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

**ANNOUNCEMENT**

**RESPONSES TO SUBSTANTIAL AND RELEVANT QUESTIONS FROM UNITHOLDERS FOR THE ANNUAL GENERAL MEETING ON 17 JULY 2024**

Mapletree Logistics Trust Management Ltd., as manager (the "**Manager**" or "**MLTM**") of Mapletree Logistics Trust ("**MLT**"), wishes to thank all Unitholders of MLT who have submitted their questions in advance of the 15th Annual General Meeting of MLT, which will be held at 20 Pasir Panjang Road, Mapletree Business City, Town Hall – Auditorium, Singapore 117439 on 17 July 2024, 2.30 p.m. (Singapore Time).

The Appendix sets out the Manager's responses to the substantial and relevant questions received from Unitholders. Where questions overlap or are closely related, they have been grouped together for Unitholders' easy reference and reading.

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

11 July 2024

## APPENDIX

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| 1. | **On Page 49 of the annual report, under 'Lease Expiry Profile - SUA vs. MTB Breakdown (By NLA)', it was noted that 29.6% of leases are due for renewal in the coming financial year 2024/25, which is a rather significant portion. Notably, 13.2% of these leases are in China.**<br><br>**(i) Have lease negotiations started, and if so, what is the current progress?**<br>**(ii) Considering the current challenges in China's logistics sector and the fact that 13.2% of leases there will expire in the coming financial year, what is the likelihood of tenants renewing their leases? Additionally, does the management anticipate further declines in rental reversion?**<br><br>**Response**<br>In China, the post-Covid economic recovery was weaker than expected with consumption and business sentiment impacted. Coupled with high supply of warehouse space, this contributed to a challenging leasing environment. While the government has announced stimulus measures aimed at supporting growth and consumption, weakness in the property sector continues to dampen the outlook.<br><br>Against this backdrop, tenants in China remain cautious, with a preference not to renew leases ahead of expiries and they are committing to shorter leases due to the uncertain market outlook. Nevertheless, the team has made good progress in renewing/replacing the expiring leases. We will provide further updates in our upcoming 1Q FY24/25 results release.<br><br>As we prioritise maintaining stable occupancy over rent growth, we expect negative rental reversions to persist over the next few quarters as the expiring rental rates are marked to market. |
| 2. | **Will MLT be affected by a sharp drop in occupancy in China, given the challenges in the logistics and warehouse business there?**<br><br>**Response**<br>We are focused on achieving stable occupancy and have consistently maintained occupancy at above 90% in the past. As at 31 March 2024, the China portfolio registered an occupancy of 93.2%, above the country's average occupancy rate of 78.2%[1].<br><br>We will continue to build on the close relationships with key account tenants, understand their local distribution requirements and maintain a flexible approach to help them tide through the current difficult environment. We believe we are well-placed to continue delivering stable occupancy in China. |
| 3. | **For China-based assets, what types of tenants do we have? E.g., e-commerce, industrial, retail, etc. etc. Does MLT have some of the transnational e-commerce players as tenants? What would drive the recovery of the logistics assets in China?**<br><br>**Response**<br>The tenants in our China portfolio are comprised mainly of local e-commerce players and third-party logistics (3PL) operators serving local consumers. We have limited exposure to transnational e-commerce players.<br><br>Looking ahead, new supply of logistics space is projected to decline in 2024 from the peak in 2023[2]. This may drive a recovery of the logistics market as the supply-demand balance gradually |

[1] Independent Market Research Report by CBRE, April 2024
[2] Independent Market Research Report by CBRE, April 2024

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| | improves. In addition, recent government policies to stimulate domestic consumption may benefit our tenants as they largely cater to local consumption. |
| 4. | **How about assets in Hong Kong? Is the market situation different or similar to China (mainland)?**<br><br>**<u>Response</u>**<br>Hong Kong and China are very different markets in terms of supply dynamics. Historically, Hong Kong has had tight warehouse supply, with a compound annual growth rate of just 1% and vacancy rate below 10% over the past decade. In 2023, the completion of CaiNiao Smart Gateway at the Hong Kong International Airport with 4.1 million sqft of lettable area caused Hong Kong's vacancy rate to end 2023 higher at 7.3%[3]. According to independent market research by Savills Research & Consultancy, no upcoming warehouse supply is expected between 2024 and 2027, and rents are expected to see moderate growth of 0% to 5% over 2024 and 2025.<br><br>MLT's Hong Kong portfolio delivered stable operating performance in FY23/24 with occupancy of 95.6% as at 31 March 2024. The decline in occupancy rate compared to 99.3% in FY22/23 was mainly due to the expiry of a lease at a single-user asset with old building specifications which is slated for divestment. |
| 5. | **How do macro drivers such as supply chain reconstitution and manufacturing relocation impact MLT's business and investment decisions? What are we doing to soften the impact and benefit from the changes?**<br><br>**<u>Response</u>**<br><br>MLT is poised to benefit from the reconfiguration of supply chains as businesses diversify their supply networks to reduce risk from geopolitical conflicts and the US-China trade war. Southeast Asia has emerged as an attractive market for businesses looking for an alternative manufacturing base. Within our markets, Vietnam, Malaysia and India are prime beneficiaries of this trend.<br><br>As part of our portfolio rejuvenation strategy, we announced and/or completed the acquisitions of 12 modern logistics properties with an aggregate value of over S$1.1 billion in FY23/24. These included the acquisition of an asset in Delhi NCR, India, and the acquisitions from our Sponsor of an asset in Malaysia and two assets in Vietnam, which deepened our network connectivity in these dynamic emerging markets.<br><br>We also executed over S$200 million in divestments of properties with relatively older specifications in FY23/24. Year-to-date, we announced the divestment of another three properties with a combined value of around S$37.4 million, comprising two properties from Singapore and one from Xi'an, China. Proceeds from the divestments will enable us to recycle capital into acquisitions of modern, Grade A assets with higher growth potential.<br><br>Our exposure to emerging markets positions us to harness their higher growth potential and benefit from structural trends such as supply chain diversification and consumption growth. This is balanced by our approximately 70% exposure to developed markets, which provide stability to overall portfolio performance. |

[3] Independent Market Research Report by Savills Research & Consultancy, April 2024