NOT FOR DISTRIBUTION IN OR INTO THE UNITED STATES, EUROPEAN ECONOMIC AREA, THE UNITED KINGDOM, CANADA, JAPAN OR AUSTRALIA

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

ANNOUNCEMENT

THE PROPOSED ACQUISITION OF A LOGISTICS PROPERTY IN JAPAN

*For illustrative purposes, certain JPY amounts have been translated into Singapore dollars. Unless otherwise indicated, such translations are as at 11 November 2021, being the latest practicable date (the "**Latest Practicable Date**") prior to this announcement (this "**Announcement**"), and have been made based on the illustrative exchange rate of S$1.00 = JPY84.07. Such translations should not be construed as representations that JPY 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. Any discrepancies in the tables included herein between the listed amounts and totals thereof are due to rounding.*

1. INTRODUCTION

Mapletree Logistics Trust Management Ltd., as manager of Mapletree Logistics Trust ("**MLT**", and as manager of MLT, the "**Manager**"), wishes to announce that a conditional trust beneficial interest sale and purchase agreement (the "**SPA**") has been entered into with an unrelated third party vendor, for the proposed acquisition of the trust beneficial interest in Kuwana Logistics Centre (the "**Japan Property**") for a purchase consideration of JPY35,000 million (S$416.3 million) (the " **Japan Acquisition**").

2. THE PROPOSED ACQUISITION

2.1 The Japan Property

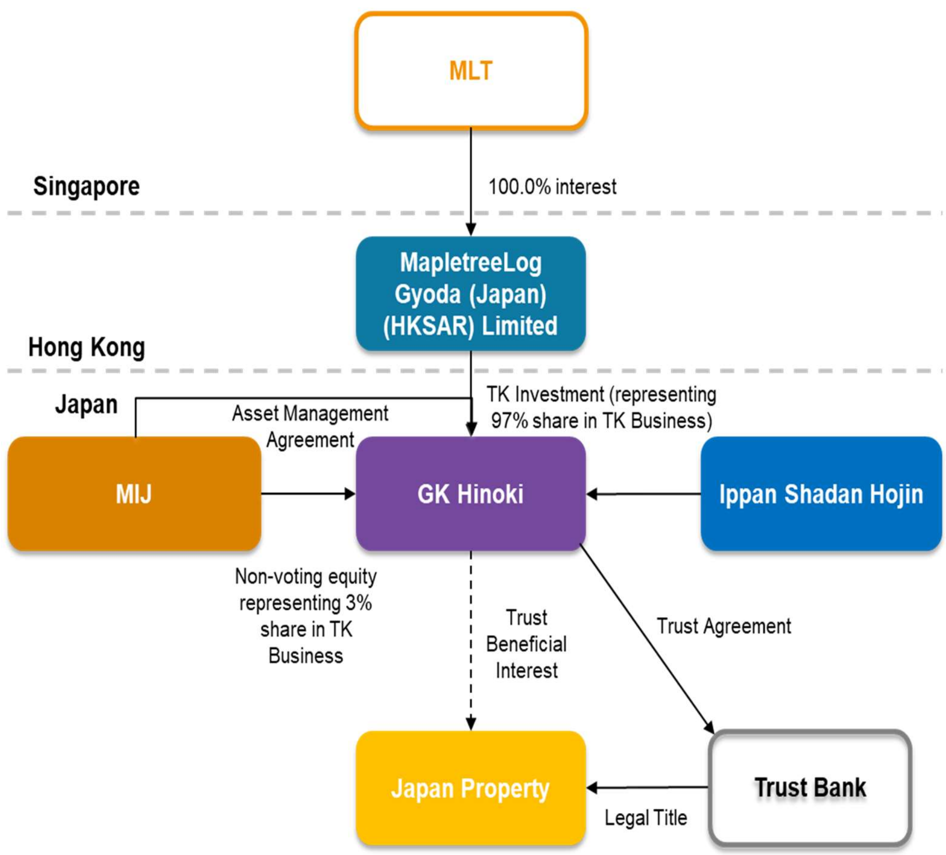
Completed in May 2019, the Japan Property is a multi-tenanted, 5-storey dry logistics facility strategically located within an established logistics and industrial cluster in Nagoya. The Japan Property, sited on approximately 70,253 square metres ("**sqm**") of freehold land with gross floor area of 158,034 sqm, is built to modern specifications such as double ramp ways, large floorplates, clear height of 5.5 metres and floor loading of 1.5 tons per sqm. The Japan Property has a committed occupancy rate of 82.5% and is leased to a diverse tenant base comprising eight established and reputable tenants.

2.2 Structure of the Proposed Japan Acquisition

The legal title of the Japan Property is entrusted to Sumitomo Mitsui Trust Bank, Limited, a licensed trust bank (the "**Trust Bank**"), pursuant to a trust agreement (such trust, the "**Trust**"), with the trust beneficial interest (the "**TBI**") in the Trust held by TMK Hanamizuki Holdings (the "**Vendor**").

In connection with the Japan Acquisition, the SPA has been entered into on 22 November 2021 between Godo Kaisha Hinoki ("**GK Hinoki**" or the "**Purchaser**") and the Vendor, for the Purchaser to acquire the TBI in the Trust. MLT, through its wholly-owned subsidiary, MapletreeLog Gyoda (Japan) (HKSAR) Limited, makes *tokumei kumiai* ("**TK**") contribution into the TK business carried out by GK Hinoki in exchange for an effective 97% share of the profits or losses arising from the TK business. Pursuant to the existing holding structure for MLT's Japan assets, Mapletree Investments Japan Kabushiki Kaisha ("**MIJ**" or the "**Japan Asset Manager**"), an indirect wholly-owned subsidiary of Mapletree Investments Pte Ltd ("**MIPL**" or the "**Sponsor**"), which holds preferred membership interest in GK Hinoki, is entitled to effectively receive 3% share of the profit or losses arising from the TK business conducted by GK Hinoki.

The diagram below sets out the relationships between the various parties following completion.



The TK is a contractual arrangement between a silent investor (in this case, MapletreeLog Gyoda (Japan) (HKSAR) Limited) and the operator (in this case, GK Hinoki), and a common structure adopted for investment in real estate in Japan. The TBI is the economic interest of the underlying assets and is held by a beneficiary of the trust.

Following completion, the Trust Bank will continue to act as trustee of the Trust and the Trust Bank will hold the legal title to the Japan Property. The Purchaser will hold the TBI in the Trust and will be the beneficiary under the Trust.

3. DETAILS OF THE JAPAN ACQUISITION

3.1 Valuation and Purchase Consideration

Pursuant to the SPA, GK Hinoki will acquire the TBI in the Trust for a purchase consideration of JPY35,000 million (S$416.3 million) (the "**Purchase Consideration**"), which represents the agreed property value (the "**Agreed Property Value**") and was negotiated on a willing-buyer and willing-seller basis taking into account the independent valuation of the Japan Property. The independent valuation conducted by JLL Morii Valuation & Advisory K.K. (the "**Valuer**"), which was commissioned by the Manager, concluded a market value for the Japan Property of JPY35,600 million as at 11 November 2021.

The Agreed Property Value represents a discount of approximately 1.7% to the independent valuation of the Japan Property. The Valuer has valued the Japan Property based on the Discounted Cash Flow and Direct Capitalisation methods.

The purchase consideration payable by MLT for the Japan Acquisition (the "**MLT Purchase Consideration**") is approximately JPY33,950 million (S$403.8 million), which represents MLT's 97% effective interest in the Japan Property, and shall be satisfied fully in cash. The balance of the Purchase Consideration will be funded by MIJ, in proportion to its existing effective interest in GK Hinoki.

3.2 Estimated Total Acquisition Cost

The estimated total cost of the Japan Acquisition (the "**Total Acquisition Cost**") is approximately JPY35,700 million (approximately S$424.6 million), comprising:

(i) the MLT Purchase Consideration of JPY33,950 million (S$403.8 million) as described in paragraph 3.1 above;

(ii) the acquisition fee payable to the Manager for the Japan Acquisition pursuant to the trust deed dated 5 July 2004 constituting MLT (as supplemented, amended and restated) (the "**Trust Deed**") of approximately JPY339.5 million (S$4.0 million) (representing 1.0% of the MLT Purchase Consideration), which is payable in cash; and

(iii) the estimated professional and other fees and expenses of approximately JPY1,410.5 million (S$16.8 million) incurred or to be incurred in connection with the Japan Acquisition (inclusive of due diligence cost, applicable taxes and costs to be incurred in relation to the valuation) and the Equity Fund Raising (as defined below).

3.3 Sale and Purchase Agreement

The key terms of the SPA include the following:

(i) the Purchase Consideration of JPY35,000 million (S$416.3 million) is to be satisfied in cash on closing, subject to the adjustments as set forth in the SPA;

(ii) customary provisions relating to the Japan Acquisition, including representations and warranties;

(iii) fulfilment of relevant conditions precedent, including (a) the representations and warranties of the parties being true and correct on the date of execution of the SPA and the closing date, and (b) the parties having performed and observed all their respective duties and obligations under the SPA by the closing date; and

(iv) the closing date shall be 16 December 2021 (unless otherwise mutually agreed between the parties).

3.4 The Asset Manager

Pursuant to the existing asset management agreement which was entered into between MIJ (as the Japan Asset Manager) and GK Hinoki (as the operator) in relation to the management of MLT's Japan properties held under GK Hinoki, the Japan Asset Manager will provide asset management services for the Japan Property upon completion of the Purchaser's acquisition of the TBI in the Trust, on the same terms as are currently set out under the asset management agreement. The fees payable by GK Hinoki to the Japan Asset Manager are on substantially the same rate as the base fees payable by MLT to the Manager under the Trust Deed.

Under the Trust Deed, the Manager is entitled to appoint any service providers (including any related Mapletree entity) to perform its obligations thereunder, provided that, among others, the Manager shall provide overall management and supervision and be liable for all acts and omissions of such persons. In the computation of the Manager's management fees payable under the Trust Deed, any asset management fees payable to the Japan Asset Manager for MLT's properties in Japan will be taken into account and no double payment will be made in respect of asset management services provided for MLT's properties in Japan.

4. RATIONALE FOR AND BENEFITS OF THE JAPAN ACQUISITION

The Japan Acquisition is in line with the Manager's investment objective to deliver regular and stable distributions to MLT's unitholders ("**Unitholders**") through the acquisition of quality, income-producing assets. The Manager believes that the Japan Acquisition will bring the following key benefits to Unitholders:

4.1 Expand MLT's presence in Greater Nagoya, a key regional distribution location

The Japan Acquisition will expand MLT's presence with a third property in Greater Nagoya, a key regional distribution strategically located between Greater Tokyo and Greater Osaka. MLT's existing two properties in Greater Nagoya are Toki Centre and Aichi Miyoshi Centre. The Japan Acquisition will deepen MLT's network connectivity in

Japan and complement its existing platform of 18 logistics facilities, of which eight are located in the Greater Tokyo area.

Nagoya is supported by a highly developed logistics and transportation infrastructure with a comprehensive and modern network of airports, seaports, roadways and rail lines that facilitates local and international distribution.

Centrally located in Kuwana city of Mie prefecture in Japan, the Japan Property has easy access to the Shin-Meishin expressway (about 15 minutes' drive), which provides excellent connectivity to Kyoto and Osaka in the west, and Hamamatsu and Shizuoka in the east.

The average travelling time by road to Osaka city is about 2 hours 15 minutes and to Shizuoka about 2 hours 40 minutes, which is within the 4-hour travelling time limit for truck drivers permitted by the labour law in Japan. This makes the location ideal for regional distribution and is attractive to logistics companies looking to serve not only the Greater Nagoya region, but also Greater Osaka and the western part of Greater Tokyo.

4.2 Strategically located in an established industrial and logistics cluster with excellent connectivity

The Japan Property is located within an established industrial and logistics cluster, in close proximity to Nagoya City, Nagoya Port (40 minutes' drive for both locations) and Centrair Airport (60 minutes' drive).

The Greater Nagoya region is the largest manufacturing hub of Japan, surpassing both Greater Tokyo and Greater Osaka. In 2019, the shipment value of Greater Nagoya's manufacturing industry amounted to 25.3% of the total for Japan, as compared to 15.9% and 14.6% for Greater Tokyo and Greater Osaka respectively[1].

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.

4.3 A growing market with low supply of large modern warehouse space

The total stock of large-scale, modern multi-tenanted warehouses ("**LMT**") in Greater Nagoya is about 1.3 million sqm in 2020[2]. Comparing Greater Tokyo with Greater Nagoya, the gross domestic product ("**GDP**") and LMT stock of Greater Nagoya is 22% and 10% respectively that of Greater Tokyo. This suggests that the current LMT supply in Greater Nagoya is comparatively lower than what its GDP may require, representing future growth potential.

With the proposed opening of a Superconducting Magnetic Levitation Railway in 2027 connecting Tokyo and Nagoya and as industries and economic activities develop along the railway, this is expected to provide an additional demand driver for logistics space in Greater Nagoya.

---

1 Value of manufactured goods shipments, Ministry of Economy, Trade and Industry, 13 August 2021.

2 "Chubu Area Logistics Market where Supply drives Demand", CBRE, 10 February 2020.

4.4 Young, modern logistics asset with double ramp

Completed in May 2019, the Japan Property is a multi-tenanted, 5-storey dry logistics facility sited on approximately 70,253 sqm of freehold land with a gross floor area of 158,034 sqm. The Japan Property is built to modern specifications, including two one-way ramps, floor loading of 1.5 tons/sqm, clear ceiling height of 5.5 metres, large contiguous floor plates of 12,872 sqm with wide column grid of 10.3 metres by 9.5 metres. It has a total of 130 truck berths and 430 carpark lots for workers. Besides being fully ramp accessible, the Japan Property can be easily sub-divided into two or four units to support flexible leasing solutions.

Ramp-up warehouses are highly sought-after and remain a scarcity in the Greater Nagoya area. They provide direct vehicular access to all levels and offer greater efficiency in the movement of cargo and lower operating and maintenance costs. For these reasons, ramp-up warehouses are more attractive to potential tenants as compared to conventional cargo-lift warehouses. They are also more resilient to downward pressures on rental and occupancy rates during an industry downturn.

4.5 Diverse tenant base of established logistics service providers

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. As at 11 November 2021, the Japan Property has a committed occupancy of 82.5% with a weighted average lease expiry (by net lettable area) of 1.7 years.

4.6 The Japan Acquisition is expected to be accretive based on stabilised net property income yield of 4.0%

The Japan Acquisition is expected to generate a stabilised net property income yield of approximately 4.0%[3] based on the Agreed Property Value of JPY35,000 million. The Manager expects the Japan Acquisition to be accretive to MLT's distribution per unit in MLT ("**Unit**") ("**DPU**") on a historical pro forma basis.

5. METHOD OF FINANCING AND FINANCIAL EFFECTS OF THE JAPAN ACQUISITION

5.1 Method of Financing

The Manager intends to finance the Total Acquisition Cost through a combination of debt financing ("**Loan Facilities**") and the proceeds of an equity fund raising which may comprise a private placement of new Units to institutional and other investors and/or a non-renounceable preferential offering of new Units to the existing Unitholders on a pro rata basis (the "**Equity Fund Raising**"). The final decision regarding the proportion of the debt and equity to be employed to fund the Japan Acquisition will be made by the Manager at the appropriate time, taking into account the then prevailing market

3 Assuming that the Japan Property had a stabilised portfolio occupancy rate of 100.0% for the entire financial year ended 31 March 2021 and all leases, whether existing or committed as at the Latest Practicable Date, were in place since 1 April 2020 and that all tenants were paying their rents in full throughout the period.

conditions to provide overall DPU accretion to Unitholders on a *pro forma* basis while maintaining an appropriate level of aggregate leverage.

The details and timing of the Equity Fund Raising have not been determined. The issue price of new Units under the Equity Fund Raising will be based on, among other things, relevant market conditions and demand for the new Units. Further details of the Equity Fund Raising will be announced by the Manager at the appropriate time.

5.2 Pro Forma Financial Effects

FOR ILLUSTRATIVE PURPOSES ONLY: The *pro forma* financial effects of the Japan Acquisition on the DPU and the NAV per Unit presented below are strictly for illustrative purposes only and were prepared based on the FY20/21 Financial Statements and assuming approximately S$200.0 million from the gross proceeds of the Equity Fund Raising issued at an illustrative issue price of S$1.92 was used to partially fund the acquisition cost of the Japan Property, with the balance funded by debt.

5.2.1 *Pro Forma* DPU

FOR ILLUSTRATIVE PURPOSES ONLY: The *pro forma* financial effects of the Japan Acquisition on MLT's DPU for the FY20/21 Financial Statements, as if the Japan Acquisition, the issuance of New Units in connection with the Equity Fund Raising, and debt financing were completed on 1 April 2020, and as if MLT held the Japan Property through to 31 March 2021, are as follows:

	Before the Japan Acquisition	After the Japan Acquisition
Total profit before tax (S$'000)	565,719	576,915(1)
Amount available for distribution to Unitholders (S$'000)	333,079	345,609(1)
Units in issue at the end of the year (million)	4,283.2(2)	4,388.4(3)
DPU (cents)	8.326(4)	8.409(5)
DPU accretion (%)	–	1.0%

Notes:

(1) Assuming that the Japan Property had a stabilised portfolio occupancy rate of 100.0% for the entire financial year ended 31 March 2021 and all leases, whether existing or committed as at the Latest Practicable Date, were in place since 1 April 2020 and that all tenants were paying their rents in full throughout the period.

(2) Units in issue as at 31 March 2021.

(3) Includes (a) approximately 104.2 million New Units issued in connection with the Equity Fund Raising at an issue price of S$1.92 per New Unit and (b) approximately 1.0 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 Japan Property for the financial quarters ended 30 June 2020, 30 September 2020 and 31 December 2020.

(4) For the financial year ended 31 March 2021.

(5) Assuming the Japan Acquisition is on a stabilised basis. Based on committed occupancy of 82.5%, the pro forma DPU after the Japan Acquisition would be 8.341 and the overall DPU accretion would be 0.2%.

5.2.2 *Pro Forma* NAV

FOR ILLUSTRATIVE PURPOSES ONLY: The *pro forma* financial effects of the Japan Acquisition on the NAV per Unit as at 31 March 2021, as if the Japan Acquisition, the issuance of New Units in connection with the Equity Fund Raising and debt financing were completed on 31 March 2021, are as follows:

	Before the Japan Acquisition	**After the Japan Acquisition**
NAV represented by Unitholders' funds (S$ million)	5,681.3	5,881.3
Issued Units (million)	4,283.2(1)	4,387.4(2)
NAV per Unit (S$)	1.33	1.34

Notes:

(1) Number of Units in issue as at 31 March 2021.

(2) Includes approximately 104.2 million New Units issued in connection with the Equity Fund Raising at an issue price of S$1.92 per New Unit

5.2.3 *Pro Forma* Aggregate Leverage

FOR ILLUSTRATIVE PURPOSES ONLY: The *pro forma* aggregate leverage of MLT as at 30 September 2021, as if the Japan Acquisition, the issuance of New Units in connection with the Equity Fund Raising and debt financing were completed on 30 September 2021, is as follows:

	Before the Japan Acquisition	**After the Japan Acquisition**
Aggregate Leverage (*Pro forma* as at 30 September 2021)	39.0%(1)	39.5%(2)

Notes:

(1) Pro forma as at 30 September 2021, including committed acquisitions announced to date, partially funded by approximately S$150.0 million out of the gross proceeds arising from the issue of S$400.0 million in principal amount of 3.725% fixed rate subordinated perpetual securities (as first announced by the Manager on 26 October 2021).

(2) Includes the Loan Facilities.

6. OTHER INFORMATION

6.1 Relative figures computed on the bases set out in Rule 1006

The relative figures for the Japan Acquisition using the applicable bases of comparison set out in Rule 1006(b) and Rule 1006(c) of the listing manual of Singapore Exchange Securities Trading Limited (the "**SGX-ST**", and the listing manual of the SGX-ST, the "**Listing Manual**") are set out in the table below.

Comparison of	Japan Property	MLT	Relative figure
Net Property Income (S$ million)(1)	12.6(2)	577.2(3)	2.2%
Consideration against market capitalisation (S$ million)	403.8(4)	8,428.5(5)	4.8%

Notes:

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

(2) Assuming that the Japan Acquisition had committed occupancy of 82.5% for the entire financial year ended 31 March 2021 and all leases, whether existing or committed as at the Latest Practicable Date, were in place since 1 April 2020.

(3) Based on MLT's annualised consolidated accounts for the half year ended 30 September 2021.

(4) Based on MLT's effective interest of 97% in the Purchaser, this figure represents the MLT Purchase Consideration payable by MLT.

(5) Based on 4,300,267,765 Units in issue and the closing price of S$1.96 per Unit on the SGX-ST on 19 November 2021, being the market day immediately prior to the date of entry of the Sale and Purchase Agreement.

As the relative figures computed on the bases set out above do not exceed 5.0%, the Japan Acquisition is classified as a non-discloseable transaction under Chapter 10 of the Listing Manual.

6.2 Interests of Directors and Substantial Unitholders

As at the date of this announcement, certain directors of the Manager ("**Directors**") collectively hold an aggregate direct and indirect interest in 858,867 Units. Save as disclosed in this announcement and based on the information available to the Manager as at the date of the announcement, none of the Directors or the substantial unitholders have an interest, direct or indirect, in the Japan Acquisition.

6.3 Directors' Service Contracts

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

7. 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 the announcement up to and including the date falling three months after the date of the announcement:

(i) the SPA; and

(ii) the valuation report by the Valuer.

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

By Order of the Board
Wan Kwong Weng
Joint Company Secretary
Mapletree Logistics Trust Management Ltd.
(Company Registration No. 200500947N)
As Manager of Mapletree Logistics Trust

22 November 2021

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.

This Announcement is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for Units. The past performance of MLT is not necessarily indicative of the future performance of MLT.

This Announcement 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. Investors are cautioned not to place undue reliance on these forward-looking statements, which are based on the Manager's current view of future events.

This Announcement is not for release, publication or distribution, directly or indirectly, in or into the United States, European Economic Area, the United Kingdom, Canada, Japan or Australia, and should not be distributed, forwarded to or transmitted in or into any jurisdiction where to do so might constitute a violation of applicable securities laws or regulations.

The securities referred to herein have not been and will not be registered under 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 U.S. Securities Act of 1933, as amended (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.