in respect of that resolution. Alternatively, please indicate the number of votes "for" or "against" in the "For" or "Against" box provided in respect of that resolution. If you wish the Chairman of the EGM as your proxy to abstain from voting on a resolution, please indicate with an "X" in the "Abstain" box provided in respect of that resolution. Alternatively, please indicate the number of Units that the Chairman of the EGM as your proxy is directed to abstain from voting in the "Abstain" box in respect of that resolution. In the absence of specific directions in respect of a resolution, the appointment of the Chairman of the EGM as your proxy for that resolution will be treated as invalid.)

No.	Ordinary Resolutions	For	Against	Abstain
1.	Proposed Acquisitions as Interested Person Transactions			
2.	Proposed issue of new units in MLT as partial consideration for the PRC Acquisitions			
3.	Proposed Whitewash Resolution			

Dated this ________ day of ______________ 2020

Total number of Units held

____
Signature(s) of Unitholder(s)/
Common Seal of Corporate Unitholder

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IMPORTANT: PLEASE READ THE NOTES TO PROXY FORM BELOW

Notes to Proxy Form

1. **Due to the current COVID-19 restriction orders in Singapore, the Manager will restrict the number of in-person attendees at the Physical Meeting by imposing a limit of 30 Unitholders and CPF and SRS investors to be accommodated at the Physical Meeting.** It should be noted that this limit for in-person attendees at the Physical Meeting may be subject to change taking into account any regulations, directives, measures or guidelines that may be issued by any government and regulatory agency in light of the COVID-19 situation from time to time.
2. A Unitholder (whether individual or corporate) must appoint the Chairman of the EGM as his/her/its proxy to attend, speak and vote on his/her/its behalf at the EGM if such Unitholder wishes to exercise his/her/its voting rights at the EGM, and there will not be real-time remote electronic voting at the Physical Meeting. Where a Unitholder (whether individual or corporate) appoints the Chairman of the EGM as his/her/its proxy, he/she/it must give specific instructions as to voting, or abstention from voting, in respect of each resolution in the form of proxy, failing which the appointment of the Chairman of the EGM as proxy for that resolution will be treated as invalid.
3. CPF and SRS investors who wish to appoint the Chairman of the EGM as proxy should approach their respective CPF Agent Banks or SRS Operators to submit their votes by 11 November 2020, 5.00 p.m, being 7 working days before the date of the EGM.
4. The Chairman of the EGM, as proxy, need not be a Unitholder of MLT.
5. The instrument appointing the Chairman of the EGM as proxy (the "**Proxy Form**") must be submitted in the following manner:
   (a) if submitted by post, be lodged at the Unit Registrar's office at Boardroom Corporate & Advisory Services Pte. Ltd., 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623; or
   (b) if submitted electronically, be submitted via email to the Unit Registrar at srs.teamd@boardroomlimited.com,

   in either case, by no later than 20 November 2020, 2.30 p.m., being 72 hours before the time fixed for the EGM.

   A Unitholder who wishes to submit an instrument of proxy must complete and sign the Proxy Form, before submitting it by post to the address provided above, or before scanning and sending it by email to the email address provided above.

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logistics

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BUSINESS REPLY SERVICE
PERMIT NO. 07893

The Company Secretary
Mapletree Logistics Trust Management Ltd.
(as Manager of Mapletree Logistics Trust)
c/o Boardroom Corporate & Advisory Services Pte. Ltd.
50 Raffles Place
#32-01 Singapore Land Tower
Singapore 048623

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In view of the current COVID-19 situation and the related safe distancing measures which may make it difficult for Unitholders to submit completed Proxy Forms by post, Unitholders are strongly encouraged to submit completed Proxy Forms electronically via email.

6. A Unitholder should insert the total number of Units held in the Proxy Form. If the Unitholder has Units entered against his/her name in the Depository Register maintained by The Central Depository (Pte) Limited ("**CDP**"), he/she should insert that number of Units. If the Unitholder has Units registered in his/her name in the Register of Unitholders of MLT, he/she should insert that number of Units. If the Unitholder has Units entered against his/her name in the said Depository Register and registered in his/her name in the Register of Unitholders, he/she should insert the aggregate number of Units. If no number is inserted, the Proxy Form will be deemed to relate to all the Units held by the Unitholder.
7. The Proxy Form must be executed under the hand of the appointor or of his/her attorney duly authorised in writing. Where the Proxy Form is executed by a corporation, it must be executed either under its common seal or under the hand of its attorney or a duly authorised officer.
8. Where the Proxy Form is signed on behalf of the appointor by an attorney or a duly authorised officer, the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power or authority must (failing previous registration with the Manager) be lodged with the Proxy Form, failing which the Proxy Form may be treated as invalid.
9. The Manager shall be entitled to reject a Proxy Form which is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified on the Proxy Form. In addition, in the case of Units entered in the Depository Register, the Manager may reject a Proxy Form if the Unitholder, being the appointor, is not shown to have Units entered against his/her name in the Depository Register as at 72 hours before the time appointed for holding the EGM, as certified by CDP to the Manager.
10. Any reference to a time of day is made by reference to Singapore time.

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Mapletree Logistics Trust Management Ltd.

10 Pasir Panjang Road
#13-01 Mapletree Business City
Singapore 117438

www.mapletreelogisticstrust.com