

For Immediate Release

## Mapletree Logistics Trust Deepens Korea Presence with Acquisitions of Five Modern Logistics Facilities

- Addition of high specifications, well-located logistics properties strengthens MLT’s portfolio quality and competitive positioning in South Korea
- 100% leased to a strong tenant base
- Acquisitions are in line with the Manager’s portfolio rejuvenation strategy

**Singapore, 15 February 2021** – Mapletree Logistics Trust Management Ltd., as manager of Mapletree Logistics Trust (“MLT”), is pleased to announce the acquisition of interests<sup>1</sup> in a portfolio of five modern, freehold logistics properties located in Yongin-Icheon, South Korea (the “Properties”), at a purchase consideration of KRW 280.0 billion (S\$334.8 million<sup>2</sup>) (the “Acquisitions”). The Properties are being acquired from Kookmin Bank Co., Ltd., in its capacities as trustee of Mirae Asset MAPS Logistics Private Qualified Investor Real Estate Investment Trust No. 3, and as trustee of Mirae Asset MAPS Logistics Private Qualified Investor Real Estate Investment Trust No. 4. Brief details of the Properties are set out below:

Property	Description	Agreed Property Value (KRW billion)	Valuation* (KRW billion)	GFA (sq m)	Occupancy	Tenants
Dongsan Logistics Centre (“Dongsan”)	3-storey dry warehouse	114.5	117.8	55,339	100%	Dongsan Logistics
AbleLogis Logistics Centre (“AbleLogis”)	3-storey dry warehouse	59.9	62.9	29,980	100%	TE Logis
CoreLogis Logistics Centre (“CoreLogis”)	3-storey dry warehouse	50.7	52.3	29,901	100%	Han Express

<sup>1</sup> Three of the Properties (being AbleLogis, Bukuk and Dongsan), have been acquired by Shinhan Bank Co., Ltd., as trustee of IGIS Professional Investment Type Private Placement Real Estate Investment Trust No. 404 (the “REF”). MLT through its direct, wholly-owned subsidiary Yeongdong (Korea) Pte. Ltd., proposes to subscribe, on completion of the Acquisitions, for approximately 99.9% of the units in the REF, with the remaining 0.1% units in the REF to be subscribed by Icheon REF Pte. Ltd., an indirect, wholly-owned subsidiary of Mapletree Investments Pte Ltd.

<sup>2</sup> Based on an illustrative exchange rate of KRW 836.40 = S\$1.

Bukuk Logistics Centre ("Bukuk")	2-storey dry warehouse	28.2	29.8	18,706	100%	Han Express
Gwan-ri Logistics Centre ("Gwan-ri")	4-storey dry warehouse	26.7	27.9	15,971	100%	DPL
<b>Total</b>		<b>280.0</b>	<b>290.7</b>	<b>149,897</b>		

Note \*: Based on independent valuations of the Properties conducted by Chestertons Korea Co., Ltd. (the "Valuer") as at 13 January 2021. The Valuer has valued the Properties primarily based on the Market Approach and the Income Approach.

Ms Ng Kiat, Chief Executive Officer of the Manager, said: "This is an attractive strategic opportunity for MLT to acquire a portfolio of high specifications warehouses that will significantly scale up our competitive positioning. The acquisitions will increase our gross floor area in South Korea by 40%, enabling us to better cater to the current and future needs of our customers and capture growth opportunities in the logistics market."

### About the Properties

Spanning almost 150,000 square metres ("sq m") in total gross floor area on approximately 148,800 sq m of freehold land, the Properties are modern warehouses with a weighted average age (by net lettable area) of 4.2 years. The Properties have high quality building specifications catering to the modern requirements of third-party logistics firms ("3PLs") and e-commerce tenants, including strong floor loading of 12 to 20 KiloNewton per square metre, high floor-to-ceiling height of 9 to 12 metres and large contiguous floor plates of up to 21,000 sq m. The Properties also provide direct ramp access, offering greater efficiency in the movement of cargo.

### Rationale and Benefits of the Acquisitions

The Acquisitions are in line with the Manager's strategy to rejuvenate MLT's portfolio through the addition of modern logistics facilities from acquisitions and redevelopment. With their modern specifications and favourable locations with excellent connectivity, the Properties are well positioned to attract users from high-value industries and the e-commerce sector. The growing and sizeable e-commerce market in South Korea is expected to underpin demand for modern logistics space in prime locations.

The Properties are strategically located in the Yongin-Icheon area, a prime logistics cluster in the south-east region of the Seoul Metropolitan Area ("SMA"), where over half of SMA's warehouse supply

is located. Yongin-Icheon is a highly sought-after location by logistics and e-commerce companies due to its proximity to Seoul and good accessibility to various parts of the country, which makes it ideal for domestic distribution. The location enjoys superior access to Gyeongbu and Jungbu Expressways, two major expressways running north-south; and to Yeongdong Expressway, the major expressway connecting the east and west coasts.

Dongsan, AbleLogis and Gwan-ri, situated in close proximity to Yangji Interchange on the Yeongdong Expressway, are well located to serve the population in Seoul, as well as the densely populated areas south of Seoul. The other two properties, CoreLogis and Bukuk, with direct accessibility to the Jungbu Expressway, are well suited for distribution to the eastern part of Seoul.

The Properties are 100% leased to four established local 3PLs with a weighted average lease expiry (by net lettable area) of approximately 1.7 years<sup>3</sup>. Approximately 45% of the Properties' revenue base<sup>4</sup> is accounted for by tenants engaged in e-fulfilment activities, such as Dongsan Logistics and TE Logis which are supporting Coupang and e-Bay respectively, the leading e-commerce players in South Korea. The other tenants, Han Express and DPL are also supporting end-users from the consumer sectors, including a multinational footwear company and a global consumer electronics retailer. The Acquisitions will raise MLT's e-commerce revenue exposure in South Korea from 15% to 25%.

The Acquisitions are expected to generate an initial net property income yield of approximately 4.5% based on the purchase price of KRW 280.0 billion. Including acquisition-related expenses, the total acquisition cost is estimated to be approximately KRW 298.2 billion. The Manager expects the Acquisitions to be accretive to MLT's distribution per unit.

### **Funding for the Acquisitions**

The Acquisitions will be funded by debt. Post completion of the Acquisitions, MLT's aggregate leverage ratio is estimated to be 38.9%<sup>5</sup>, while its total portfolio will increase to 161 properties with assets under management of S\$10.5 billion.

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<sup>3</sup> As at 1 February 2021.

<sup>4</sup> For the month ending 31 December 2020.

<sup>5</sup> Based on MLT's unaudited financial statements for 31 December 2020 and as if the Acquisitions were completed on 31 December 2020. Pro forma aggregate leverage will be 39.6% if including the acquisition of Mapletree Logistics Hub – Tanjung Pelepas in Malaysia as announced on 19 October 2020 and which is pending completion.

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### About Mapletree Logistics Trust (MLT)

MLT, the first Asia-focused logistics REIT in Singapore, was listed on the SGX-ST main board on 28 July 2005. MLT's principal strategy is to invest in a diversified portfolio of income-producing logistics real estate and real estate-related assets. As at 31 December 2020, it has a portfolio of 156 properties, comprising 52 properties in Singapore, 9 in Hong Kong SAR, 18 in Japan, 12 in Australia, 13 in South Korea, 30 in China, 15 in Malaysia and 7 in Vietnam, with assets under management of S\$10.2 billion. MLT is managed by Mapletree Logistics Trust Management Ltd., a wholly-owned subsidiary of Mapletree Investments Pte Ltd. For more information, please visit [www.mapletreelogisticstrust.com](http://www.mapletreelogisticstrust.com).

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This release 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, property expenses and governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business. You are cautioned not to place undue reliance on these forward looking statements, which are based on current view of management on future events. The information in this release must not be published outside the Republic of Singapore and in particular, but without limitation, must not be published in any United States edition of any publication.