

For Immediate Release

## MAPLETREE LOGISTICS TRUST TO ACQUIRE S\$1.4 BILLION OF GRADE-A LOGISTICS ASSETS IN CHINA, VIETNAM AND JAPAN

- *Acquisitions of 17 modern Grade-A logistics assets with average age of 1.6 years strengthens MLT's portfolio and unique network in Asia Pacific*
- *Positions MLT well to benefit from the favourable market fundamentals in the logistics sector*
- *Proposed Acquisitions are expected to be distribution per Unit ("DPU") and net asset value ("NAV") per Unit accretive on a historical pro forma basis*

**Singapore, 22 November 2021** – Mapletree Logistics Trust Management Ltd., as manager of Mapletree Logistics Trust ("MLT", and as manager of MLT, the "Manager"), is pleased to announce the proposed acquisition of a portfolio of 16 logistics properties, comprising the acquisitions of 13 properties located in China (the "PRC Properties") through the acquisitions from subsidiaries of Mapletree Investments Pte Ltd, the sponsor of MLT, and a subsidiary of Itochu Corporation of 13 property holding companies (the "PRC Acquisitions") and the acquisitions of three properties located in Vietnam (the "Vietnam Properties") through the acquisitions from a subsidiary of Mapletree Investments Pte Ltd of three property holding companies (the "Vietnam Acquisitions"). The agreed property values of the PRC Properties and the Vietnam Properties are RMB4,111.7 million (approximately S\$870.0 million<sup>1</sup>) and USD95.9 million (approximately S\$129.9 million<sup>2</sup>) respectively.

Separately, the Manager also wishes to announce the proposed acquisition of an effective 97%<sup>3</sup> interest in the trust beneficial interest in a logistics facility in Japan (the "Japan Property", and together with the PRC Properties and the Vietnam Properties, the "Properties") from an unrelated third party at an agreed property value of JPY35,000 million (approximately S\$416.3 million<sup>4</sup>) (the "Japan Acquisition", and together with the PRC Acquisitions and the Vietnam Acquisitions, the "Acquisitions").

Ms Ng Kiat, Chief Executive Officer of the Manager, said, "The pandemic has highlighted the importance of logistics and placed a greater emphasis on supply chain resiliency, fuelling demand for

<sup>1</sup> Based on the exchange rates of S\$1.00 = RMB4.73.

<sup>2</sup> Based on the exchange rates of S\$1.00 = USD0.74.

<sup>3</sup> The remaining 3% effective interest in the Japan Property will be held by Mapletree Investments Japan Kabushiki Kaisha, an indirect wholly owned subsidiary of the sponsor of MLT, pursuant to the existing holding structure for MLT's Japan assets.

<sup>4</sup> Based on the exchange rates of S\$1.00 = JPY84.07.

modern logistics space. The acquisitions of these 17 modern Grade-A logistics assets with an average age of 1.6 years position us well to capture these structural trends. The acquisitions in China and Vietnam will expand MLT's network connectivity in these large growing consumption markets while the acquisition in Japan will scale up our presence in Greater Nagoya, an attractive logistics market strategically located between Greater Tokyo and Greater Osaka. Spanning over 1.7 million square feet of gross floor area, this freehold modern ramp-up facility will be our largest asset in Japan."

### **Rationale and Benefits of the Acquisitions**

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

#### The PRC Acquisitions

China is an attractive logistics markets underpinned by favourable demand-supply dynamics. Increasing urbanisation, a growing middle class and rising e-commerce are expected to continue driving higher demand for logistics space, while a greater emphasis on supply chain resiliency has provided an added fillip to the sector. In addition, there is a scarcity of Grade-A warehouses in the market.

The PRC Properties are located in key logistics hubs and in close proximity to large population catchments. The PRC Acquisitions will deepen and expand MLT's presence in China, adding three new provinces to its geographical coverage and expanding its network to 43 assets in 29 cities. The enlarged portfolio allows MLT to offer tenants a multi-city network of warehouse facilities, positioning MLT to be the preferred partner for fast-growing tenants looking to build presence across the country.

#### The Vietnam Acquisitions

Similar to China, Vietnam's logistics market is supported by strong fundamentals. With rising consumption, an expanding middle-income urban population and strong e-commerce adoption rate, demand for quality logistics space is expected to remain robust, while supply of Grade-A logistics space remains limited.

Vietnam is also a beneficiary of the structural trend of supply chain diversification. The country's competitive costs and attractive investment environment have made it an ideal location for investors seeking to reduce costs and diversify supply chains as part of their strategy to build supply chain

resiliency. The strong inflow of foreign investment and manufacturing projects will continue to underpin and drive demand for logistics space.

The Vietnam Properties are located in the provinces of Bac Ninh and Binh Duong, which serve Hanoi and Ho Chi Minh City respectively, the largest consumption markets in northern Vietnam and the largest consumption market in Vietnam respectively. Both locations are established warehouse clusters popular with third-party logistics service providers for domestic distribution and e-commerce logistics tenants for last mile delivery.

The PRC Properties and the Vietnam Properties are high-quality and modern logistics facilities built to Grade-A specifications, including strong floor load, high ceilings and large floor plates, that cater to the modern requirements of third-party logistics service providers (“3PLs”) and e-commerce tenants. They have attracted a strong and diversified tenant base comprising primarily tenants serving the domestic consumer markets. The tenant base includes global 3PLs such as DHL and Damco (Maersk) and fast growing regional 3PLs like SF Express and Best. The PRC Properties and the Vietnam Properties have a committed occupancy rate of 91.0% with a weighted average lease expiry (by net lettable area) of 2.9 years<sup>5</sup>.

#### The Japan Acquisition

Strategically located between Greater Tokyo and Greater Osaka, the Greater Nagoya region is the largest manufacturing hub of Japan. The region is home to many established multinational and domestic corporations from the automotive (e.g. Toyota and Honda), machinery (e.g. Makita and Takakita) and electronics (e.g. Brother and Japan Material) industries. Demand for logistics facilities is sustained by the high manufacturing base as manufactured goods get distributed across Japan and internationally.

The Japan Property is located within an established industrial and logistics cluster in Greater Nagoya, in close proximity to Nagoya City, Nagoya Port and Centrair Airport. It enjoys easy access to the Shin-Meishin Expressway which provides excellent connectivity to Kyoto and Osaka in the west, and Hamamatsu and Shizuoka in the east.

---

<sup>5</sup> As at 11 November 2021.

The Japan Property is a freehold, 5-storey dry logistics facility with a gross floor area of over 1.7 million square feet. It is built to modern specifications, including two one-way ramps and large contiguous floor plates that support flexible leasing solutions. With the current supply of large-scale, modern multi-tenanted warehouses in Greater Nagoya being comparatively lower than what its economy may require, the Japan Acquisition positions MLT well to capture future growth potential from the logistics sector.

The Japan Property has attracted a diverse tenant mix comprising eight established and reputable tenants. They include a subsidiary of a leading car manufacturer as well as domestic and international market leaders for third-party logistics such as Nohi Transport, Marubeni Logistics and Hitachi Transport System. The Japan Property has an occupancy of 82.5%<sup>6</sup> with a weighted average lease expiry (by net lettable area) of 1.7 years.

### **Funding for the Acquisitions**

The aggregate agreed property value of the PRC Properties and the Vietnam Properties is S\$999.9 million, representing a discount of approximately 1.2% and 0.5% to the aggregate valuations by the independent property valuers appointed by HSBC Institutional Trust Services (Singapore) Limited (as trustee of MLT) and the Manager respectively. The agreed property value of the Japan Property is S\$416.3 million, which represents a discount of approximately 1.7% to the independent valuation of the Japan Property. The total acquisition cost of the Acquisitions, including acquisition-related expenses, is estimated to be approximately S\$1,467.5 million. The Acquisitions are expected to be DPU and NAV per Unit accretive on a historical *pro forma* basis.

The Manager intends to finance the proposed Acquisitions via a combination of equity (including consideration units) and debt. The final funding structure will be decided by the Manager at the appropriate time, taking into account the then prevailing market conditions to provide overall DPU accretion to Unitholders on a *pro forma* basis while maintaining an optimum level of aggregate leverage.

To demonstrate its continued commitment to MLT, Mapletree Investments Pte Ltd has agreed to receive consideration units in satisfaction of part of the acquisition price for the PRC Properties.

---

<sup>6</sup> As at 11 November 2021.

The PRC Acquisitions and the Vietnam Acquisitions will constitute “interested person transactions” under Chapter 9 of the Listing Manual and “interested party transactions” under the Property Funds Appendix, in respect of which the approval of Unitholders is required. A Unitholders’ circular will be issued and an extraordinary general meeting of MLT will be held in due course.

= END =

For enquiries, please contact:

Ms Lum Yuen May

Director, Investor Relations

Tel: +65 6659 3671

Email: [lum.yuenmay@mapletree.com.sg](mailto:lum.yuenmay@mapletree.com.sg)

#### **About Mapletree Logistics Trust (“MLT”)**

MLT, the first Asia-focused logistics REIT in Singapore, was listed on the SGX-ST Mainboard 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 30 September 2021, it has a portfolio of 163 logistics assets in Singapore, Hong Kong SAR, Japan, China, South Korea, Australia, Malaysia and Vietnam, with assets under management of S\$10.8 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).

#### **About Mapletree Investments Pte Ltd (“Mapletree”)**

Mapletree is a leading real estate development, investment, capital and property management company headquartered in Singapore. Its strategic focus is to invest in markets and real estate sectors with good growth potential. By combining its key strengths, the Group has established a track record of award-winning projects, and delivers consistent and high returns across real estate asset classes.

As at 31 March 2021, Mapletree has assets under management of S\$66.3 billion, comprising office, retail, logistics, industrial, data centre, residential and lodging properties. The Group currently manages four Singapore-listed real estate investment trusts (“REITs”) and six private equity real estate funds, which hold a diverse portfolio of assets in Asia Pacific, Europe, the United Kingdom (“UK”) and the United States (“US”).

The Group’s assets are located across 13 markets globally, namely Singapore, Australia, Canada, China, Europe, Hong Kong SAR, India, Japan, Malaysia, South Korea, the UK, the US and Vietnam. To support its global operations, Mapletree has established an extensive network of offices in these countries.

For more information, please visit [www.mapletree.com.sg](http://www.mapletree.com.sg).

## Important Notice

This release is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for units in MLT ("Units"). The past performance of MLT and the Manager is not necessarily indicative of the future performance of MLT and the Manager. 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 of MLT may only deal in their Units through trading on the Singapore Exchange Securities Trading Limited ("SGX-ST"). Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.

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 the Manager's current view of future events.

Nothing in this release should be construed as financial, investment, business, legal or tax advice and you should consult your own independent professional advisors. This release shall be read in conjunction with MLT's announcement in the SGXNET "THE PROPOSED ACQUISITIONS OF (A) A 100.0% INTEREST IN 13 NEW LOGISTICS ASSETS LOCATED IN THE PEOPLE'S REPUBLIC OF CHINA THROUGH THE ACQUISITION OF 13 PROPERTY HOLDING COMPANIES AND (B) A 100.0% INTEREST IN THREE LOGISTICS ASSETS LOCATED IN VIETNAM THROUGH THE ACQUISITION OF THREE PROPERTY HOLDING COMPANIES, AS INTERESTED PERSON TRANSACTIONS" dated 22 November 2021 and MLT's announcement in the SGXNET "THE PROPOSED ACQUISITION OF A LOGISTICS PROPERTY IN JAPAN" dated 22 November 2021.

This release is not for distribution, directly or indirectly, in or into the United States and is not an offer of securities for sale in the United States or any other jurisdictions. The securities of MLT have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**Securities Act**"), and may not be offered or sold in the United States except pursuant to an applicable exemption from, or in a transaction not subject to, the registration requirements under the Securities Act and in compliance with any applicable state securities laws. Any public offering of securities to be made in the United States would be made by means of a prospectus that may be obtained from an issuer and would contain detailed information about such issuer and the management, as well as financial statements. There will be no public offering of the securities referred to herein in the United States.

The information in this release must not be released, published or distributed, outside the Republic of Singapore and in particular, but without limitation, must not be published in any United States edition of any publication.