mapletree logistics

MAPLETREE LOGISTICS TRUST

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

CIRCULAR DATED 8 MAY 2018

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. Any proposed issue of new units described in this Circular 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 new units 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:

THE PROPOSED ACQUISITION OF A 50.0% INTEREST IN EACH OF 11 PROPERTY HOLDING COMPANIES AS AN INTERESTED PERSON TRANSACTION (THE "ACQUISITION")

IMPORTANT DATES AND TIMES FOR UNITHOLDERS	
Last date and time for lodgement of Proxy Forms	21 May 2018 (Monday) at 2.30 p.m.
Date and time of Extraordinary General Meeting ("EGM")	24 May 2018 (Thursday) at 2.30 p.m.
Place of EGM	10 Pasir Panjang Road, Mapletree Business City, Town Hall – Auditorium, Singapore 117438

Managed by

MAPLETREE LOGISTICS TRUST MANAGEMENT LTD.

Joint Global Co-ordinators and Bookrunners in relation to the Equity Fund Raising (in alphabetical order)

citi DBS HSBC

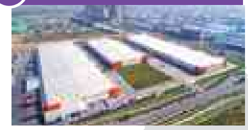
Independent Financial Adviser to the Independent Directors, Audit and Risk Committee and the Trustee (each as defined herein)

EY

Strategic Expansion in the Attractive China Logistics Market

Aggregate Agreed Property Value	Implied Net Property Income Yield	Net LettableArea (“NLA”)	Occupancy Rate[2]	Weighted Average Lease Expiry (“WALE”)
RMB2,846.8 mil (~S$593.1 mil)	**~6.4%[1]**	**821,911 sq m**	**97.7%**	**3.3 years[3]**

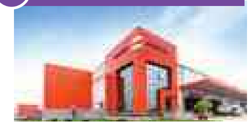
8 Mapletree Xi’an

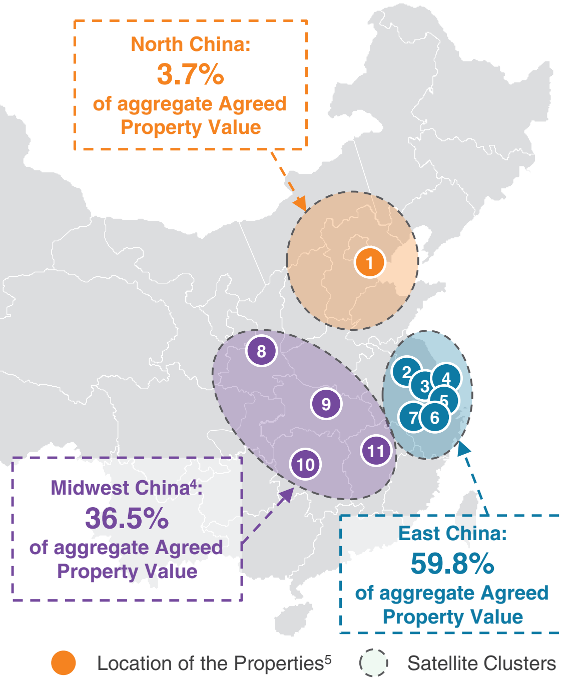


9 Mapletree Wuhan

10 Mapletree Changsha

11 Mapletree Nanchang



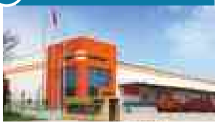


1 Mapletree Tianjin

2 Mapletree Zhenjiang

3 Mapletree Wuxi

4 Mapletree Nantong



5 Mapletree Changshu

6 Mapletree Jiaxing

7 Mapletree Hangzhou

Mapletree Tianjin

Location:	**Tianjin**
NLA:	**29,148 sq m**
Remaining Land Tenure:	**~47 years**
Committed Occupancy[6]:	**100.0%**
No. of Tenants:	**1**
Agreed Property Value:	**RMB104.2 mil (S$21.7 mil)**

Mapletree Zhenjiang[7]

Location:	**Zhenjiang**
NLA:	**101,616 sq m**
Remaining Land Tenure:	**~49 years**
Committed Occupancy[6]:	**100.0%**
No. of Tenants:	**1**
Agreed Property Value:	**RMB329.8 mil (S$68.7 mil)**

Mapletree Wuxi

Location:	**Wuxi**
NLA:	**122,403 sq m**
Remaining Land Tenure:	**~46 years**
Committed Occupancy[6]:	**97.1%**
No. of Tenants:	**15**
Agreed Property Value:	**RMB411.6 mil (S$85.8 mil)**

Based on the illustrative exchange rate of S$1.00 = RMB4.80.

(1) Assuming that the Properties had a portfolio occupancy rate of 97.7% for the entire financial year ended 31 March 2018 and all leases, whether existing or committed as at 26 April 2018, being the latest practicable date prior to the printing of this Circular (the “**Latest Practicable Date**”), were in place since 1 April 2017. All tenants were paying their rents in full. Net Property Income yield is computed based on the aggregate Agreed Property Value.

(2) As at 31 March 2018, the portfolio occupancy rate of the Properties is 83.2% and including committed leases that have been secured as at the Latest Practicable Date, the portfolio occupancy rate of the Properties is 97.7%.

(3) By NLA as at 31 March 2018.

(4) Comprising Central and Western China.

(5) The 11 properties are: Mapletree Tianjin Wuqing Logistics Park (“**Mapletree Tianjin**”); Mapletree Zhenjiang Logistics Park (“**Mapletree Zhenjiang**”); Mapletree Wuxi New District Logistics Park (“**Mapletree Wuxi**”); Mapletree Nantong Chongchuan Logistics Park (“**Mapletree Nantong**”); Mapletree Changshu Logistics Park (“**Mapletree Changshu**”); Mapletree Jiaxing Logistics Park (“**Mapletree Jiaxing**”); Mapletree Hangzhou Logistics Park (“**Mapletree Hangzhou**”); Mapletree Fengdong (Xi’an) Industrial Park (“**Mapletree Xi’an**”); Mapletree Wuhan Yangluo Logistics Park (“**Mapletree Wuhan**”); Mapletree Changsha Logistics Park Phase 1 (“**Mapletree Changsha**”); and Mapletree Nanchang Logistics Park (“**Mapletree Nanchang**”).

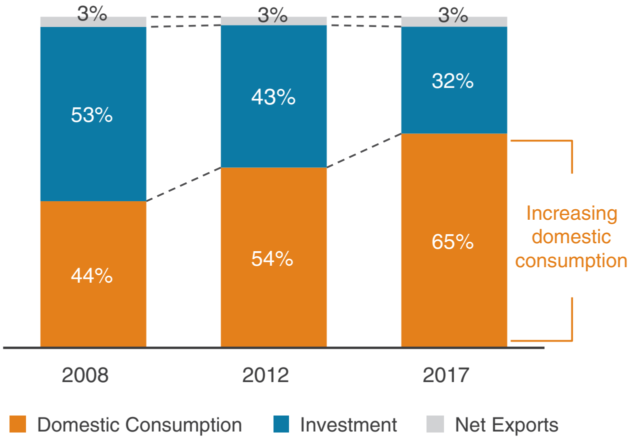
(6) As at 31 March 2018.

(7) As at the Latest Practicable Date, the PRC WFOEs holding Mapletree Wuhan, Mapletree Xi’an, Mapletree Nanchang and Mapletree Zhenjiang have obtained the land title certificates and are in the process of applying for the property title certificates in respect of these Properties. The Manager expects the property title certificates in respect of these Properties to be obtained by the second half of 2018.

1 Attractive Logistics Market in China

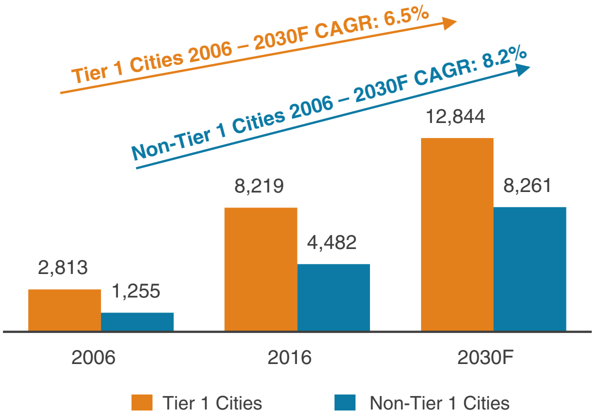
Rising Consumption Expenditure and Rapid Expansion of E-commerce in China, the Largest Asia-Pacific Economy, Support Strong Demand for Logistics Properties

Components of China's GDP Growth (2008, 2012 and 2017)



China Disposable Household Income per Capita

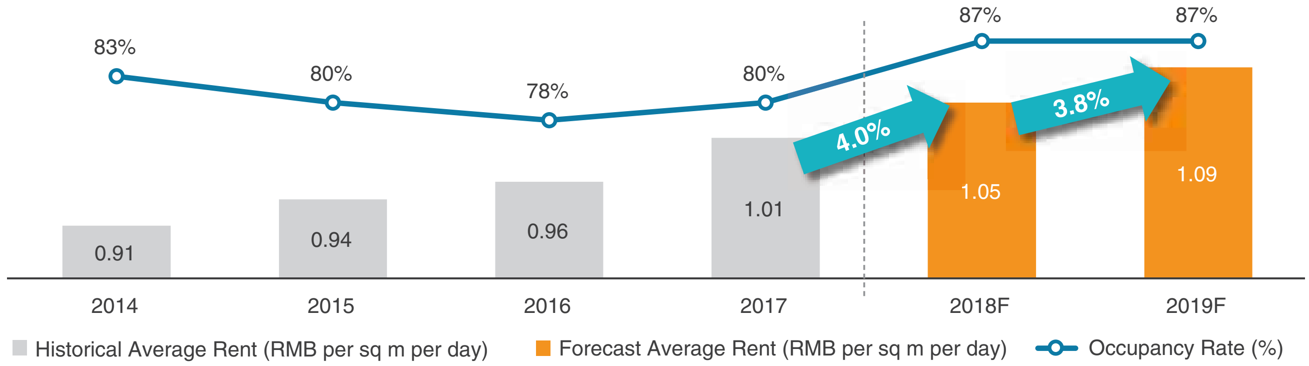
(US$)



- China has the largest economy and population in Asia Pacific and is one of the world's fastest growing economies
- China's economic growth is shifting from investment driven growth to domestic consumption driven growth, which is a more stable and sustainable growth driver
- Higher CAGR in disposable household income per capita expected in Non-Tier 1 cities vs. Tier 1 cities
- Increasing household income and consumption is expected to generate higher demand for both logistics services and logistics properties

Favourable Supply-Demand Dynamics Underpins Rental Growth of Logistics Assets

China Grade A Warehouse[1] Average Rent and Occupancy Rate



- Despite the growth in recent years of the supply of Grade A warehouses in China, stock of Grade A warehouses is estimated to remain low on a per capita basis
- Imbalance in supply compared to demand will continue to support rise in occupancy rates and rental growth for Grade A warehouses

Source: National Bureau of Statistics of China, Economist Intelligence Unit and the independent market research consultant, Colliers International (Hong Kong) Ltd. (the "**Independent Market Research Consultant**").

(1) Grade A warehouses in China are identified by their high specifications, such as a clear ceiling height of 9 metres and floor loading of 20 kiloNewton per square metre ("**kN per sq m**") to 40 kN per sq m.

2 Strategic Addition of a Diversified and Well-Located Portfolio Across China

Located in 3 Clusters with Unique Economic Growth Characteristics

No.	Property
1	Mapletree Tianjin
2	Mapletree Zhenjiang
3	Mapletree Wuxi
4	Mapletree Nantong
5	Mapletree Changshu
6	Mapletree Jiaxing
7	Mapletree Hangzhou
8	Mapletree Xi'an
9	Mapletree Wuhan
10	Mapletree Changsha
11	Mapletree Nanchang

Location of the Properties

Satellite Clusters

North China (3.4%)[2]:

- One of the most densely populated regions in China
- Highly developed transportation and logistics network

Midwest China[1] (34.7%)[2]:

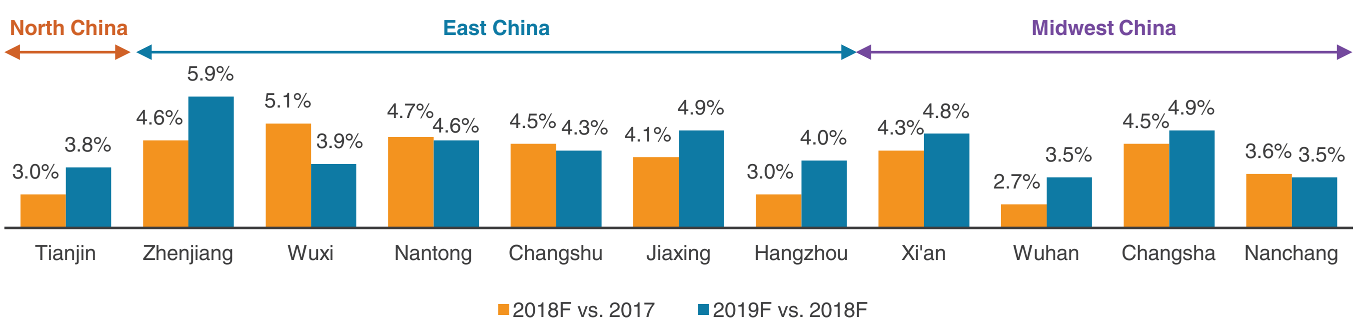
- Will become prominent economic, transportation and logistics centres for China due to the One Belt One Road initiative
- Two of the fastest growing regions since 2011 in China and are expected to grow at a faster rate than the national average

East China (61.9%)[2]:

- One of the most urbanised and economically developed regions in China with well-established transport infrastructure
- Geographical location and economic strength have laid solid foundation for development of the modern logistics industry

Grade A Warehouse Forecast Rental Growth for 2018F and 2019F (Asking Rent)

(%)



- Rental growth expected to remain healthy due to favourable location
- Asking rents for Grade A warehouses in the 11 cities[3] expected to increase between 2.7% and 5.1% from 2017 to 2018F and between 3.5% and 5.9% from 2018F to 2019F

Source: Independent Market Research Consultant.

(1) Comprising Central and Western China.

(2) Numbers in parenthesis represent contribution to the Properties' gross revenue, based on the gross revenue of tenants with existing or committed leases as at 31 March 2018 ("**Gross Revenue**").

(3) The 11 cities are Tianjin, Zhenjiang, Wuxi, Nantong, Changshu, Jiaxing, Hangzhou, Xi'an, Wuhan, Changsha and Nanchang.

Modern Grade A Specification Assets with Long Land Tenure

New and Purpose-Built

Clear Ceiling Height of 9 metres and Floor Loading of ≥20kN per sq m

Cross-Docking Features[1]

Efficient Column Grid

- Developed by the Sponsor, Mapletree Investments Pte Ltd, an established real estate developer with a track record of award-winning projects
- Remaining land tenure of the Properties is approximately 47 years on average
- The portfolio median age for the Properties is 1.7 years with the oldest Property being 2.3 years[2]

3 Strong Tenant Base with Exposure to Businesses Involved in E-commerce

Top Five Tenants are Large E-commerce or E-commerce Related Companies

Tenant Breakdown by Gross Revenue and Trade Sector

Top 10 Tenants of the Properties	% of Gross Revenue[3]	Trade Sector (Business Nature)
JD.com, Inc.	20.8%	Multi-Sector (E-commerce)
Cainiao Smart Logistics Network Limited	19.3%	Multi-Sector (3PL)
Best Logistics Technology (China) Co., Ltd.	5.3%	Multi-Sector (3PL)
Sinotrans Limited	4.6%	Multi-Sector (3PL)
China Post Group Corporation	3.8%	Multi-Sector (3PL)
SF Express (Group) Co., Ltd.	3.7%	Multi-Sector (3PL)
Adient Yanfeng Seating Mechanism Co., Ltd.	3.6%	Automobile
China Deppon Logistics Co., Ltd	3.4%	Retail (3PL)
Shanghai Zhengming Modern Logistics Co., Ltd.	3.0%	F&B / Multi-Sector (3PL)
ZTO Express Co., Ltd.	2.9%	Multi-Sector (3PL)
Top 10 Total	**70.3%**	–

One of the largest e-commerce companies by market share in China

Logistics arm of Alibaba

Major express delivery companies supporting e-commerce activities

- Majority of the Properties' 58 tenants are major e-commerce companies or 3PL companies with strong credit profiles
- Capital expenditure incurred by certain tenants to fit out their logistics facilities supports tenant retention
- Acquisition will increase exposure to e-commerce related tenants in MLT's China portfolio from ~18.4% to ~41.6%[4] on pro forma basis by Gross Revenue

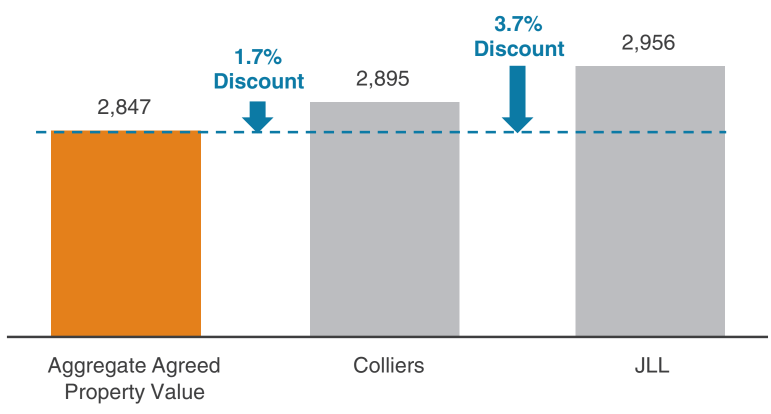
(1) Majority of the Properties have this feature.
(2) As at 31 March 2018.
(3) Based on existing and committed leases for the Properties as at the Latest Practicable Date.
(4) Based on MLT's 50.0% indirect interest in the Properties.

4 Attractive Value Proposition

Discount to Independent Valuations and Implied Valuation Metrics Compared to MLT's Existing China Portfolio

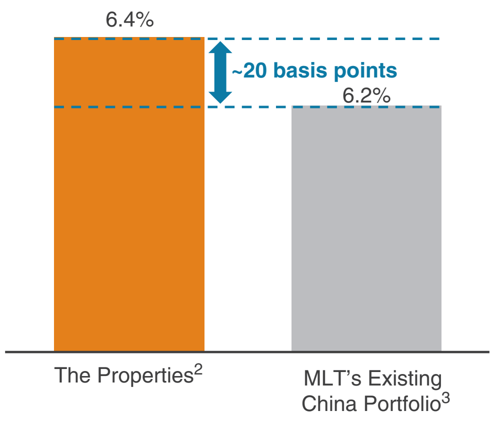
Aggregate Agreed Property Value Relative to Independent Valuations[1]

(RMB million)



Net Property Income Yield

(%)

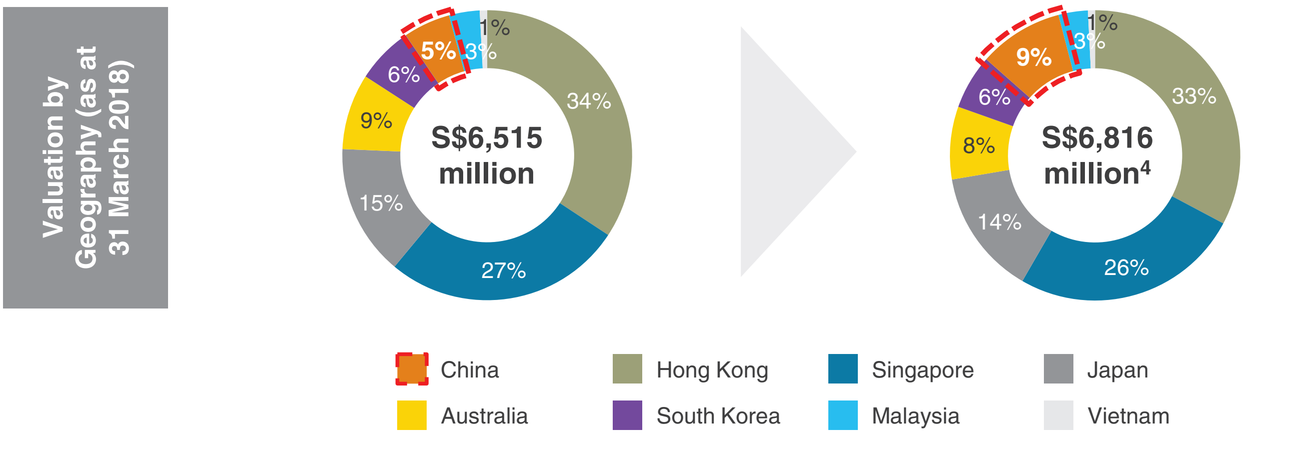


5 Positive Impact on MLT's Enlarged Portfolio

Increases and Diversifies MLT's Exposure in China

Existing Portfolio

Enlarged Portfolio



- The Acquisition will introduce assets located in Non-Tier 1 China cities with higher expected growth in disposable household income, complementing MLT's existing China properties which are primarily located in affluent eastern and southern China cities

Source: Colliers and JLL.

(1) The Manager has commissioned Jones Lang LaSalle Corporate Appraisal and Advisory Limited ("**JLL**") and the Trustee has commissioned Colliers International (Hong Kong) Ltd. ("**Colliers**") to value the Properties as at 1 March 2018.

(2) Assuming that the Properties had a portfolio occupancy rate of 97.7% for the entire financial year ended 31 March 2018 and all leases, whether existing or committed as at the Latest Practicable Date, were in place since 1 April 2017. All tenants were paying their rents in full. Net Property Income yield is computed based on the aggregate Agreed Property Value.

(3) Based on the Net Property Income of the Existing China Portfolio for FY17/18 divided by its valuation as at 31 March 2018.

(4) Based on the aggregate Agreed Property Value of the Properties and any capitalised costs. Taking into account MLT's 50.0% indirect interests in the Properties.

Mapletree Nantong

Location:	Nantong
NLA:	78,624 sq m
Remaining Land Tenure[1]:	~47 years
Committed Occupancy[2]:	88.5%
No. of Tenants:	11
Agreed Property Value:	RMB261.7 mil (S$54.5 mil)

Mapletree Changshu

Location:	Changshu
NLA:	60,966 sq m
Remaining Land Tenure:	~47 years
Committed Occupancy[2]:	93.6%
No. of Tenants:	7
Agreed Property Value:	RMB191.5 mil (S$39.9 mil)

Mapletree Jiaxing

Location:	Jiaxing
NLA:	35,683 sq m
Remaining Land Tenure:	~48 years
Committed Occupancy[2]:	100.0%
No. of Tenants:	1
Agreed Property Value:	RMB125.8 mil (S$26.2 mil)

Mapletree Hangzhou

Location:	Hangzhou
NLA:	106,726 sq m
Remaining Land Tenure:	~46 years
Committed Occupancy[2]:	100.0%
No. of Tenants:	5
Agreed Property Value:	RMB381.8 mil (S$79.5 mil)

Mapletree Xi'an[3]

Location:	Xi'an
NLA:	63,558 sq m
Remaining Land Tenure:	~46 years
Committed Occupancy[2]:	100.0%
No. of Tenants:	5
Agreed Property Value:	RMB284.6 mil (S$59.3 mil)

Mapletree Wuhan[3]

Location:	Wuhan
NLA:	69,984 sq m
Remaining Land Tenure:	~47 years
Committed Occupancy[2]:	100.0%
No. of Tenants:	1
Agreed Property Value:	RMB237.9 mil (S$49.6 mil)

Mapletree Changsha

Location:	Changsha
NLA:	79,253 sq m
Remaining Land Tenure:	~46 years
Committed Occupancy[2]:	96.5%
No. of Tenants:	6
Agreed Property Value:	RMB301.4 mil (S$62.8 mil)

Mapletree Nanchang[3]

Location:	Nanchang
NLA:	73,950 sq m
Remaining Land Tenure:	~48 years
Committed Occupancy[2]:	100.0%
No. of Tenants:	5
Agreed Property Value:	RMB216.5 mil (S$45.1 mil)

(1) For both east and west parcels of the land.

(2) As at 31 March 2018.

(3) As at the Latest Practicable Date, the PRC WFOEs holding Mapletree Wuhan, Mapletree Xi'an, Mapletree Nanchang and Mapletree Zhenjiang have obtained the land title certificates and are in the process of applying for the property title certificates in respect of these Properties. The Manager expects the property title certificates in respect of these Properties to be obtained by the second half of 2018.

Financial Impact on MLT

DPU-Accretive Acquisition

Pro Forma DPU (FY17/18)

(Singapore cents)

(12-month Period from 1 April 2017 – 31 March 2018)

Method of Financing

The Manager intends to finance the Total Acquisition Cost (as defined herein) of approximately RMB1,021.6 million (S$212.8 million) through the proceeds from an equity fund raising (the "**Equity Fund Raising**") and/or a drawdown of MLT's existing credit facilities (the "**Loan Facilities**").

The final decision regarding the proportion of the debt and equity to be employed to fund the Acquisition will be made by the Manager at the appropriate time, taking into account the then prevailing market conditions to provide overall distribution per Unit ("**DPU**") accretion to Unitholders on a pro forma basis while maintaining an optimum level of aggregate leverage.

The Equity Fund Raising will be undertaken through an issuance of New Units relying on the general mandate of MLT obtained at the annual general meeting of MLT held on 17 July 2017.

MLT After the Proposed Acquisition

Enlarged Asset Size of S$6,816 million from S$6,515 million

	Existing Portfolio[4]	Properties[3,4]	Enlarged Portfolio[4]	% Change
NLA ('000 sq m)	3,738	411	4,149	11.0%
Valuation (S$ million)	6,515	301[5]	6,816	4.6%
WALE by NLA (Years)	3.5	3.3	3.5	–
Number of Tenants	556	58	614	10.4%
Occupancy	96.6%[6]	97.7%[7]	96.7%	10bps
Aggregate Leverage	37.7%	–	37.5%[8]	20bps
Net Asset Value per Unit (S$)	1.10	–	1.11	0.9%

(1) Assuming that the Properties had a portfolio occupancy rate of 97.7% for the entire financial year ended 31 March 2018 and all leases, whether existing or committed as at the Latest Practicable Date, were in place since 1 April 2017. All tenants were paying their rents in full. Includes the contribution to total return before tax arising from MLT's 50.0% indirect interest in the Properties. MLT's expenses comprising borrowing costs associated with the drawdown of S$11.8 million from the Loan Facilities, the Manager's management fees, Trustee's fees and other trust expenses incurred in connection with the operation of the Properties have been deducted. The total number of Units at the end of the period used in computing the DPU comprises the weighted average of 2,779.3 million Units in issue for the financial year ended 31 March 2018 as well as (a) approximately 166.7 million New Units issued in connection with the Equity Fund Raising to raise gross proceeds of approximately S$200.0 million at the Illustrative Issue Price of S$1.20, (b) approximately S$1.0 million Acquisition Fee paid in Acquisition Fee Units at the Illustrative Issue Price of S$1.20 and (c) approximately 1.3 million new Units issued in aggregate as payment to (i) the Manager for the base management fee and (ii) the PRC Property Manager for the property management and lease management fees for such services rendered to the Properties for the financial quarters ended 30 June 2017, 30 September 2017 and 31 December 2017, 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.

(2) Accretion is based on pro forma numbers and does not take into account the impact from rounding.

(3) Taking into account MLT's 50.0% indirect interest in the Properties.

(4) As at 31 March 2018.

(5) Based on the aggregate Agreed Property Value of the Properties and any capitalised costs.

(6) Based on actual occupancy.

(7) Based on committed occupancy.

(8) As at 31 March 2018, on a pro forma basis after the Acquisition, assuming gross proceeds raised from the Equity Fund Raising of S$200.0 million. Includes the Loan Facilities as well as MLT's 50.0% share of the existing bank facilities and Deposited Property of each of the HK SPVs.

TABLE OF CONTENTS

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 Tan Ngiap Joo (Independent Non-Executive Director) Mr Lim Joo Boon (Independent Non-Executive Director) Mr Pok Soy Yoong (Independent Non-Executive Director) Mr Wee Siew Kim (Independent Non-Executive Director) Mr Tan Wah Yeow (Independent Non-Executive Director) Mrs Penny Goh (Lead Independent Non-Executive Director) Mr Tarun Kataria (Independent Non-Executive Director) Mr Hiew Yoon Khong (Non-Executive Director) Mr Chua Tiow Chye (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 21 Collyer Quay #13-02 HSBC Building Singapore 049320
Joint Global Co-ordinators and Bookrunners in relation to the Equity Fund Raising (the "Joint Global Co-ordinators and Bookrunners") (in alphabetical order)	:	Citigroup Global Markets Singapore Pte. Ltd. 8 Marina View Asia Square Tower 1, 21st Floor Singapore 018960 DBS Bank Ltd. 12 Marina Boulevard Level 46 DBS Asia Central @ Marina Bay Financial Centre Tower 3 Singapore 018982 The Hongkong and Shanghai Banking Corporation Limited, Singapore Branch 21 Collyer Quay #10-01 HSBC Building Singapore 049320
Legal Adviser for the Acquisition and the Equity Fund Raising and to the Manager as to Singapore Law	:	WongPartnership LLP 12 Marina Boulevard Level 28 Marina Bay Financial Centre Tower 3 Singapore 018982
Legal Adviser to the Joint Global Co-ordinators and Bookrunners in relation to the Equity Fund Raising	:	Allen & Overy LLP 50 Collyer Quay #09-01 OUE Bayfront Singapore 049321

Legal Adviser for the Acquisition and to the Manager as to PRC Law	:	Jin Mao Partners 13th Floor, Hong Kong New World Tower No. 300, Huai Hai Zhong Rd Shanghai, 200021, PRC
Legal Adviser for the Acquisition and to the Manager as to Hong Kong Law	:	Paul Hastings 21-22/F Bank of China Tower 1 Garden Road Central Hong Kong
Legal Adviser to the Trustee	:	Dentons Rodyk & Davidson LLP 80 Raffles Place #33-00 UOB Plaza 1 Singapore 048624
Unit Registrar and Unit Transfer Office	:	Boardroom Corporate & Advisory Services Pte. Ltd. 50 Raffles Place #32-01 Singapore Land Tower Singapore 048623
Independent Financial Adviser to the Independent Directors, Audit and Risk Committee and the Trustee (the "IFA")	:	Ernst & Young Corporate Finance Pte Ltd One Raffles Quay North Tower, Level 18 Singapore 048583
Independent Reporting Auditor	:	PricewaterhouseCoopers LLP 7 Straits View, Marina One East Tower, Level 12 Singapore 018936
Independent Valuers (the "Independent Valuers")	:	Colliers International (Hong Kong) Ltd. ("**Colliers**") Suite 5701 Central Plaza 18 Harbour Road Wanchai Hong Kong Jones Lang LaSalle Corporate Appraisal and Advisory Limited ("**JLL**") 6/F Three Pacific Place 1 Queen's Road East Hong Kong
Independent Market Research Consultant (the "Independent Market Research Consultant")	:	Colliers International (Hong Kong) Ltd. Suite 5701 Central Plaza 18 Harbour Road Wanchai Hong Kong

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 53 to 60 of this Circular.

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

For illustrative purposes, certain RMB amounts have been translated into Singapore dollars. Unless otherwise indicated, such translations have been made based on the illustrative exchange rate of S$1.00 = RMB4.80. Such translations should not be construed as representations that RMB 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.

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 31 March 2018, MLT had a market capitalisation of approximately S$3,761.5 million. As at 31 March 2018, MLT's portfolio comprised 124[1] properties located in Singapore, Hong Kong SAR, Japan, Australia, South Korea, People's Republic of China ("**PRC**"), Malaysia and Vietnam and its assets under management are approximately S$6,515.2 million.

Following an expression of interest from the Manager, the Trustee entered into 11 conditional share purchase agreements (the "**Share Purchase Agreements**") with wholly-owned subsidiaries of Mapletree Investments Pte Ltd ("**MIPL**" or the "**Sponsor**", its subsidiaries, the "**MIPL Subsidiaries**" and each of the MIPL Subsidiaries, a "**MIPL Subsidiary**") and wholly-owned subsidiaries of Itochu Corporation ("**Itochu**" and its subsidiaries, the "**Itochu Subsidiaries**") as set out in **Appendix A** of this Circular (collectively, the "**Vendors**") on 26 April 2018 to acquire a 50.0% interest in each of 11 Hong Kong special purpose vehicles (the "**HK SPVs**", and the acquisition of the interests in the HK SPVs, the "**Acquisition**"). Each HK SPV holds a 100.0% interest in a PRC wholly foreign-owned enterprise ("**PRC WFOE**", and collectively the 11 PRC wholly foreign-owned enterprises, the "**PRC WFOEs**"). In turn, each PRC WFOE holds a property located in the PRC ("**Property**", and collectively the 11 properties, the "**Properties**").

Three of the HK SPVs are wholly-owned by the MIPL Subsidiaries (the "**Sponsor-owned HK SPVs**") and eight of the HK SPVs are owned by the MIPL Subsidiaries and the Itochu Subsidiaries in the proportion of 80.0% and 20.0% respectively (the "**Co-owned HK SPVs**"). The Acquisition involves, in the case of the Sponsor-owned HK SPVs, an acquisition of 50.0% of the entire ordinary issued share capital from the MIPL Subsidiaries, and in the case of the Co-owned HK SPVs, an acquisition of 30.0% and 20.0% of the entire ordinary issued share capital from the MIPL Subsidiaries and the Itochu Subsidiaries respectively. Following the Acquisition, MLT will hold a 50.0% interest in each of the 11 HK SPVs, with the other 50.0% interests to be held by the MIPL Subsidiaries. (See Paragraph 2.1 and **Appendix A** of this Circular for further details.)

---

1 Includes 7 Tai Seng Drive in Singapore. On 11 August 2017, MLT announced that it has granted an option to purchase to MIPL for the proposed divestment of 7 Tai Seng Drive in Singapore, which is subject to the exercise of the option to purchase by MIPL and approval from JTC Corporation. On 27 April 2018, MLT announced that it has entered into a novation agreement with MIPL and DBS Trustee Limited, in its capacity as trustee of Mapletree Industrial Trust, where the option to purchase has been novated from MIPL to DBS Trustee Limited, in its capacity as trustee of Mapletree Industrial Trust.

On the date of completion of the Acquisition ("**Completion**"), it is contemplated that the Trustee will enter into 11 separate shareholders' deeds in relation to each HK SPV (the "**Shareholders' Deeds**", and each, a "**Shareholders' Deed**"), to regulate the management of each HK SPV and its respective wholly-owned PRC WFOE and the Trustee's relationship with the MIPL Subsidiaries as shareholders of each HK SPV.

For the purposes of this Circular, and unless otherwise stated, the "**Existing Portfolio**" refers to the 124[1] properties held by MLT as at 31 March 2018. The "**Enlarged Portfolio**" comprises the Existing Portfolio and the Properties.

Unless otherwise stated, the information contained in this Circular on the Existing Portfolio and the Enlarged Portfolio is as at 31 March 2018.

SUMMARY OF APPROVAL REQUIRED

The Manager is convening an EGM of MLT to seek the approval of its unitholders ("**Unitholders**") by way of Ordinary Resolution[2], in respect of the proposed Acquisition of a 50.0% interest in each of 11 property holding companies as an interested person transaction (the "**Resolution**").

THE PROPOSED ACQUISITION OF A 50.0% INTEREST IN EACH OF 11 PROPERTY HOLDING COMPANIES AS AN INTERESTED PERSON TRANSACTION

Description of the Properties

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

(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**");

---

1 Includes 7 Tai Seng Drive in Singapore. On 11 August 2017, MLT announced that it has granted an option to purchase to MIPL for the proposed divestment of 7 Tai Seng Drive in Singapore, which is subject to the exercise of the option to purchase by MIPL and approval from JTC Corporation. On 27 April 2018, MLT announced that it has entered into a novation agreement with MIPL and DBS Trustee Limited, in its capacity as trustee of Mapletree Industrial Trust, where the option to purchase has been novated from MIPL to DBS Trustee Limited, in its capacity as trustee of Mapletree Industrial Trust.

2 "**Ordinary Resolution**" means 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 (as defined herein).

(x) Mapletree Nanchang Logistics Park ("**Mapletree Nanchang**"); and

(xi) Mapletree Zhenjiang Logistics Park ("**Mapletree Zhenjiang**").

The eight Properties listed in (i) to (viii) above are held by eight PRC WFOEs, which are in turn wholly-owned by eight Co-owned HK SPVs. The MIPL Subsidiaries hold 80.0% and the Itochu Subsidiaries hold 20.0% of the entire ordinary issued share capital of these Co-owned HK SPVs. MLT intends to acquire a 50.0% interest in each of the Co-owned HK SPVs through the acquisition of a 30.0% interest from the MIPL Subsidiaries and the entire 20.0% interest from the Itochu Subsidiaries.

The three Properties listed in (ix) to (xi) above are held by three PRC WFOEs, which are in turn wholly-owned by three Sponsor-owned HK SPVs. The HK SPVs are in turn 100.0% owned by the MIPL Subsidiaries. MLT intends to acquire a 50.0% interest in each of the Sponsor-owned HK SPVs from the MIPL Subsidiaries.

Following the Acquisition, MLT will hold a 50.0% interest in each of the 11 HK SPVs, with the other 50.0% interests to be held by the MIPL Subsidiaries.

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

Share Purchase Agreements

Pursuant to the Share Purchase Agreements dated 26 April 2018, the Trustee, on behalf of MLT, will acquire a 50.0% interest in each of the HK SPVs through the Acquisition.

Pursuant to the terms of the Share Purchase Agreements, the aggregate purchase consideration payable by the Trustee in connection with the Acquisition (the "**Aggregate Share Consideration**") is 50.0% of the adjusted consolidated net asset value (the "**Adjusted Net Asset Value**") of the 11 HK SPVs (the "**Total Adjusted Net Asset Values**") as at Completion[1]. The Aggregate Share Consideration, to be satisfied fully in cash, is estimated to be RMB120.5 million (S$25.1 million)[2], subject to post-Completion adjustments to the Total Adjusted Net Asset Values. The Adjusted Net Asset Value of each HK SPV shall take into account the agreed value of the Property indirectly owned by each HK SPV (the "**Agreed Property Value**") less each HK SPV's existing bank facilities and shareholders' loans, and shall be adjusted based on the agreed line items set out in the pro forma closing balance sheet of each HK SPV and its respective wholly-owned PRC WFOE.

In addition to the payment of the Aggregate Share Consideration to the Vendors, the Trustee will at Completion extend loans of RMB864.8 million (S$180.2 million) to the HK SPVs (the "**Trustee Shareholders' Loans**"), to enable them to repay and discharge existing shareholders' loans of RMB592.6 million (S$123.5 million) and RMB272.2 million (S$56.7 million) owed to the MIPL Subsidiaries and the Itochu Subsidiaries, respectively (the "**Repaid Shareholders' Loans**")[3]. The values of the Trustee Shareholders' Loans and the Repaid Shareholders' Loans are subject to adjustments based on the actual date of Completion to take into account interest accruing up to such date. The Trustee Shareholders' Loans shall be for a term of five years and bear interest at an annual rate of 1.5% above the three-month CNH HIBOR (as defined herein). The Trustee

1 See Paragraph 2.8 of this Circular for further details.

2 This amount comprises the purchase consideration of RMB21.5 million (S$4.5 million) payable to the Itochu Subsidiaries and the purchase consideration of RMB99.0 million (S$20.6 million) payable to the MIPL Subsidiaries.

3 Upon Completion and following the extension of the loan by the Trustee to the HK SPVs and the corresponding discharge of the existing shareholders' loans, the existing shareholders' loans extended by the Itochu Subsidiaries will be fully discharged and the HK SPVs would owe an equal amount to both the Trustee and the MIPL Subsidiaries, as shareholders' loans.

Shareholders' Loans will be extended to the HK SPVs on the same terms as the shareholders' loans extended by the MIPL Subsidiaries to the HK SPVs.

The acquisition price payable by the Trustee in respect of the Acquisition (the "**Acquisition Price**") would therefore be the sum of the Aggregate Share Consideration and the value of the Trustee Shareholders' Loans.

The Trustee shall not be obliged to procure the completion of any of the Share Purchase Agreements unless all the Share Purchase Agreements are completed simultaneously.

Following Completion, the Trustee will own 50.0% of the ordinary shares in the issued share capital of each of the 11 HK SPVs. The MIPL Subsidiaries will own the other 50.0% of the ordinary shares in the issued share capital of each of the 11 HK SPVs.

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 1 March 2018.

In this respect, the Trustee has commissioned an independent property valuer, Colliers, and the Manager has commissioned another independent property valuer, JLL, to value each Property. In arriving at the open market value of each Property, Colliers relied on the discounted cash flow method and the market comparison method while JLL relied on the discounted cash flow method and the income capitalisation method.

The aggregate Agreed Property Value of the Properties is RMB2,846.8 million (S$593.1 million), representing a discount of approximately 1.7% to Colliers' aggregate valuation of RMB2,895.0 million (S$603.1 million) and a discount of approximately 3.7% to JLL's aggregate valuation of RMB2,956.0 million (S$615.8 million).

(See Paragraph 2.4 of this Circular for further details.)

Shareholders' Deeds

Pursuant to the terms of the Share Purchase Agreements, the Trustee and each MIPL Subsidiary will enter into separate Shareholders' Deeds at Completion to regulate the management of each HK SPV and its respective wholly-owned PRC WFOE and the relationship between them as shareholders of the relevant HK SPV, on terms to be mutually agreed between the Trustee and MIPL. The parties to each Shareholders' Deed will be the Trustee, the relevant MIPL Subsidiary holding a 50.0% interest in the relevant HK SPV following the Acquisition (together, the "**Shareholders**", and each a "**Shareholder**"), and the relevant HK SPV.

Under the terms of each Shareholders' Deed, the board of directors of each HK SPV shall have ultimate responsibility for management and control of the HK SPV. The board shall comprise four directors, two of which shall be appointed by the Trustee and two of which shall be appointed by the relevant MIPL Subsidiary. In the case of the Trustee, the two directors appointed by the Trustee shall be representatives of the Manager.

Each Shareholders' Deed contains a set of matters in relation to the key operational and management issues affecting the HK SPV, including but not limited to the matters set out in Paragraph 6.5(b) of Appendix 6 of the Code on Collective Investment Schemes issued by the Monetary Authority of Singapore ("**MAS**", and Appendix 6, the "**Property Funds Appendix**"), which require unanimous approval of all the directors of the HK SPV.

In addition, the Trustee has pre-emption rights over the relevant MIPL Subsidiary's shares in the relevant HK SPV, in the event that the relevant MIPL Subsidiary wishes to divest its 50.0% interest in the HK SPV. If the Trustee waives its pre-emption rights, the Trustee has tag along rights in the event of such divestment by the relevant MIPL Subsidiary. If the Trustee wishes to divest its 50.0% interest in the HK SPV, and the relevant MIPL Subsidiary waives its pre-emption rights, the Trustee has drag along rights over the relevant MIPL Subsidiary's interest in the HK SPV. Reciprocal rights are also provided by the Trustee to the relevant MIPL Subsidiary in respect of the above.

In event of any deadlock matters, the parties shall negotiate in good faith with a view to resolution of such matter. If a resolution is not agreed upon, any Shareholder may offer to buy the shares held by the other.

By approving the Acquisition, Unitholders will be deemed to have also approved the Shareholders' Deeds.

(See Paragraph 2.6 of this Circular for further details.)

Corporate Guarantees

The 11 HK SPVs have entered into bank facilities, pursuant to which the Vendors have provided corporate guarantees to certain banks. Pursuant to the terms of the Share Purchase Agreements, the Trustee is required to provide, or procure the provision of, corporate guarantees (as guarantor) of an aggregate value of up to approximately RMB505.4 million (S$105.3 million) (the "**Corporate Guarantees**") with effect from Completion, in place of the existing corporate guarantees provided by the Vendors. The aggregate value of the Corporate Guarantees at any point in time shall represent MLT's 50.0% shareholding interest in each of the 11 HK SPVs and will depend on the amounts drawn down under the bank facilities (including accrued interest). As at 26 April 2018, being the latest practicable date prior to the printing of this Circular (the "**Latest Practicable Date**"), an aggregate of RMB944.2 million (S$196.7 million) has been drawn down under the bank facilities, of which RMB472.1 million (S$98.4 million) represents the value of the Corporate Guarantees in respect of MLT's 50.0% shareholding interest. For the avoidance of doubt, the MIPL Subsidiaries shall also be required to provide similar corporate guarantees to such banks in respect of their respective 50.0% shareholding interest in the 11 HK SPVs. No fee is chargeable for provision of the abovementioned corporate guarantees by each of the Trustee and/or the MIPL Subsidiaries.

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

Total Acquisition Cost

The total acquisition cost is estimated to be approximately RMB1,021.6 million (S$212.8 million), comprising:

(i) the Acquisition Price of approximately RMB985.3 million (S$205.3 million), which comprises (a) the Aggregate Share Consideration, to be satisfied fully in cash, which is estimated to be RMB120.5 million (S$25.1 million)[1], subject to post-Completion adjustments to the Total Adjusted Net Asset Values, and (b) the Trustee Shareholders' Loans of RMB864.8 million (S$180.2 million) to be extended by the Trustee to the HK SPVs, subject to adjustments based on the actual date of Completion to take into account interest accruing up to such date;

---

1 This amount comprises the purchase consideration of RMB21.5 million (S$4.5 million) payable to the Itochu Subsidiaries and the purchase consideration of RMB99.0 million (S$20.6 million) payable to the MIPL Subsidiaries.

(ii) the acquisition fee payable in Units to the Manager for the Acquisition (the "**Acquisition Fee**") which is estimated to be approximately S$1.0 million (representing 0.5% of the Acquisition Price); and

(iii) the estimated professional and other fees and expenses of approximately S$6.5 million incurred or to be incurred by MLT in connection with the Acquisition and the Equity Fund Raising,

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

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 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 Acquisition Price.

As the acquisition of the interests of the MIPL Subsidiaries in the HK SPVs (comprising the 30.0% interest in the eight Co-owned HK SPVs and the 50.0% interest in the three Sponsor-owned HK SPVs) will constitute an "interested party transaction" under the Property Funds Appendix, the Acquisition Fee payable in respect of the acquisition of interests from the MIPL Subsidiaries 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. While the acquisition of the interests of the Itochu Subsidiaries in the 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 Acquisition in respect of which the Acquisition Fee is payable or, where Units are not issued to finance or part finance the Acquisition, the prevailing market price (as defined in the Trust Deed) (the "**Market Price**") of such Units on the date of Completion.

Based on an illustrative issue price of S$1.20 per Acquisition Fee Unit (being the illustrative issue price per new Unit to be issued under the Equity Fund Raising, the "**Illustrative Issue Price**", and the new Units to be issued, the "**New Units**"), the number of Acquisition Fee Units issued shall be approximately 855,305 Units.

Method of Financing for the Acquisition

The Manager intends to finance the Total Acquisition Cost through the proceeds from an equity fund raising (the "**Equity Fund Raising**") and/or a drawdown of MLT's existing credit facilities (the "**Loan Facilities**").

The final decision regarding the proportion of the debt and equity to be employed to fund the Acquisition will be made by the Manager at the appropriate time, taking into account the then prevailing market conditions to provide overall distribution per Unit ("**DPU**") accretion to Unitholders on a pro forma basis while maintaining an optimum level of aggregate leverage.

Interested Person Transaction and Interested Party Transaction

As at the Latest Practicable Date, MIPL holds, through its wholly-owned subsidiaries, an aggregate interest in 1,091,320,707 Units, which is equivalent to approximately 35.68% 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 the MIPL Subsidiaries are indirect wholly-owned subsidiaries of MIPL, 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.

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

(See Paragraph 4.3 of this Circular for further details.)

Each of the Shareholders' Deeds will be entered into with the MIPL Subsidiaries, which are indirect wholly-owned subsidiaries of MIPL. Each of the Corporate Guarantees will be provided to guarantee the bank facilities entered into by the 11 HK SPVs, which will be jointly controlled by MLT and the MIPL Subsidiaries following Completion. Therefore, each of such agreements will constitute an "interested person transaction" under Chapter 9 of the Listing Manual as well as an "interested party transaction" under the Property Funds Appendix. By approving the Acquisition, Unitholders will be deemed to have also approved the Shareholders' Deeds and the Corporate Guarantees.

(See Paragraphs 2.6 and 2.7 of this Circular for further details.)

For the avoidance of doubt, any loans extended to the HK SPVs by the Trustee (apart from the Trustee Shareholders' Loans) or any corporate guarantees provided by the Trustee to guarantee the HK SPVs' bank facilities (apart from the Corporate Guarantees) in the future shall comply with Chapter 9 of the Listing Manual and Paragraph 5 of the Property Funds Appendix.

Rationale for and Key Benefits of the Acquisition

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

(i) Attractive logistics market in China;

(ii) Strategic addition of a diversified and well-located portfolio across China;

(iii) Strong tenant base with exposure to businesses involved in e-commerce;

(iv) Attractive value proposition; and

(v) Positive impact on MLT's Enlarged Portfolio.

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

Equity Fund Raising

The Equity Fund Raising will be undertaken through an issuance of New Units relying on the general mandate of MLT obtained at the annual general meeting of MLT held on 17 July 2017.

The details and timing of the Equity Fund Raising have not been determined and the Manager will announce the details of the Equity Fund Raising on SGXNET at the appropriate time when it launches the Equity Fund Raising on such terms and at such time as may be agreed with the Joint Global Co-ordinators and Bookrunners.

For illustrative purposes in this Circular, the Equity Fund Raising is assumed to raise gross proceeds of approximately S$200.0 million.

The Manager intends to utilise the net proceeds of the Equity Fund Raising to partially finance the Total Acquisition Cost of approximately S$212.8 million, with the balance thereof to be funded by the Loan Facilities. However, subject to relevant laws and regulations, the Manager has absolute discretion to determine the use of proceeds.

INDICATIVE TIMETABLE

Event		Date and Time
Last date and time for lodgement of Proxy Forms	:	21 May 2018 at 2.30 p.m.
Date and time of the EGM	:	24 May 2018 at 2.30 p.m.

Any changes (including any determination of the relevant dates) to the timetable above will be announced.

LETTER TO UNITHOLDERS

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 Tan Ngiap Joo (Independent Non-Executive Director)
Mr Lim Joo Boon (Independent Non-Executive Director)
Mr Pok Soy Yoong (Independent Non-Executive Director)
Mr Wee Siew Kim (Independent Non-Executive Director)
Mr Tan Wah Yeow (Independent Non-Executive Director)
Mrs Penny Goh (Lead Independent Non-Executive Director)
Mr Tarun Kataria (Independent Non-Executive Director)
Mr Hiew Yoon Khong (Non-Executive Director)
Mr Chua Tiow Chye (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

8 May 2018

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 Ordinary Resolution for the proposed Acquisition of a 50.0% interest in each of 11 property holding companies as an interested person transaction.

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

2. THE PROPOSED ACQUISITION OF A 50.0% INTEREST IN EACH OF 11 PROPERTY HOLDING COMPANIES AS AN INTERESTED PERSON TRANSACTION

2.1 Description of the Properties

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

(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; and

(xi) Mapletree Zhenjiang.

The eight Properties listed in (i) to (viii) above are held by eight PRC WFOEs, which are in turn wholly-owned by eight Co-owned HK SPVs. The MIPL Subsidiaries hold 80.0% and the Itochu Subsidiaries hold 20.0% of the entire ordinary issued share capital of these Co-owned HK SPVs. MLT intends to acquire a 50.0% interest in each of the Co-owned HK SPVs through the acquisition of a 30.0% interest from the MIPL Subsidiaries and the entire 20.0% interest from the Itochu Subsidiaries.

The three Properties listed in (ix) to (xi) above are held by three PRC WFOEs, which are in turn wholly-owned by three Sponsor-owned HK SPVs. The HK SPVs are in turn 100.0% owned by the MIPL Subsidiaries. MLT intends to acquire a 50.0% interest in each of the Sponsor-owned HK SPVs from the MIPL Subsidiaries.

Following the Acquisition, MLT will hold a 50.0% interest in each of the 11 HK SPVs, with the other 50.0% interests to be held by the MIPL Subsidiaries.

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

2.2 Structure of the Acquisition

Pursuant to the Share Purchase Agreements dated 26 April 2018, the Trustee, on behalf of MLT, will acquire a 50.0% interest in each of the HK SPVs through the Acquisition.

Pursuant to the terms of the Share Purchase Agreements, the Aggregate Share Consideration payable by the Trustee in connection with the Acquisition is 50.0% of the Total Adjusted Net Asset Values of the 11 HK SPVs as at Completion. The Aggregate Share Consideration is estimated to be RMB120.5 million (S$25.1 million)[1], subject to post-Completion adjustments to the Total Adjusted Net Asset Values. The Adjusted Net Asset Value of each HK SPV shall take into account the Agreed Property Value less each HK SPV's existing bank facilities and shareholders' loans, and shall be adjusted based on the agreed line items set out in the pro forma closing balance sheet of each HK SPV and its respective wholly-owned PRC WFOE.

In addition to the payment of the Aggregate Share Consideration to the Vendors, the Trustee will extend the Trustee Shareholders' Loans of RMB864.8 million (S$180.2 million) to the HK SPVs, to enable them to repay and discharge the Repaid Shareholders' Loans of RMB592.6 million (S$123.5 million) and RMB272.2 million (S$56.7 million) owed to the MIPL Subsidiaries and the Itochu Subsidiaries, respectively[2]. The values of the Trustee Shareholders' Loans and the Repaid Shareholders' Loans are subject to adjustments based on the actual date of Completion to take into account interest accruing up to such date. The Trustee Shareholders' Loans shall be for a term of five years and bear interest at an annual rate of 1.5% above the three-month CNH HIBOR. The Trustee Shareholders' Loans will be extended to the HK SPVs on the same terms as the shareholders' loans extended by the MIPL Subsidiaries to the HK SPVs.

1 This amount comprises the purchase consideration of RMB21.5 million (S$4.5 million) payable to the Itochu Subsidiaries and the purchase consideration of RMB99.0 million (S$20.6 million) payable to the MIPL Subsidiaries.

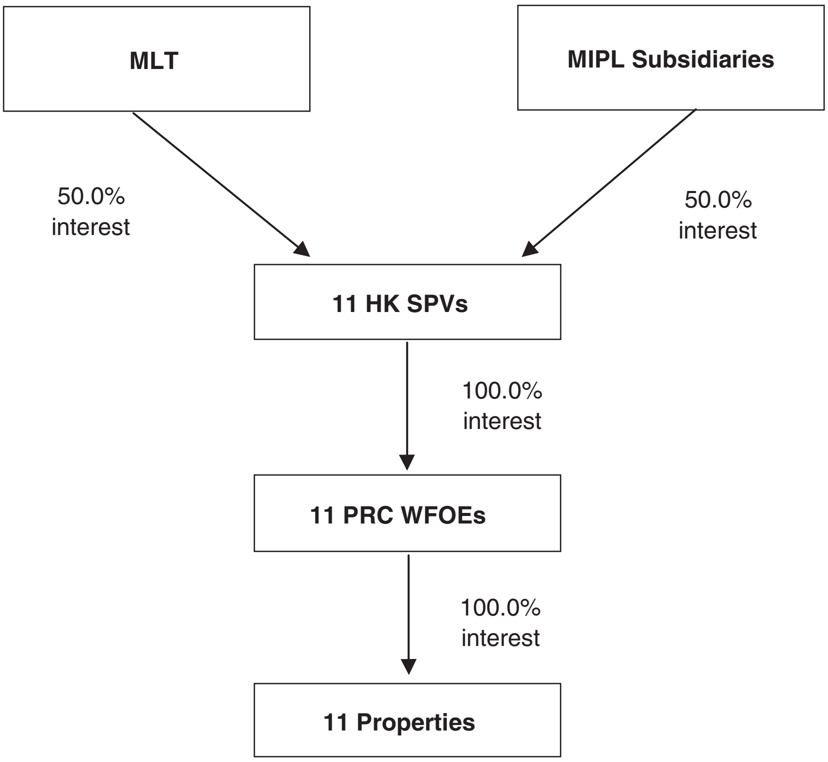
2 Upon Completion and following the extension of the loan by the Trustee to the HK SPVs and the corresponding discharge of the existing shareholders' loans, the existing shareholders' loans extended by the Itochu Subsidiaries will be fully discharged and the HK SPVs would owe an equal amount to both the Trustee and the MIPL Subsidiaries, as shareholders' loans.

The Acquisition Price payable by the Trustee in respect of the Acquisition would therefore be the sum of the Aggregate Share Consideration and the value of the Trustee Shareholders' Loans.

The Trustee shall not be obliged to procure the completion of any of the Share Purchase Agreements unless all the Share Purchase Agreements are completed simultaneously.

Following Completion, the Trustee will own 50.0% of the ordinary shares in the issued share capital of each of the 11 HK SPVs. The MIPL Subsidiaries will own the other 50.0% of the ordinary shares in the issued share capital of each of the 11 HK SPVs.

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



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 1 March 2018.

In this respect, the Trustee has commissioned an independent property valuer, Colliers, and the Manager has commissioned another independent property valuer, JLL, to value each Property. In arriving at the open market value of each Property, Colliers relied on the discounted cash flow method and the market comparison method while JLL relied on the discounted cash flow method and the income capitalisation method.

The aggregate Agreed Property Value of the Properties is RMB2,846.8 million (S$593.1 million), representing a discount of approximately 1.7% to Colliers' aggregate valuation of RMB2,895.0 million (S$603.1 million) and a discount of approximately 3.7% to JLL's aggregate valuation of RMB2,956.0 million (S$615.8 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 1 March 2018:

	Property Name	Location	NLA (sq m)	Independent Valuation by Colliers (million)	Independent Valuation by JLL (million)	Agreed Property Value (million)	Discount of the Agreed Property Value to the Independent Valuation	Land Tenure	Approximate Remaining Land Tenure
1.	Mapletree Wuxi	**East China** Wuxi, Jiangsu Province	122,403	RMB421.0 (S$87.7)	RMB426.0 (S$88.8)	RMB411.6 (S$85.8)	Colliers: 2.2% JLL: 3.4%	Leasehold estate of 50 years expiring on 16 March 2064	46 years
2.	Mapletree Hangzhou	**East China** Hangzhou, Zhejiang Province	106,726	RMB399.0 (S$83.1)	RMB420.0 (S$87.5)	RMB381.8 (S$79.5)	Colliers: 4.3% JLL: 9.1%	Leasehold estate of 50 years expiring on 5 September 2064	46 years
3.	Mapletree Nantong	**East China** Nantong, Jiangsu Province	78,624	RMB262.0 (S$54.6)	RMB268.0 (S$55.8)	RMB261.7 (S$54.5)	Colliers: 0.1% JLL: 2.4%	East: Leasehold estate of 50 years expiring on 19 October 2064	East: 47 years

	Property Name	Location	NLA (sq m)	Independent Valuation by Colliers (million)	Independent Valuation by JLL (million)	Agreed Property Value (million)	Discount of the Agreed Property Value to the Independent Valuation	Land Tenure	Approximate Remaining Land Tenure
								West: Leasehold estate of 50 years expiring on 29 January 2065	West: 47 years
4.	Mapletree Changshu	**East China** Changshu, Jiangsu Province	60,966	RMB197.0 (S$41.0)	RMB209.0 (S$43.5)	RMB191.5 (S$39.9)	Colliers: 2.8% JLL: 8.4%	Leasehold estate of 50 years expiring on 14 February 2065	47 years
5.	Mapletree Changsha	**Midwest China** Changsha, Hunan Province	79,253	RMB303.0 (S$63.1)	RMB307.0 (S$64.0)	RMB301.4 (S$62.8)	Colliers: 0.5% JLL: 1.8%	Leasehold estate of 50 years expiring on 20 June 2064	46 years
6.	Mapletree Wuhan(1)	**Midwest China** Wuhan, Hubei Province	69,984	RMB243.0 (S$50.6)	RMB245.0 (S$51.0)	RMB237.9 (S$49.6)	Colliers: 2.1% JLL: 2.9%	Leasehold estate of 50 years expiring on 10 June 2065	47 years

	Property Name	Location	NLA (sq m)	Independent Valuation by Colliers (million)	Independent Valuation by JLL (million)	Agreed Property Value (million)	Discount of the Agreed Property Value to the Independent Valuation	Land Tenure	Approximate Remaining Land Tenure
7.	Mapletree Xi'an[(1)]	**Midwest China** Xi'an, Shaanxi Province	63,558	RMB286.0 (S$59.6)	RMB287.0 (S$59.8)	RMB284.6 (S$59.3)	Colliers: 0.5% JLL: 0.8%	Leasehold estate of 50 years expiring on 9 December 2063	46 years
8.	Mapletree Tianjin	**North China** Tianjin, Municipality	29,148	RMB105.0 (S$21.9)	RMB110.0 (S$22.9)	RMB104.2 (S$21.7)	Colliers: 0.8% JLL: 5.3%	Leasehold estate of 50 years expiring on 12 February 2065	47 years
9.	Mapletree Jiaxing	**East China** Jiaxing, Zhejiang Province	35,683	RMB127.0 (S$26.5)	RMB130.0 (S$27.1)	RMB125.8 (S$26.2)	Colliers: 0.9% JLL: 3.2%	Leasehold estate of 50 years expiring on 26 January 2066	48 years
10.	Mapletree Nanchang[(1)]	**Midwest China** Nanchang, Jiangxi Province	73,950	RMB217.0 (S$45.2)	RMB224.0 (S$46.7)	RMB216.5 (S$45.1)	Colliers: 0.2% JLL: 3.3%	Leasehold estate of 50 years expiring on 14 January 2066	48 years

	Property Name	Location	NLA (sq m)	Independent Valuation by Colliers (million)	Independent Valuation by JLL (million)	Agreed Property Value (million)	Discount of the Agreed Property Value to the Independent Valuation	Land Tenure	Approximate Remaining Land Tenure
11.	Mapletree Zhenjiang[1]	**East China** Zhenjiang, Jiangsu Province	101,616	RMB335.0 (S$69.8)	RMB330.0 (S$68.8)	RMB329.8 (S$68.7)	Colliers: 1.6% JLL: 0.1%	Leasehold estate of 50 years expiring on 1 October 2066	49 years
Total		–	821,911	RMB2,895.0 (S$603.1)	RMB2,956.0 (S$615.8)	RMB2,846.8 (S$593.1)	Colliers: 1.7% JLL: 3.7%	–	–

Note:

(1) As at the Latest Practicable Date, the PRC WFOEs holding Mapletree Wuhan, Mapletree Xi'an, Mapletree Nanchang and Mapletree Zhenjiang have obtained the land title certificates and are in the process of applying for the property title certificates in respect of these Properties. The Manager expects the property title certificates in respect of these Properties to be obtained by the second half of 2018.

2.5 Certain Terms and Conditions of the Share Purchase Agreements

The Trustee has entered into conditional Share Purchase Agreements with the Vendors dated 26 April 2018.

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

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

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

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

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

(v) completion of the acquisition of shares of the HK SPVs by the Trustee (save for the shares that are the subject of the relevant Share Purchase Agreement) having taken place on or prior to completion of the acquisition of shares of the Share Purchase Agreement in question;

(vi) where the terms of the HK SPV's existing bank facilities contain any restrictions on the change in control of the HK SPVs or PRC WFOEs or include any right to terminate as a result of any matter contemplated by the Share Purchase Agreement, written confirmation of the waiver of such restrictions or such right to terminate;

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

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

(ix) the existing bank facilities granted to the HK SPVs remaining in full force and effect, and not being discharged as a result of Completion.

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

(a) in respect of five Share Purchase Agreements for the Co-owned HK SPVs[1], the Vendors shall, at Completion, pay a rent-free reimbursement amount (the "**Rent-Free Reimbursement Amount**") of RMB8.5 million (S$1.8 million) in aggregate to the Trustee, to reimburse the Trustee for rent-free incentives granted or allowed to any tenant of the five Properties within the first two years after Completion. The Rent-Free Reimbursement Amount shall be paid into an account at Completion, and the Trustee

---

1 Being the Share Purchase Agreements in respect of Wuxi EMZ (HKSAR) Limited, Nantong Development (HKSAR) Limited, Changshu IDZ (HKSAR) Limited, Changsha Development (HKSAR) Limited and Yangluo EDZ (HKSAR) Limited.

shall be entitled to withdraw the Rent-Free Reimbursement Amount in instalments on a quarterly basis within the first two years after Completion;

(b) on Completion, the Trustee shall extend the Trustee Shareholders' Loans to the HK SPVs;

(c) the Shareholders will enter into separate Shareholders' Deeds at Completion to regulate the management of each HK SPV and its respective wholly-owned PRC WFOE and the relationship between them as shareholders of the relevant HK SPV;

(d) the Trustee is required to provide, or procure the provision of, the Corporate Guarantees (as guarantor) with effect from Completion in respect of MLT's 50.0% shareholding interest in each of the 11 HK SPVs; and

(e) the Vendors shall procure that applications be made for issuance of the completion certificate and the property title certificate for the relevant Property. The Vendors have undertaken to obtain such certificate(s) within six months (or such period agreed between the parties) after Completion, and have also provided an indemnity to the Trustee from losses sustained from any penalties imposed due to such certificate(s) not being obtained.

2.6 Shareholders' Deeds

Pursuant to the terms of the Share Purchase Agreements, the Shareholders will enter into separate Shareholders' Deeds at Completion to regulate the management of each HK SPV and its respective wholly-owned PRC WFOE and the relationship between them as shareholders of the relevant HK SPV, on terms to be mutually agreed between the Trustee and MIPL. The parties to each Shareholders' Deed will be the Shareholders and the relevant HK SPV.

2.6.1 Management

Under the terms of each Shareholders' Deed, the board of directors of each HK SPV shall have ultimate responsibility for management and control of the HK SPV. The board shall comprise four directors, two of which shall be appointed by the Trustee and two of which shall be appointed by the relevant MIPL Subsidiary. In the case of the Trustee, the two directors appointed by the Trustee shall be representatives of the Manager. In the event of a conflict of interests, such representatives are required to give priority to the interests of Unitholders as a whole over the interests of the Manager and its shareholders.

2.6.2 Reserved Matters

Each Shareholders' Deed contains a set of matters in relation to the key operational and management issues affecting the HK SPV, which require unanimous approval of all the directors of the HK SPV. These matters include:

(i) any amendment of the articles of association of the HK SPV and the Shareholders' Deed;

(ii) cessation or change of the primary business of the HK SPV and/or any of its subsidiaries (the "**HK SPV Group**");

(iii) winding up, dissolution, liquidation or termination of any member of the HK SPV Group;

(iv) changes in the equity capital structure of any member of the HK SPV Group;

(v) changes to the dividend distribution policies for any member of the HK SPV Group;

(vi) issue of ordinary shares and any other securities (including any options over such securities) by any member of the HK SPV Group;

(vii) incurring and/or repayment of borrowings by any member of the HK SPV Group;

(viii) creation of any security or charge over the assets of the HK SPV Group or any part thereof;

(ix) save for any leasing of the Property or any part thereof in the ordinary course of business, transfer or disposal of the assets of the HK SPV Group;

(x) approval of asset enhancement and capital expenditure plans for the assets of the HK SPV Group, other than those which have been specifically approved in any development budget or annual budget;

(xi) entry into, or any amendment of the terms of any, or waiver of any rights under any, interested person transactions other than those which have been specifically approved in any development budget or annual budget; and

(xii) any matters which are set out in Paragraph 6.5 of the Property Funds Appendix to the extent that such matters are not set out above, if applicable.

2.6.3 Asset Management

Mapletree Real Estate Advisors Pte Ltd, a wholly-owned subsidiary of MIPL, and the Manager shall be jointly appointed as the asset managers for each Property (the "**Asset Managers**"). The Asset Managers shall be entitled to receive the following fees (or such other fees as may be mutually agreed between the Shareholders) from any member of the HK SPV Group to be shared in equal proportions between the Asset Managers:

(i) a base fee of 0.5% per annum of all the assets of the HK SPV Group;

(ii) a performance fee of 3.6% per annum of the net property income of the HK SPV Group in the relevant financial year; and

(iii) a development management fee of 3.0% of the total project costs incurred in a development project undertaken by the HK SPV or any member of the HK SPV Group.

The fees payable to the Asset Managers are on the same rates as those payable by MLT to the Manager under the Trust Deed.

In the computation of the Manager's fees payable under the Trust Deed, any asset management fees payable to the Manager for the Properties will be taken into account and no double payment will be made in respect of such asset management services provided by the Manager.

2.6.4 Property Management

Shanghai Mapletree Management Co., Ltd., a wholly-owned subsidiary of MIPL, shall be appointed as the property manager for each Property (the "**PRC Property Manager**"). The PRC Property Manager shall be entitled to receive the following fees (or such other fees as may be mutually agreed between the Shareholders) from any member of the HK SPV Group:

(i) a property management fee of 2.0% per annum of the gross revenue of the HK SPV Group;

(ii) a lease management fee of 1.0% per annum of the gross revenue of the HK SPV Group;

(iii) a project management fee (including for asset enhancement initiatives projects) of:

   (a) 3.0% of the construction costs where the construction costs are S$2.0 million or less;

   (b) 2.0% of the construction costs where the construction costs exceed S$2.0 million but do not exceed S$20.0 million;

   (c) 1.5% of the construction costs where the construction costs exceed S$20.0 million but do not exceed S$50.0 million; and

   (d) an amount to be mutually agreed between the HK SPV and the PRC Property Manager where the construction costs exceed S$50.0 million; and

(iv) a marketing service commission equivalent to:

   (a) one month's gross rent inclusive of service charge, for securing a tenancy of three years or less;

   (b) two months' gross rent inclusive of service charge, for securing a tenancy of more than three years;

   (c) half month's gross rent inclusive of service charge, for securing a renewal of tenancy of three years or less;

   (d) one month's gross rent inclusive of service charge, for securing a renewal of tenancy of more than three years; and

   (e) if a third party agent secures a tenancy, the PRC Property Manager will be responsible for all marketing services commissions payable to such third party agent and the PRC Property Manager will be entitled to a marketing services commission of:

      (I) 1.2 month's gross rent inclusive of service charge, for securing a tenancy of three years or less; and

      (II) 2.4 months' gross rent inclusive of service charge, for securing a tenancy of more than three years.

The fees payable to the PRC Property Manager are on the same rates as those payable by MLT to Mapletree Property Management Pte. Ltd. (the "**Property Manager**") under 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.

2.6.5 Additional Financing

Each Shareholder commits to provide additional funds in the event that additional funding is required and external financing is not available on reasonably acceptable terms or at all, and shall provide such funds (either by way of subscription of additional shares in the HK SPV or through shareholders' loans) in the same percentages as their respective shareholding percentages in the HK SPV.

For the avoidance of doubt, any additional financing provided to the HK SPVs by the Trustee in the future shall comply with Chapter 9 of the Listing Manual and Paragraph 5 of the Property Funds Appendix.

2.6.6 Pre-emption Rights; Tag Along and Drag Along Rights

Under the terms of each Shareholders' Deed, the Trustee has pre-emption rights over the relevant MIPL Subsidiary's shares in the relevant HK SPV, in the event that the relevant MIPL Subsidiary wishes to divest its 50.0% interest in the HK SPV. If the Trustee waives its pre-emption rights, the Trustee has tag along rights in the event of such divestment by the relevant MIPL Subsidiary.

If the Trustee wishes to divest its 50.0% interest in the HK SPV, and the relevant MIPL Subsidiary waives its pre-emption rights, the Trustee has drag along rights over the relevant MIPL Subsidiary's interest in the HK SPV.

Reciprocal rights are also provided by the Trustee to the relevant MIPL Subsidiary in respect of the above.

2.6.7 Deadlock Provisions

Further, in the event that a resolution of the board of directors of the relevant HK SPV or the Shareholders for the transaction of any business of the relevant HK SPV cannot be obtained after a period of 30 days or after three successive attempts, whichever is the earlier, a deadlock shall be deemed to arise and the parties to the Shareholders' Deed shall immediately upon the occurrence of any deadlock, refer the matter which was to have been discussed to, in the case of the Trustee, the Chief Executive Officer of the Manager, and in the case of the relevant MIPL Subsidiary, the Deputy Group Chief Executive Officer of MIPL (the "**Officer**"). Each Shareholder shall procure that its Officer shall negotiate in good faith with the other Officer(s) with a view to resolution of such matter.

If a resolution of such matter is not agreed upon within 30 days from the date of the parties' referral to the Officers, any Shareholder (the "**Initiator**") may serve a notice (the "**Deadlock Notice**") on the other Shareholder (the "**Non-Initiating Shareholder**"). The Deadlock Notice shall constitute an offer by the Initiator to buy for cash all (but not some only) of the shares held by the Non-Initiating Shareholder and an alternate offer by the Initiator to sell for cash all (but not some only) of its own shares at the price set out in the Deadlock Notice.

By approving the Acquisition, Unitholders will be deemed to have also approved the Shareholders' Deeds.

2.7 Corporate Guarantees

The 11 HK SPVs have entered into bank facilities, pursuant to which the Vendors have provided corporate guarantees to certain banks. Pursuant to the terms of the Share Purchase Agreements, the Trustee is required to provide, or procure the provision of, the Corporate Guarantees (as guarantor) of an aggregate value of up to approximately RMB505.4 million (S$105.3 million) with effect from Completion, in place of the existing corporate guarantees provided by the Vendors. The aggregate value of the Corporate Guarantees at any point in time shall represent MLT's 50.0% shareholding interest in each of the 11 HK SPVs and will depend on the amounts drawn down under the bank facilities (including accrued interest). As at the Latest Practicable Date, an aggregate of RMB944.2 million (S$196.7 million) has been drawn down under the bank facilities, of which RMB472.1 million (S$98.4 million) represents the value of the Corporate Guarantees in respect of MLT's 50.0% shareholding interest. For the avoidance of doubt, the MIPL Subsidiaries shall also be required to provide similar corporate guarantees to such banks in respect of their respective 50.0% shareholding interest in the 11 HK SPVs. No fee is chargeable for provision of the abovementioned corporate guarantees by each of the Trustee and/or the MIPL Subsidiaries.

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

2.8 Total Acquisition Cost

The Total Acquisition Cost is estimated to be approximately RMB1,021.6 million (S$212.8 million), comprising:

(i) the Acquisition Price of approximately RMB985.3 million (S$205.3 million), which comprises (a) the Aggregate Share Consideration, to be satisfied fully in cash, which is estimated to be RMB120.5 million (S$25.1 million)[1], subject to post-Completion adjustments to the Total Adjusted Net Asset Values, and (b) the Trustee Shareholders' Loans of RMB864.8 million (S$180.2 million) to be extended by the Trustee to the HK SPVs, subject to adjustments based on the actual date of Completion to take into account interest accruing up to such date;

(ii) the Acquisition Fee payable in Units to the Manager for the Acquisition which is estimated to be approximately S$1.0 million (representing 0.5% of the Acquisition Price); and

(iii) the estimated professional and other fees and expenses of approximately S$6.5 million incurred or to be incurred by MLT in connection with the Acquisition and the Equity Fund Raising.

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 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 Acquisition Price.

---

1 This amount comprises the purchase consideration of RMB21.5 million (S$4.5 million) payable to the Itochu Subsidiaries and the purchase consideration of RMB99.0 million (S$20.6 million) payable to the MIPL Subsidiaries.

As the acquisition of the interests of the MIPL Subsidiaries in the HK SPVs (comprising the 30.0% interest in the eight Co-owned HK SPVs and the 50.0% interest in the three Sponsor-owned HK SPVs) will constitute an "interested party transaction" under the Property Funds Appendix, the Acquisition Fee payable in respect of the acquisition of interests from the MIPL Subsidiaries 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. While the acquisition of the interests of the Itochu Subsidiaries in the 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 Acquisition in respect of which the Acquisition Fee is payable or, where Units are not issued to finance or part finance the Acquisition, the prevailing Market Price of such Units on the date of Completion.

Based on the Illustrative Issue Price of S$1.20 per Acquisition Fee Unit, the number of Acquisition Fee Units issued shall be approximately 855,305 Units.

2.10 Method of Financing for the Acquisition

The Manager intends to finance the Total Acquisition Cost through the proceeds from the Equity Fund Raising and/or a drawdown of the Loan Facilities.

The final decision regarding the proportion of the debt and equity to be employed to fund the Acquisition will be made 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.

2.11 Equity Fund Raising

The Equity Fund Raising will be undertaken through an issuance of New Units relying on the general mandate of MLT obtained at the annual general meeting of MLT held on 17 July 2017.

The details and timing of the Equity Fund Raising have not been determined and the Manager will announce the details of the Equity Fund Raising on SGXNET at the appropriate time when it launches the Equity Fund Raising on such terms and at such time as may be agreed with the Joint Global Co-ordinators and Bookrunners.

For illustrative purposes in this Circular, the Equity Fund Raising is assumed to raise gross proceeds of approximately S$200.0 million.

The Manager intends to utilise the net proceeds of the Equity Fund Raising to partially finance the Total Acquisition Cost of approximately S$212.8 million, with the balance thereof to be funded by the Loan Facilities. However, subject to relevant laws and regulations, the Manager has absolute discretion to determine the use of proceeds.

3. **RATIONALE FOR AND KEY BENEFITS OF THE ACQUISITION**

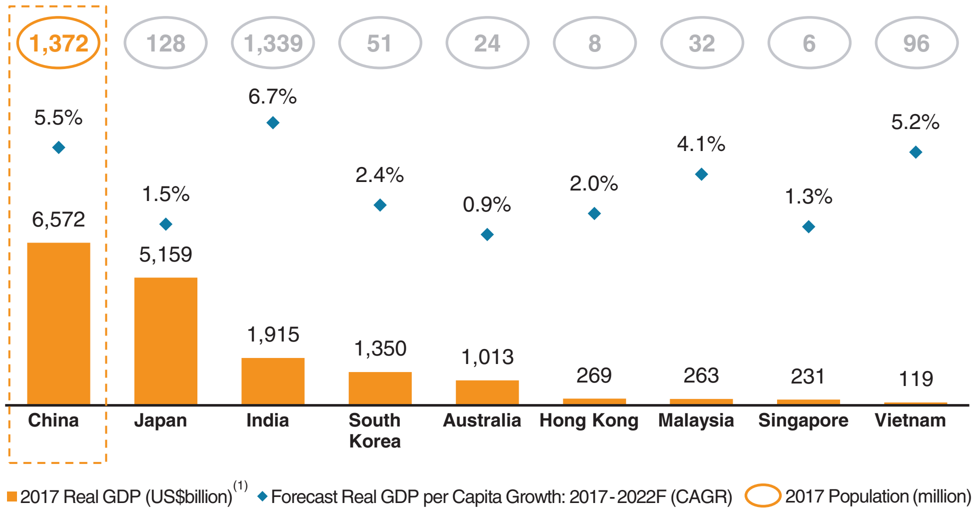
The Manager believes that the Acquisition will bring the following key benefits to Unitholders:

3.1 Attractive Logistics Market in China

3.1.1 Strategic expansion in the largest Asia-Pacific economy with a high and sustainable growth profile

According to the Independent Market Research Consultant, China has the largest economy and population in Asia-Pacific. In 2017, China recorded a real gross domestic product ("**GDP**") of approximately US$6.6 trillion, which is the largest in Asia-Pacific. China's real GDP per capita is also forecasted to grow at 5.5% per annum between 2017 and 2022F, making it one of the world's fastest growing economies.

Asia-Pacific 2017 Real GDP, Real GDP Growth and Population



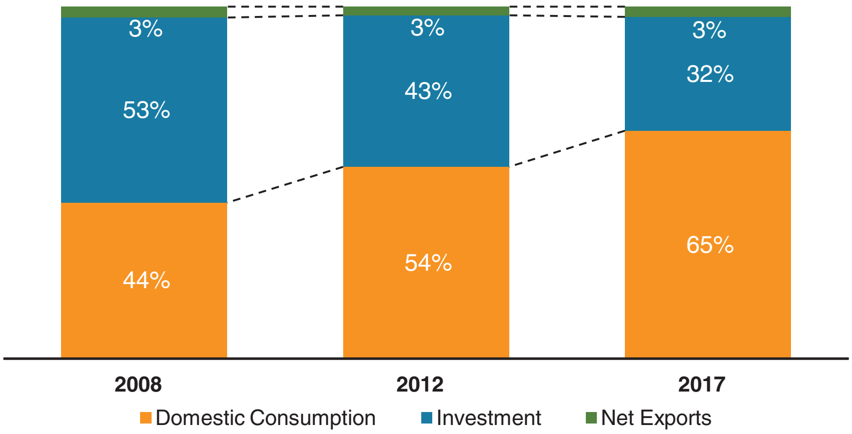
Source: Economist Intelligence Unit, Independent Market Research Consultant

Note:

(1) Adjusted to exclude the effects of inflation, with 2005 as the reference year.

According to the Independent Market Research Consultant, China's economic growth is gradually shifting from investment-driven growth to domestic consumption-driven growth, which is a more stable and sustainable growth driver. China has been able to maintain stable growth despite global economic instability headwinds through increased domestic consumption. Domestic consumption accounted for 65% of GDP growth in 2017 as compared to 44% in 2008.

Components of China's GDP Growth (2008, 2012 and 2017)



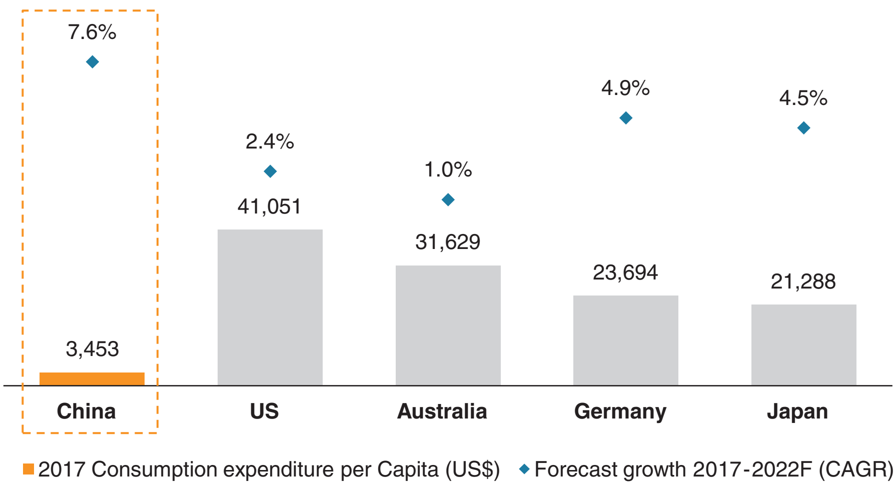
Source: Independent Market Research Consultant

3.1.2 Rising consumption expenditure and rapid expansion of e-commerce in China support strong demand for logistics properties

(A) Rising consumption expenditure in China

According to the Independent Market Research Consultant, China's consumption expenditure per capita is significantly lower than major developed economies such as the United States, Australia, Germany and Japan and is forecasted to grow at a higher compounded annual growth rate ("**CAGR**") of 7.6% per annum between 2017 and 2022F, driven by rising disposable household income.

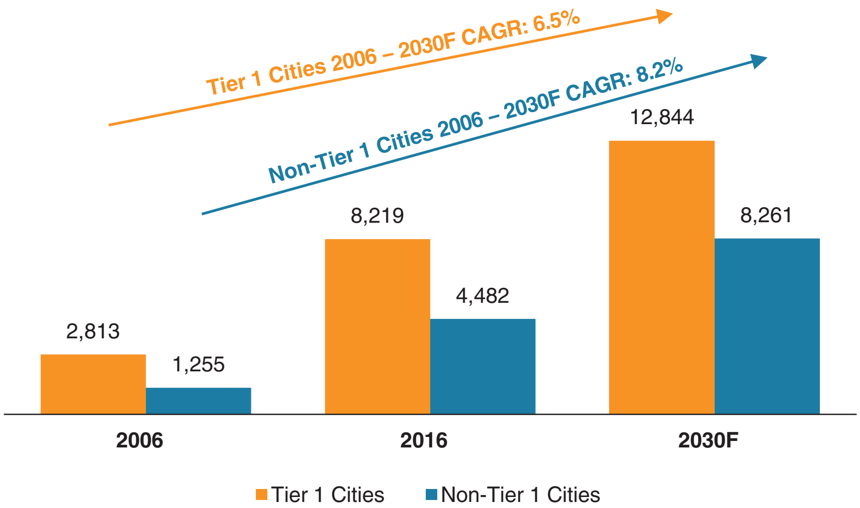
2017 Consumption Expenditure per Capita (US$)



Source: Economist Intelligence Unit, Independent Market Research Consultant

According to the Independent Market Research Consultant, non-Tier 1 cities within China are expected to achieve a higher CAGR in disposable household income per capita of 8.2% between 2006 and 2030F compared to 6.5% for Tier 1 cities.

China Disposable Household Income per Capita (US$)



Source: National Bureau of Statistics of China, Independent Market Research Consultant

According to the Independent Market Research Consultant, increasing household income and consumption is expected to generate higher demand for logistics services to move and store physical goods, and correspondingly a greater demand for logistics properties.

(B) Rapid expansion of e-commerce in China

According to the Independent Market Research Consultant, China ranked first in total e-commerce sales volume among selected Asia-Pacific economies at US$449 billion although e-commerce sales per capita remains relatively low at US$327 in 2017.

Overview of Selected E-commerce Markets

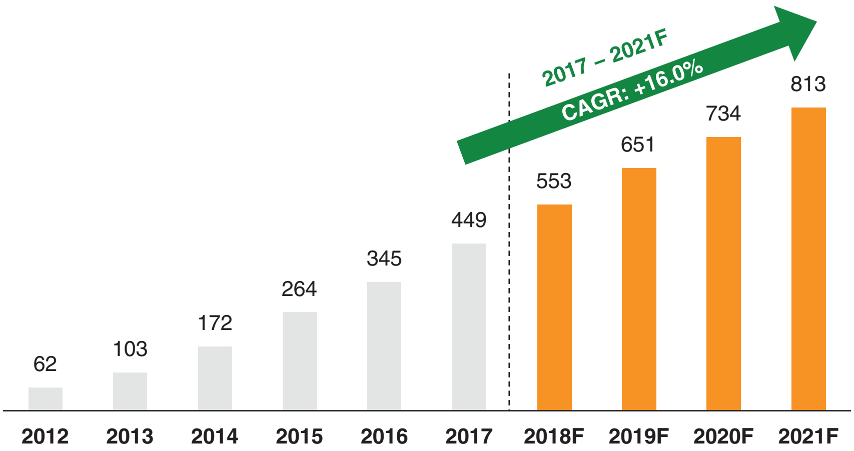
	China	United States	Japan	South Korea	Australia	Hong Kong	Singapore
2017 E-commerce Sales (US$ billion)	449	366	79	51	19	2	1
2017 E-commerce Sales per Capita (US$)	327	1,121	618	1,006	769	264	223
2016 Population Size (million)	1,366	324	128	51	24	7	6
2016 Internet Penetration	53%	76%	92%	93%	88%	87%	81%

Source: Euromonitor, World Bank, Independent Market Research Consultant

According to the Independent Market Research Consultant, the China market has become one of the most sought-after growing markets as more global retailers and brands enter the market via cross-border e-commerce, facilitated by omni-channel distribution and the rise in mobile payments. E-commerce sales in China is expected to achieve strong growth from US$449 billion in 2017 to US$813 billion in 2021F, at a CAGR of 16.0% per annum.

The Independent Market Research Consultant expects increasing emphasis on efficiency and faster deliveries to continue to generate strong demand for warehouses and distribution centres by e-commerce players.

E-commerce Sales Volume and Growth in China (US$ billion)



Source: Euromonitor, Independent Market Research Consultant

According to the Independent Market Research Consultant, for reasons of cost and efficiency, many consumer goods and e-commerce companies employ third-party logistics ("**3PL**") firms to handle their logistics functions, such as storage, transportation and distribution of their goods. It is estimated that 3PLs contributed approximately 45.0% of net absorption of Grade A warehouses in 2017 and the 3PL market is expected to grow at a CAGR of 10.2% between 2018F and 2021F.

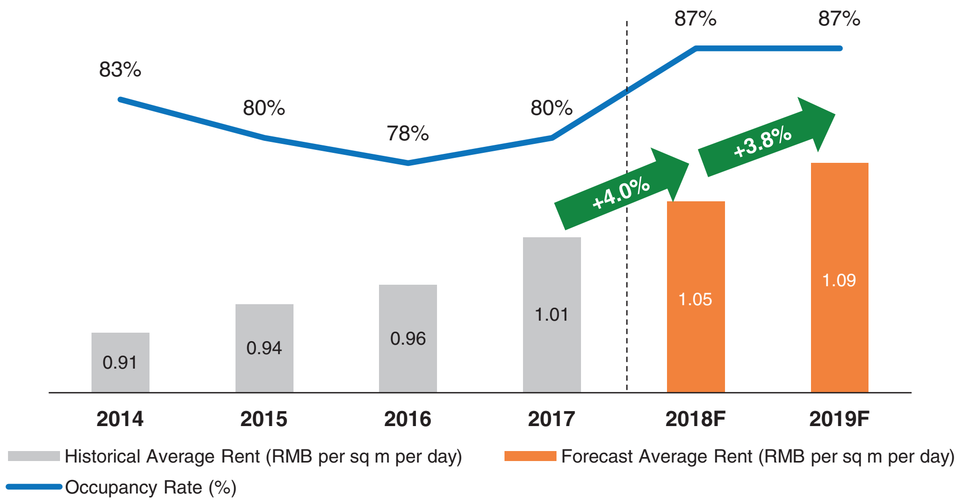
3.1.3 Favourable supply-demand dynamics underpins rental growth of logistics assets

According to the Independent Market Research Consultant, modern or Grade A warehouse stock comprises only less than 5.0% of total warehouse stock in China in terms of GFA. In China, Grade A warehouses are identified by their high specifications, such as a clear ceiling height of 9 metres and floor loading of 20 kN psm to 40 kN psm.

Despite the growth in recent years of the supply of Grade A warehouses in China, the Independent Market Research Consultant estimates that the stock of Grade A warehouses in China remains low on a per capita basis. China has a stock of 33.0 sq m of Grade A warehouse per thousand persons, which is lower compared to markets such as Singapore at 1,346.7 sq m, Hong Kong at 681.4 sq m and Japan at 142.9 sq m.

As a result of the imbalance in supply compared to demand, occupancy rates for Grade A warehouses are expected to increase to 87% in both 2018F and 2019F. In addition, Grade A warehouse average rent is expected to grow by approximately 4.0% in 2018F and 3.8% in 2019F.

China Grade A Warehouse Average Rent and Occupancy Rate



Source: Independent Market Research Consultant

3.1.4 Beneficiary of the One Belt One Road initiative

According to the Independent Market Research Consultant, the One Belt One Road ("**OBOR**") initiative aims to boost inter-continental trade and connectivity by land and sea between Europe, Africa and China. The OBOR initiative envisions an interlinked economic zone, stimulating economic growth in the countries and cities along its main routes. As trade flows grow, inland transportation routes (both rail and road) will become viable, boosting inter-continental and intra-China connectivity which will in turn support demand for logistics properties.

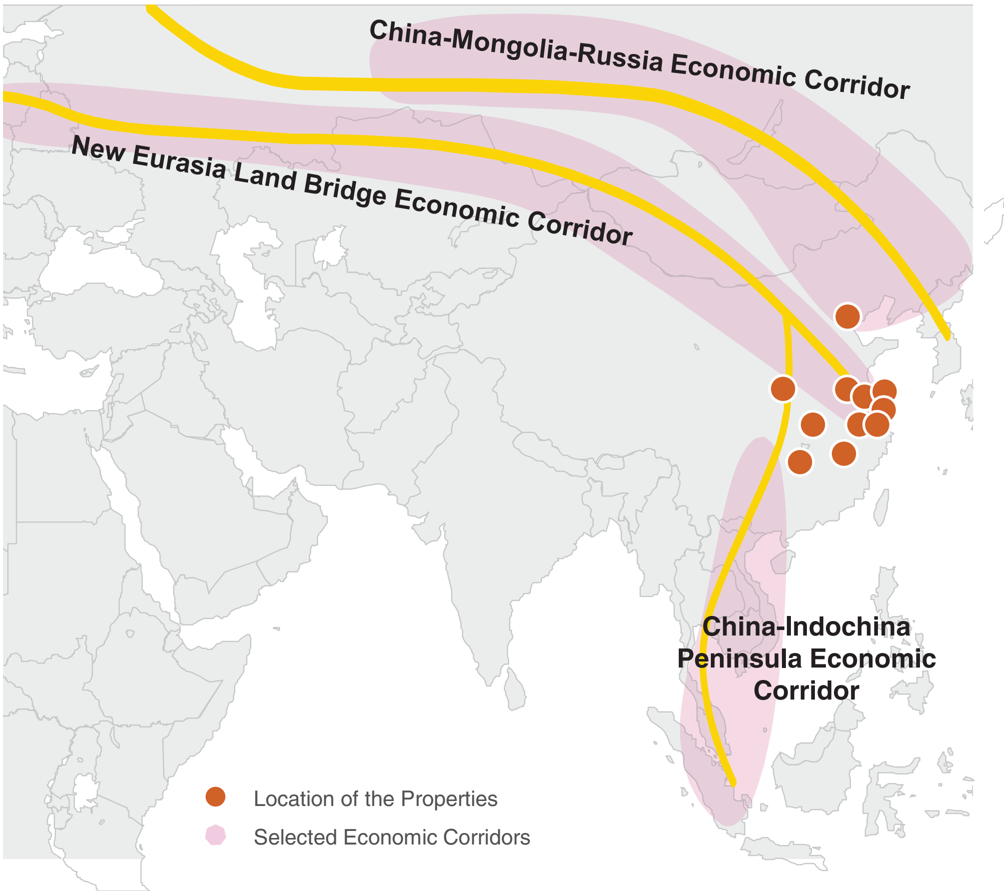
The Properties are located near or along the following economic corridors of the OBOR initiative:

(i) the New Eurasia Land Bridge Economic Corridor ("**NELBEC**");

(ii) the China-Indochina Peninsula Economic Corridor ("**CICPEC**"); and

(iii) the China-Mongolia-Russia Economic Corridor ("**CMREC**").

Selected Economic Corridors of the OBOR Initiative



Source: Independent Market Research Consultant

NELBEC

Properties along or near the NELBEC: Mapletree Wuxi, Mapletree Hangzhou, Mapletree Nantong, Mapletree Changshu, Mapletree Xi'an, Mapletree Jiaxing and Mapletree Zhenjiang.

The NELBEC is an international passageway linking the Pacific Ocean and the Atlantic Ocean, leading from China's coastal cities of Lianyungang in Jiangsu Province through Alashankou in Xinjiang to Rotterdam in the Netherlands. The 10,800 km rail link serves more than 30 countries and regions.

CICPEC

Properties along or near the CICPEC: Mapletree Changsha, Mapletree Wuhan and Mapletree Nanchang.

The CICPEC extends from China's Pearl River Delta through railways and highways to countries along the Mekong River, linking Nanning and Pingxiang to Hanoi and Singapore. This land bridge links China with the Indochina Peninsula and crosses Vietnam, Laos, Cambodia, Thailand, Myanmar and Malaysia.

CMREC

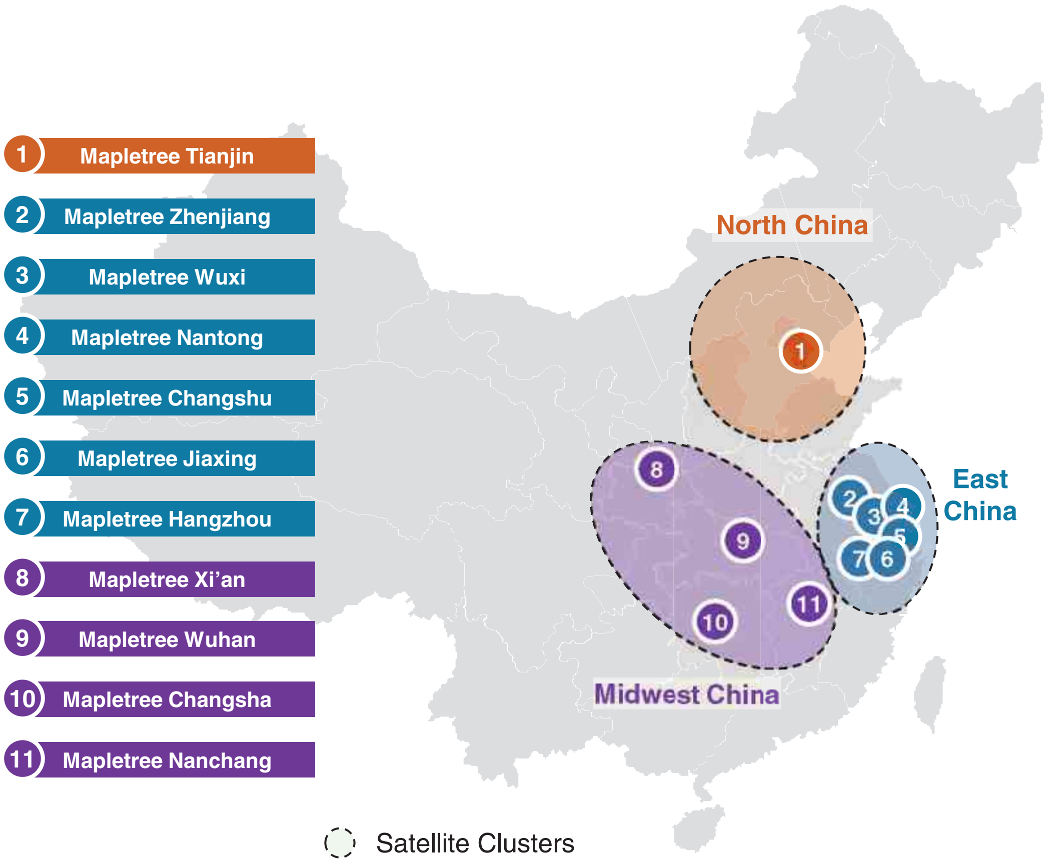
Properties along or near the CMREC: Mapletree Tianjin.

The CMREC comprises two key traffic arteries, one extending from the Beijing-Tianjin-Hebei region to Hohhot and on to Mongolia and Russia, and the other extending from Dalian, Shenyang, Changchun, Harbin and Manzhouli to Russia. This will strengthen rail and highway connectivity and construction, advance customs clearance and transport facilitation, promoting cross-national cooperation in transportation.

3.2 Strategic Addition of a Diversified and Well-Located Portfolio Across China

3.2.1 Located in three clusters with unique economic growth characteristics

The Properties are located in three clusters with unique economic growth characteristics. Six of the 11 Properties contributing approximately 61.9% to the Properties' Gross Revenue are located in the East China region, which includes Wuxi, Changshu, Zhenjiang, Nantong, Hangzhou and Jiaxing. Four of the 11 Properties contributing approximately 34.7% to the Properties' Gross Revenue are located in the Midwest China region which includes Xi'an, Changsha, Wuhan and Nanchang. The remaining Property is located in Tianjin, a city located in the North China region, contributing approximately 3.4% to the Properties' Gross Revenue.



Source: Independent Market Research Consultant

East China

East China is one of the most urbanised and economically developed regions in China, with well-established infrastructure of ports, terminals and roads. Its geographical location and economic strength has laid a solid foundation for the development of the 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 (Comprising Central and Western China)

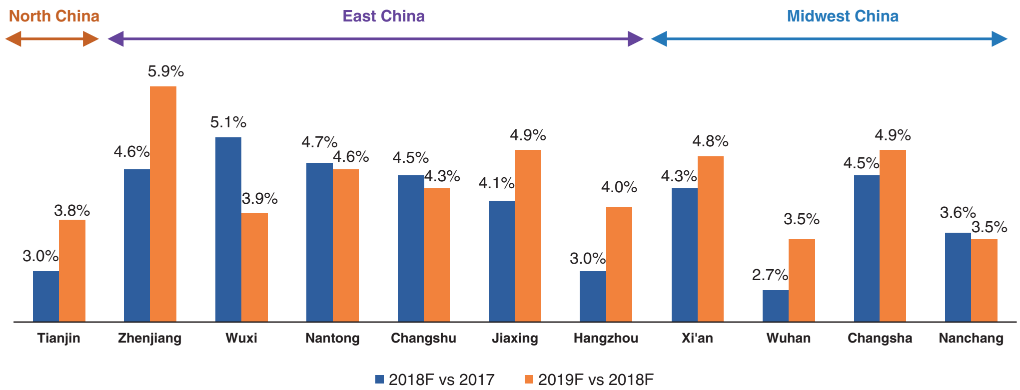
Central and Western China will become prominent economic, transportation and logistics centres for China with the implementation of the OBOR initiative. Furthermore, factors such as China's national policy, infrastructure development and economic rebalancing in favour of domestic demand have allowed the Central China region to benefit from the trends of rapid urbanisation, improved connectivity and manufacturing expansion, leading to sustainable growth. Central and Western China have been two of the fastest growing regions in China since 2011 and are expected to grow at a faster rate than the national average.

North China

As one of the most densely populated regions in China, North China has highly developed transportation and logistics networks. Riding on the wave of coordinated development of transportation networks in Beijing, Tianjin and Hebei, 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.

Due to the favourable location of the Properties, the Independent Market Research Consultant expects rental growth to remain healthy with asking rents for Grade A warehouses in the 11 cities[1] expected to increase between 2.7% and 5.1% from 2017 to 2018 and between 3.5% and 5.9% from 2018F to 2019F.

Grade A Warehouse Forecast Rental Growth for 2018F and 2019F (Asking Rent) (%)



Source: Independent Market Research Consultant

1 The 11 cities are Wuxi, Hangzhou, Nantong, Changshu, Changsha, Wuhan, Xi'an, Tianjin, Jiaxing, Nanchang and Zhenjiang.

3.2.2 Excellent connectivity

The Manager believes that the Properties have excellent connectivity, being located in cities which are either transportation hubs or are expected to benefit from the OBOR initiative. In addition, all the Properties are located relatively near highways, railway stations, airports and/or sea or river ports.

Property	Estimated Travel Time by Road (minutes)	
Mapletree Tianjin	Expressway Entrance	10
	Tianjin Binhai International Airport	50
	Wuqing Railway Station	15
Mapletree Zhenjiang	Expressway Entrance	5
	Nanjing Lukou International Airport	20
	Liubaidu Railway Station	60
Mapletree Wuxi	Expressway Entrance	10
	Sunan Shuofang International Airport	15
	Wuxi Railway Station	30
Mapletree Nantong	Expressway Entrance	10
	Nantong Xingdong International Airport	25
	Nantong Railway Station	30
Mapletree Changshu	Expressway Entrance	10
Mapletree Jiaxing	Expressway Entrance	10
	Jiaxing Airport	10
	Jiaxing South Railway Station	30
Mapletree Hangzhou	Expressway Entrance	15
	Hangzhou International Airport	40
	Hangzhou Bay Sea Wharf	20
Mapletree Xi'an	Expressway Entrance	10
	Xi'an Xianyang International Airport	40
	Xi'an Railway Station	30
Mapletree Wuhan	Expressway Entrance	10
	Wuhan Tianhe International Airport	55
	Yangluo Port	20
Mapletree Changsha	Expressway Entrance	5
	Changsha Huanghua International Airport	50
	Changsha Port	30
Mapletree Nanchang	Expressway Entrance	15
	Nanchang Changbei International Airport	20
	Container Terminal of Nanchang Port	10

Source: Independent Market Research Consultant

3.2.3 Modern Grade A specification assets with long land tenure

The Properties are new and purpose-built logistics assets with modern Grade A specifications. The Properties have a minimum clear ceiling height of 9 metres and floor loading of 20 kN psm to 30 kN psm with efficient column grid. The majority of the Properties have cross-docking features. As at 31 March 2018, the portfolio median age for the Properties is 1.7 years with the oldest Property being 2.3 years. The remaining land tenure of the Properties is approximately 47 years on average.

Property	Completion	Approximate Remaining Land Tenure (years)	Key Building Specifications		
			Clear ceiling height	Floor loading	Column grid
Mapletree Tianjin	August 2016	47	9 m	30 kN psm	11.4 m by 26.5 m
Mapletree Zhenjiang	February 2018	49	9 m	30 kN psm	11.4 m by 23.1 m
Mapletree Wuxi	December 2015	46	9 m	1st floor – 30 kN psm, 2nd floor – 25 kN psm	11.6 m by 12 m
Mapletree Nantong	April 2016 / January 2017	East: 47 West: 47	9 m	30 kN psm	11.4 m by 30 m
Mapletree Changshu	June 2016	47	9 m	30 kN psm	11.4 m by 21.7 m
Mapletree Jiaxing	June 2017	48	9 m	30 kN psm	12 m by 22.2 m
Mapletree Hangzhou	June 2016	46	1st floor – 9.12 m, 2nd floor – 9 m	1st floor – 30 kN psm, 2nd floor – 25 kN psm	11.9 m by 11.7 m
Mapletree Xi'an	March 2016	46	9 m	20 kN psm	11.7 m by 26 m
Mapletree Wuhan	October 2017	47	9 m	30 kN psm	11.4 m by 24 m
Mapletree Changsha	September 2016	46	9 m	30 kN psm	11.4 m by 23.2 m
Mapletree Nanchang	August 2017	48	9 m	30 kN psm	11.4 m by 28 m

3.3 Strong Tenant Base with Exposure to Businesses Involved in E-Commerce

The top five tenants of the Properties[1] are large e-commerce or e-commerce related players and contribute approximately 53.8% of the Properties' Gross Revenue as at 31 March 2018. The largest tenant, JD.com, Inc., is one of the largest e-commerce companies by market share in China and contributes approximately 20.8% of the Properties' Gross Revenue. The second largest tenant, Cainiao Smart Logistics Network Limited, is the logistics arm of Alibaba and contributes approximately 19.3% of the Properties' Gross Revenue. The other three of the top five tenants – Sinotrans Limited, Best Logistics Technology (China) Co., Ltd. and China Post Group Corporation, are major

1 Based on existing and committed leases for the Properties as at the Latest Practicable Date.

express delivery companies supporting e-commerce activities and contribute approximately 13.7% of the Properties' Gross Revenue.

Tenant Breakdown by Gross Revenue and Trade Sector[(1)]

Top 10 Tenants of the Properties	% of Gross Revenue	Trade Sector (Business Nature)
JD.com, Inc.	20.8%	Multi-sector (E-commerce)
Cainiao Smart Logistics Network Limited	19.3%	Multi-sector (3PL)
Best Logistics Technology (China) Co., Ltd.	5.3%	Multi-sector (3PL)
Sinotrans Limited	4.6%	Multi-sector (3PL)
China Post Group Corporation	3.8%	Multi-sector (3PL)
SF Express (Group) Co., Ltd.	3.7%	Multi-sector (3PL)
Adient Yanfeng Seating Mechanism Co., Ltd.	3.6%	Automobile
China Deppon Logistics Co., Ltd	3.4%	Retail (3PL)
Shanghai Zhengming Modern Logistics Co., Ltd.	3.0%	F&B/Multi-sector (3PL)
ZTO Express Co., Ltd.	2.9%	Multi-sector (3PL)
Total	**70.3%**	–

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.

The Acquisition, along with its tenants, will enhance MLT's tenant mix in China. The tenant base of the Properties comprises 58 tenants and the majority of these tenants are major e-commerce companies or 3PL companies with strong credit profiles. In addition, certain tenants have also incurred capital expenditure to fit out their logistics facilities to high specifications and the Manager believes that such capital expenditure supports tenant retention and encourages tenants to enter into longer lease terms.

The WALE by NLA as at 31 March 2018 for the nine existing properties in China held by MLT (the "**Existing China Portfolio**") is 2.0 years. Post-Acquisition, WALE by NLA as at 31 March 2018 for the Existing China Portfolio and the Properties (the "**Enlarged China Portfolio**") is expected to extend to 2.7 years[1].

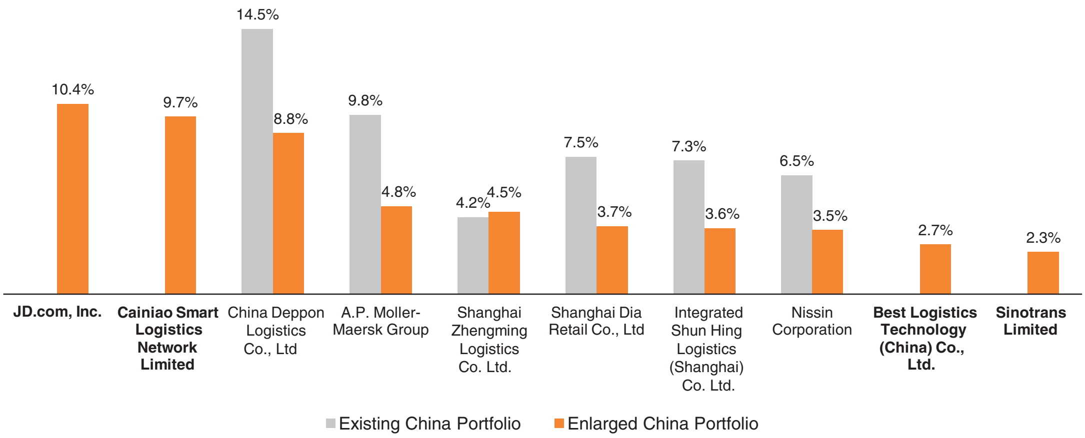
The Acquisition will also reduce tenant concentration risk, and the contribution to Gross Revenue[2] of MLT's top 10 tenants in China as at 31 March 2018 will decrease from approximately 63.5% for the Existing China Portfolio to approximately 53.8% for the Enlarged China Portfolio. Before the Acquisition, the largest tenant in MLT's China portfolio is China Deppon Logistics Co., Ltd, contributing approximately 14.5% towards MLT's China portfolio's Gross Revenue as at 31 March 2018. After the Acquisition, the largest tenant in MLT's China portfolio will be JD.com, Inc., which will contribute approximately 10.4% towards MLT's China portfolio's Gross Revenue as at 31 March 2018 on a pro forma basis.

1 Based on MLT's 50.0% indirect interest in the Properties. Based on existing and committed leases for the Properties as at the Latest Practicable Date.

2 Based on MLT's 50.0% indirect interest in the Properties.

The contribution of the largest tenant towards MLT's China portfolio's Gross Revenue as at 31 March 2018 is thus expected to decrease from approximately 14.5% to approximately 10.4% on a pro forma basis.

Top 10 Tenants of MLT's Enlarged China Portfolio(1) by Gross Revenue

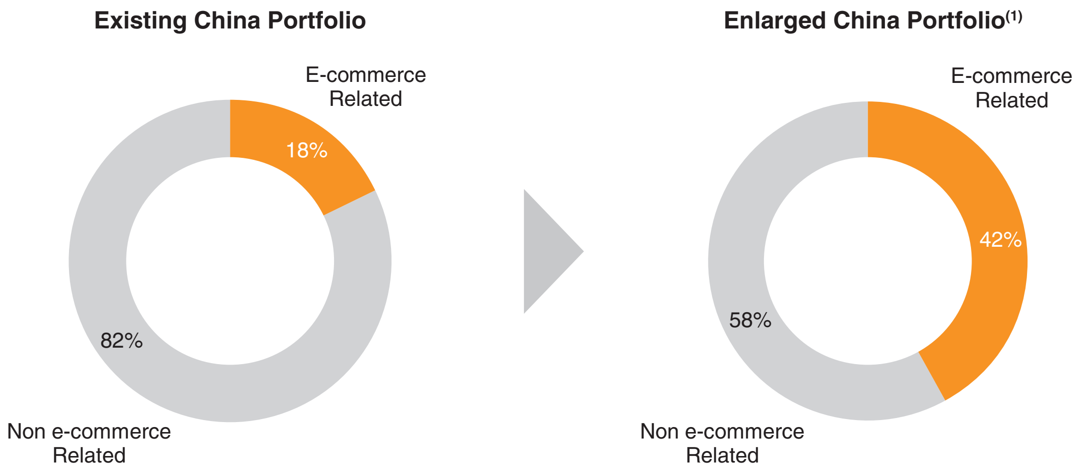


Note:

(1) Based on MLT's 50.0% indirect interest in the Properties.

Furthermore, the Acquisition will increase the exposure to e-commerce related tenants in MLT's China portfolio from approximately 18.4% to approximately 41.6% on a pro forma basis by Gross Revenue.

Gross Revenue by E-Commerce Related Tenants



Note:

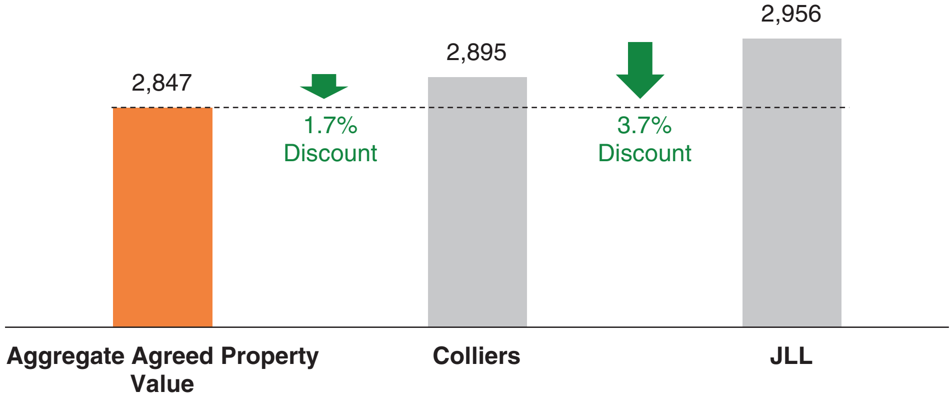
(1) Based on MLT's 50.0% indirect interest in the Properties.

3.4 Attractive Value Proposition

The Manager believes that the Properties provide an attractive value proposition in the current market, given the discount to independent valuations and implied valuation metrics compared to MLT's Existing China Portfolio.

The aggregate Agreed Property Value of the Properties is RMB2,846.8 million (S$593.1 million), representing a discount of approximately 1.7% to Colliers' aggregate valuation of RMB2,895.0 million (S$603.1 million) and a discount of approximately 3.7% to JLL's aggregate valuation of RMB2,956.0 million (S$615.8 million).

Aggregate Agreed Property Value Relative to Independent Valuations(1) (RMB million)



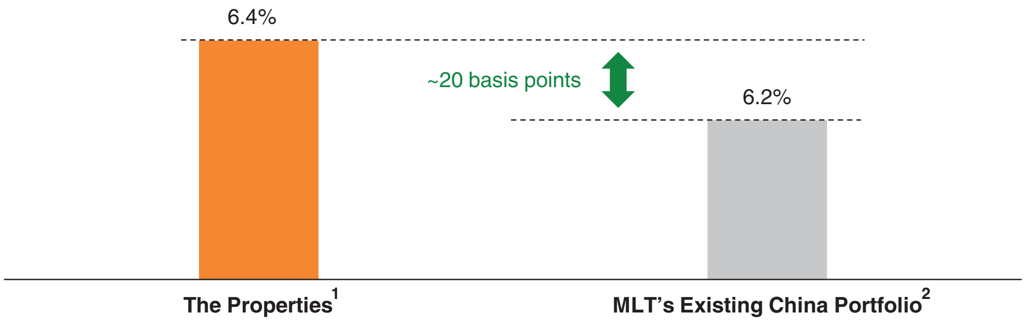
Source: Colliers, JLL

Note:

(1) The Manager has commissioned JLL and the Trustee has commissioned Colliers to value the Properties as at 1 March 2018.

In addition, the aggregate Agreed Property Value implies a Net Property Income yield of approximately 6.4%[1], which is higher than the average Net Property Income yield of MLT's Existing China Portfolio of approximately 6.2%[2].

Net Property Income Yield (%)



1 Assuming that the Properties had a portfolio occupancy rate of 97.7% for the entire financial year ended 31 March 2018 and all leases, whether existing or committed as at the Latest Practicable Date, were in place since 1 April 2017. All tenants were paying their rents in full. Net Property Income yield is computed based on the aggregate Agreed Property Value.

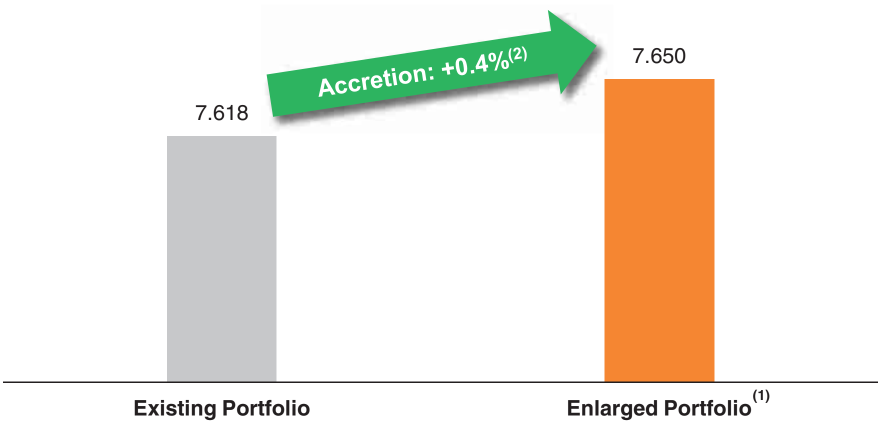
2 Based on the Net Property Income of the Existing China Portfolio for FY17/18 divided by its valuation as at 31 March 2018.

3.5 Positive Impact on MLT's Enlarged Portfolio

3.5.1 DPU-accretive acquisition

Based on the proposed method of financing, the Acquisition is expected to be DPU-accretive on a pro forma basis. The chart below illustrates MLT's DPU and pro forma DPU for the period from 1 April 2017 to 31 March 2018 in relation to the Existing Portfolio and the Enlarged Portfolio respectively.

Pro Forma FY17/18 DPU (Singapore cents)



Notes:

(1) Assuming that the Properties had a portfolio occupancy rate of 97.7% for the entire financial year ended 31 March 2018 and all leases, whether existing or committed as at the Latest Practicable Date, were in place since 1 April 2017. All tenants were paying their rents in full. Includes the contribution to total return before tax arising from MLT's 50.0% indirect interest in the Properties. MLT's expenses comprising borrowing costs associated with the drawdown of S$11.8 million from the Loan Facilities, the Manager's management fees, Trustee's fees and other trust expenses incurred in connection with the operation of the Properties have been deducted. The total number of Units at the end of the period used in computing the DPU comprises the weighted average of 2,779.3 million Units in issue for the financial year ended 31 March 2018 as well as (a) approximately 166.7 million New Units issued in connection with the Equity Fund Raising to raise gross proceeds of approximately S$200.0 million at the Illustrative Issue Price of S$1.20, (b) approximately S$1.0 million Acquisition Fee paid in Acquisition Fee Units at the Illustrative Issue Price of S$1.20 and (c) approximately 1.3 million new Units issued in aggregate as payment to (i) the Manager for the base management fee and (ii) the PRC Property Manager for the property management and lease management fees for such services rendered to the Properties for the financial quarters ended 30 June 2017, 30 September 2017 and 31 December 2017, 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.

(2) Accretion is based on pro forma numbers and does not take into account the impact from rounding.

In addition, the Aggregate Leverage of MLT as at 31 March 2018 is expected to decrease from 37.7% to 37.5%[1] on a pro forma basis after the Acquisition.

1 Includes the Loan Facilities as well as MLT's 50.0% share of the existing bank facilities and Deposited Property of each of the HK SPVs.

FOR ILLUSTRATIVE PURPOSES ONLY: The table below shows the FY17/18 DPU, pro forma FY17/18 DPU and DPU accretion at various issue prices for the New Units.

FY17/18 DPU, Pro Forma FY17/18 DPU and DPU Accretion of MLT

Issue price for the New Units (S$)	Approximate number of New Units issued under the Equity Fund Raising (million)(1)	FY17/18 DPU (Singapore cents)		DPU Accretion (%)
		Existing Portfolio	Enlarged Portfolio(2) (Pro forma)	
1.15	173.9	7.618	7.631	0.2%
1.16	172.4	7.618	7.635	0.2%
1.17	170.9	7.618	7.639	0.3%
1.18	169.5	7.618	7.642	0.3%
1.19	168.1	7.618	7.646	0.4%
1.20	166.7	7.618	7.650	0.4%
1.21	165.3	7.618	7.653	0.5%
1.22	163.9	7.618	7.657	0.5%
1.23	162.6	7.618	7.660	0.6%
1.24	161.3	7.618	7.664	0.6%
1.25	160.0	7.618	7.667	0.6%

Notes:

(1) The pro forma is prepared based on gross proceeds of approximately S$200.0 million raised from the Equity Fund Raising with the New Units issued at the respective issue prices.

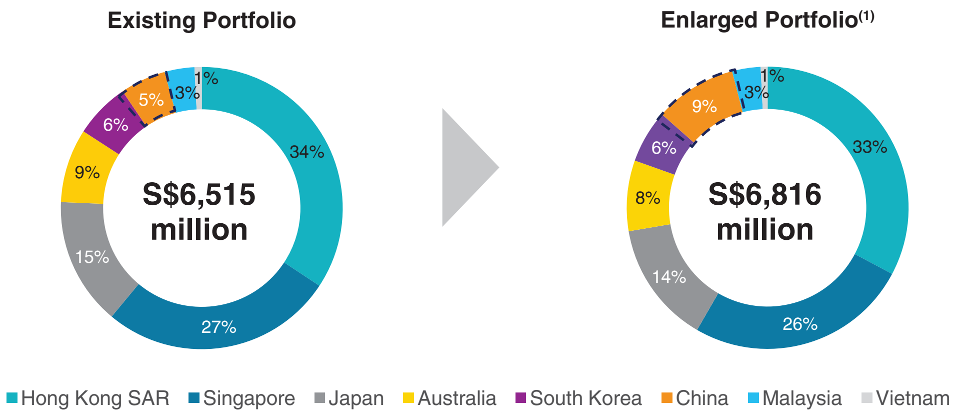
(2) Assuming that the Properties had a portfolio occupancy rate of 97.7% for the entire financial year ended 31 March 2018 and all leases, whether existing or committed as at the Latest Practicable Date, were in place since 1 April 2017. All tenants were paying their rents in full. Includes the contribution to total return before tax arising from MLT's 50.0% indirect interest in the Properties. MLT's expenses comprising borrowing costs associated with the drawdown of S$11.8 million from the Loan Facilities, the Manager's management fees, Trustee's fees and other trust expenses incurred in connection with the operation of the Properties have been deducted. The total number of Units at the end of the period used in computing the DPU comprises weighted average 2,779.3 million Units in issue for the financial year ended 31 March 2018 as well as (a) New Units issued in connection with the Equity Fund Raising to raise gross proceeds of approximately S$200.0 million at the respective issue prices, (b) approximately S$1.0 million Acquisition Fee paid in Acquisition Fee Units at the respective issue prices and (c) approximately 1.3 million new Units issued in aggregate as payment to (i) the Manager for the base management fee and (ii) the PRC Property Manager for the property management and lease management fees for such services rendered to the Properties for the financial quarters ended 30 June 2017, 30 September 2017 and 31 December 2017, 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.

3.5.2 **Increases and diversifies MLT's exposure in China**

With the Acquisition, the NLA of MLT's China portfolio will increase by approximately 102.0% from 402,821 sq m to 813,777 sq m[1] as at 31 March 2018. MLT's footprint and presence in China will also increase from five cities to 14 cities following the Acquisition. Post-Acquisition, China will contribute approximately 9.4%[2] and 11.3%[3] to the Enlarged Portfolio's valuation and FY17/18 Net Property Income respectively, on a pro forma basis.

The Acquisition will introduce assets located in non-Tier 1 China cities with higher expected growth in disposable household income, complementing MLT's existing China properties which are primarily located in affluent eastern and southern China cities. In addition, MLT will also establish a presence in Tianjin in the north of China after the Acquisition.

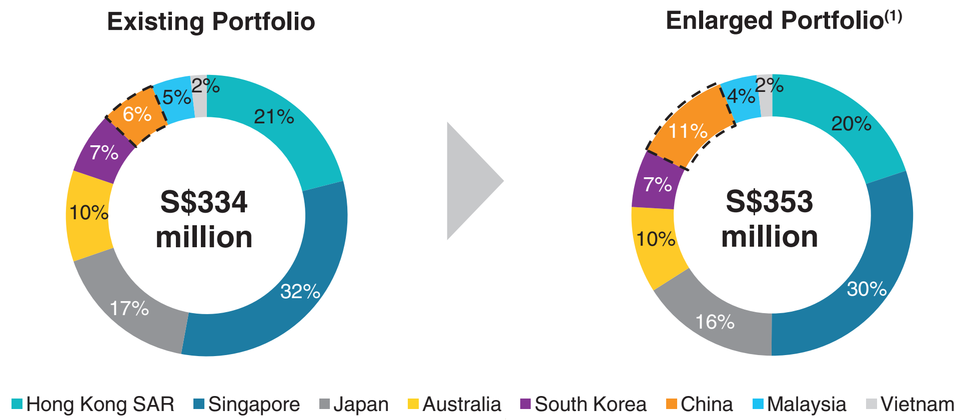
Valuation by Geography (as at 31 March 2018)



Note:

(1) Based on the aggregate Agreed Property Value of the Properties and any capitalised costs. Taking into account MLT's 50.0% indirect interest in the Properties.

FY17/18 Net Property Income by Geography



Note:

(1) Based on MLT's 50.0% indirect interest in the Properties. Assuming that the Properties had a portfolio occupancy rate of 97.7% for the entire financial year ended 31 March 2018 and all leases, whether existing or committed as at the Latest Practicable Date, were in place since 1 April 2017. All tenants were paying their rents in full.

---

1 Based on MLT's 50.0% indirect interest in the Properties.

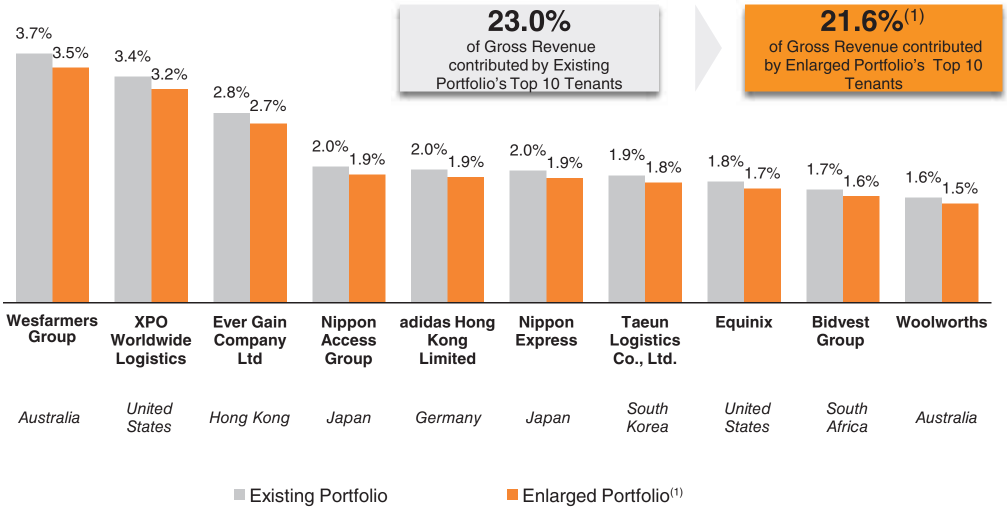
2 Based on the aggregate Agreed Property Value of the Properties and any capitalised costs. Taking into account MLT's 50.0% indirect interest in the Properties.

3 Based on MLT's 50.0% indirect interest in the Properties. Assuming that the Properties had a portfolio occupancy rate of 97.7% for the entire financial year ended 31 March 2018 and all leases, whether existing or committed as at the Latest Practicable Date, were in place since 1 April 2017. All tenants were paying their rents in full.

3.5.3 Reduces tenant concentration risk

After the Acquisition[1], the aggregate exposure to the top 10 tenants, by Gross Revenue as at 31 March 2018, will be reduced from 23.0% to 21.6% on a pro forma basis. In addition, the contribution towards Gross Revenue as at 31 March 2018 by the largest tenant – Wesfarmers Group, will be reduced from 3.7% to 3.5% on a pro forma basis.

Top 10 Tenants by Gross Revenue (as at 31 March 2018)



Note:

(1) Based on MLT's 50.0% indirect interest in the Properties.

3.5.4 Demonstration of the Sponsor's commitment and leveraging on its local market experience and resources

The Sponsor's retention of a 50.0% indirect interest in the Properties demonstrates its commitment to grow and support MLT. The Manager believes that the Acquisition offers MLT the opportunity to participate in the potential rental and capital growth of the Properties at an early stage, deepen its footprint and presence in China and increase its exposure to e-commerce.

In addition, MLT is able to leverage on the Sponsor's local market experience and resources in China to ensure a smooth continuation of operations for the Properties. As at 31 March 2017, the Sponsor owns and manages S$39.5 billion of assets across Asia-Pacific, the United States and Europe, of which S$5.4 billion of assets are located in China.

In particular, the Properties will continue to be managed by the same local management team, which has been managing the Properties prior to the Acquisition and is indirectly owned by the Sponsor. The PRC Property Manager was set up in 2005 and has an established track record in property and lease management. It employs an integrated in-house team with capabilities in property management, with strong local relationships and access to tenants. The Manager believes that the PRC Property Manager will provide stability and continuity in the management of the Properties, thus benefitting Unitholders as a whole.

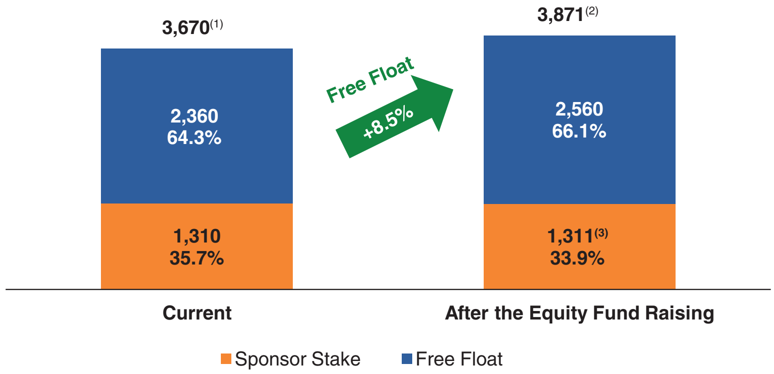
1 Based on MLT's 50.0% indirect interest in the Properties.

3.5.5 Increase in free float and liquidity

For illustrative purposes, assuming gross proceeds of S$200.0 million raised from the Equity Fund Raising to partially fund the Total Acquisition Cost, approximately 166.7 million New Units will be issued based on the Illustrative Issue Price of S$1.20 per New Unit. At an illustrative price of S$1.20 per Unit, MLT's free float would increase by 8.5% from S$2,360.2 million[1] to S$2,560.2 million[2] following completion of the Equity Fund Raising[3].

The New Units, when issued, are expected to increase MLT's free float on the SGX-ST and potentially improve trading liquidity. The larger free float and potential improvement in trading liquidity may lead to an improved market index representation and higher demand for MLT's Units.

Market Capitalisation and Free Float
(S$ million)



Notes:

(1) Based on 3,058,168,591 Units in issue as at the Latest Practicable Date at an illustrative price of S$1.20 per Unit.

(2) Based on 3,058,168,591 Units in issue as at the Latest Practicable Date and the issue of approximately 166.7 million New Units under the Equity Fund Raising and approximately 0.9 million Acquisition Fee Units, at an illustrative price of S$1.20 per Unit.

(3) Assuming for illustrative purposes, the Sponsor's ownership of Units in MLT remained the same before and after the Equity Fund Raising, other than the receipt of Acquisition Fee Units.

4. REQUIREMENT FOR UNITHOLDERS' APPROVAL

4.1 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:

(i) non-discloseable transactions;

(ii) discloseable transactions;

(iii) major transactions; and

(iv) very substantial acquisitions or reverse takeovers.

1 Based on 3,058,168,591 Units in issue as at the Latest Practicable Date at an illustrative price of S$1.20 per Unit.

2 Based on 3,058,168,591 Units in issue as at the Latest Practicable Date and the issue of approximately 166.7 million New Units under the Equity Fund Raising and approximately 0.9 million Acquisition Fee Units, at an illustrative price of S$1.20 per Unit.

3 Assuming for illustrative purposes, the Sponsor's ownership of Units in MLT remained the same before and after the Equity Fund Raising, other than the receipt of Acquisition Fee Units.

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:

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

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

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

(d) 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.

4.2 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 4.1(b) and 4.1(c) above are set out in the table below.

Comparison of	Properties	MLT	Relative figure
Net Property Income (S$ million)(1)	18.0(2)(3)	333.8(4)	5.4%
Consideration against market capitalisation (S$ million)	205.3(5)	3,792.1(6)	5.4%

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) Net Property Income on an amortised basis, assuming that the Properties had a portfolio occupancy rate of 97.7% for the entire financial year ended 31 March 2018, all leases, whether existing or committed as at the Latest Practicable Date, were in place since 1 April 2017, and that all tenants were paying their rents in full throughout the period.

(3) This figure represents the Net Property Income attributable to MLT for its 50.0% indirect interest in the Properties.

(4) Based on MLT's audited financial statements for the period from 1 April 2017 to 31 March 2018.

(5) This figure represents the total Acquisition Price of approximately S$205.3 million, being the sum of the Aggregate Share Consideration and the Trustee Shareholders' Loans. The Aggregate Share Consideration is estimated to be S$25.1 million (comprising the purchase consideration of S$4.5 million payable to the Itochu Subsidiaries, the purchase consideration of S$20.6 million payable to the MIPL Subsidiaries) and the Trustee Shareholders' Loans are estimated to be S$180.2 million. The actual Aggregate Share Consideration will be determined in the manner set out in Paragraph 2.2 of this Circular.

(6) This figure is based on the closing price of S$1.24 per Unit on the SGX-ST as at 25 April 2018, being the market day immediately prior to 26 April 2018, the date the Share Purchase Agreements were entered into.

As the relative figures computed on the bases set out above exceed 5.0% but do not exceed 20.0%, the Acquisition is classified as a discloseable transaction.

The Manager is of the view that the Acquisition is in the ordinary course of MLT's business as the Properties being acquired are within the investment policy of MLT and do not change the risk profile of MLT. As such, the Acquisition should therefore not be subject to Chapter 10 of the Listing Manual. However, as the Acquisition constitutes an "interested person transaction" under Chapter 9 of the Listing Manual and an "interested party transaction" under the Property Funds Appendix, the Acquisition will still be subject to the specific approval of Unitholders.

4.3 Interested Person Transaction and Interested Party Transaction

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. Based on the audited financial statements of MLT for FY17/18 (the "**FY17/18 Financial Statements**"), the NTA of MLT was S$3,376.1 million as at 31 March 2018. Accordingly, if the value of a transaction which is proposed to be entered into in the current financial year by MLT with an interested person is, either in itself or in aggregation with all other earlier transactions (each of a value equal to or greater than S$100,000) entered into with the same interested person during the current financial year, equal to or in excess of S$168.8 million, such a transaction would be subject to Unitholders' approval. Given that the Trustee Shareholders' Loans and consideration payable to the MIPL Subsidiaries pursuant to the Acquisition is estimated to be S$200.8 million[1], the interest payable to the Trustee pursuant to the Trustee Shareholders' Loans is estimated to be S$55.0 million[2] and the Trustee is required to provide, or procure the provision of, Corporate Guarantees (as guarantor) of an aggregate value of up to approximately S$105.3 million, which in aggregate is 10.7% of the NTA of MLT as at 31 March 2018, such value exceeds the said threshold. Thus, Unitholders' approval is required to be sought pursuant to Rule 906(1)(a) of the Listing Manual.

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 NAV. Based on the FY17/18 Financial Statements, the NAV of MLT was S$3,376.1 million as at 31 March 2018. 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$168.8 million, such a transaction would be subject to Unitholders' approval. Given that the Trustee Shareholders' Loans and consideration payable to the MIPL Subsidiaries pursuant to the Acquisition is estimated to be S$200.8 million[1], the interest payable to the Trustee pursuant to the Trustee Shareholders' Loans is estimated to be S$55.0 million[2] and the Trustee is required to provide, or procure the provision of, Corporate Guarantees (as guarantor) of an aggregate value of up to approximately S$105.3 million, which in aggregate is 10.7% of the NAV of MLT as at 31 March 2018, such value exceeds the said threshold.

As at the Latest Practicable Date, MIPL holds, through its wholly-owned subsidiaries, an aggregate interest in 1,091,320,707 Units, which is equivalent to approximately 35.68% 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.

---

1 The consideration payable to the MIPL Subsidiaries is estimated to be S$20.6 million, subject to post-Completion adjustments to the Total Adjusted Net Asset Values.

2 Assuming an annual interest rate of 1.5% above the three-month CNH HIBOR of 4.6% as at the Latest Practicable Date and a term of five years.

As the MIPL Subsidiaries are indirect wholly-owned subsidiaries of MIPL, 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.

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

By approving the Acquisition, Unitholders will be deemed to have also approved all documents required to be executed by or entered into by the parties in order to give effect to the Acquisition, including the Shareholders' Deeds and the Corporate Guarantees.

For the avoidance of doubt, any loans extended to the HK SPVs by the Trustee (apart from the Trustee Shareholders' Loans) or any corporate guarantees provided by the Trustee to guarantee the HK SPVs' bank facilities (apart from the Corporate Guarantees) in the future shall comply with Chapter 9 of the Listing Manual and Paragraph 5 of the Property Funds Appendix.

5. THE FINANCIAL EFFECTS OF THE ACQUISITION

FOR ILLUSTRATIVE PURPOSES ONLY: The pro forma financial effects of the Acquisition on the DPU and the NAV per Unit presented below are strictly for illustrative purposes only and were prepared based on the FY17/18 Financial Statements, taking into account the Total Acquisition Cost, the Loan Facilities and assuming that:

(i) the Properties had a portfolio occupancy rate of 97.7% for the entire financial year ended 31 March 2018 and all leases, whether existing or committed as at the Latest Practicable Date, were in place since 1 April 2017. All tenants were paying their rents in full[1];

(ii) approximately 166.7 million New Units are issued at the Illustrative Issue Price of S$1.20 per New Unit in connection with the Equity Fund Raising to raise gross proceeds of approximately S$200.0 million to partially fund the Total Acquisition Cost;

(iii) the Manager's Acquisition Fee of S$1.0 million is paid in the form of approximately 0.9 million Acquisition Fee Units at the Illustrative Issue Price of S$1.20 per Acquisition Fee Unit;

(iv) S$11.8 million is drawn down by MLT from the Loan Facilities with an average interest cost of approximately 3.0% per annum to partially fund the Total Acquisition Cost; and

(v) the HK SPVs have existing bank facilities amounting to RMB944.2 million (approximately S$196.7 million) in total with an average interest cost of approximately 5.3% per annum. The pro forma financial effects of the Acquisition take into account MLT's 50.0% interest in the existing bank facilities.

1 The development for four of the Properties was completed during FY17/18. For FY17/18, the average portfolio occupancy rate of the Properties was approximately 60.5% as most of the Properties were still in the process of stabilisation. As at 31 March 2018, the portfolio occupancy rate of the Properties is 83.2% and including committed leases that have been secured as at the Latest Practicable Date, the portfolio occupancy rate of the Properties is 97.7%.

5.1 Pro Forma DPU

FOR ILLUSTRATIVE PURPOSES ONLY: The pro forma financial effects of the Acquisition on MLT's DPU for the FY17/18 Financial Statements, as if the Acquisition, issuance of New Units in connection with the Equity Fund Raising, issuance of Acquisition Fee Units and drawdown of Loan Facilities were completed on 1 April 2017, and as if MLT held the 50.0% indirect interest in the Properties through to 31 March 2018, are as follows:

	Before the Acquisition	After the Acquisition
Total return before tax (S$'000)	521,345	531,575(1)
Distributable income (S$'000) attributable to Unitholders	212,947	225,475
Units in issue at the end of the year (million)	3,058.2(2)	3,227.0(3)
DPU (cents)	7.618(4)	7.650
DPU accretion (%)	–	0.4%

Notes:

(1) Assuming that the Properties had a portfolio occupancy rate of 97.7% for the entire financial year ended 31 March 2018 and all leases, whether existing or committed as at the Latest Practicable Date, were in place since 1 April 2017. All tenants were paying their rents in full. Includes the contribution to total return before tax arising from MLT's 50.0% indirect interest in the Properties. MLT's expenses comprising borrowing costs associated with the drawdown of S$11.8 million from the Loan Facilities, 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 2018.

(3) Includes (a) approximately 166.7 million New Units issued in connection with the Equity Fund Raising at an Illustrative Issue Price of S$1.20 per New Unit, (b) approximately 0.9 million Acquisition Fee Units issued as payment of the Acquisition Fee payable to the Manager at an Illustrative Issue Price of S$1.20 per Acquisition Fee Unit and (c) approximately 1.3 million new Units issued in aggregate as payment to (i) the Manager for the base management fee and (ii) the PRC 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 2017, 30 September 2017 and 31 December 2017, 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 2018.

5.2 Pro Forma NAV

FOR ILLUSTRATIVE PURPOSES ONLY: The pro forma financial effects of the Acquisition on the NAV per Unit as at 31 March 2018, as if the Acquisition, issuance of New Units in connection with the Equity Fund Raising, issuance of Acquisition Fee Units and the drawdown of Loan Facilities were completed on 31 March 2018, are as follows:

	Before the Acquisition	After the Acquisition
NAV represented by Unitholders' funds (S$ million)	3,376.1	3,573.6
Issued Units (million)	3,058.2(1)	3,225.7(2)
NAV per Unit (S$)	1.10	1.11

Notes:

(1) Number of Units in issue as at 31 March 2018.

(2) Includes (a) approximately 166.7 million New Units issued in connection with the Equity Fund Raising at the Illustrative Issue Price of S$1.20 per New Unit and (b) approximately 0.9 million Acquisition Fee Units issued as payment of the Acquisition Fee payable to the Manager at the Illustrative Issue Price of S$1.20 per Acquisition Fee Unit.

5.3 Aggregate Leverage

FOR ILLUSTRATIVE PURPOSES ONLY: The pro forma Aggregate Leverage of MLT as at 31 March 2018, as if the Acquisition, issuance of New Units in connection with the Equity Fund Raising, issuance of Acquisition Fee Units and drawdown of Loan Facilities were completed on 31 March 2018, is as follows:

	Before the Acquisition	After the Acquisition
Aggregate Leverage (Pro forma as at 31 March 2018)	37.7%	37.5%[(1)]

Note:

(1) Includes the Loan Facilities as well as MLT's 50.0% share of the existing bank facilities and Deposited Property of each of the HK SPVs.

6. ADVICE OF THE INDEPENDENT FINANCIAL ADVISER

The Manager has appointed Ernst & Young Corporate Finance Pte Ltd, 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 Acquisition. 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.

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 Acquisition (including the Shareholders' Deeds and the Corporate Guarantees) is 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 Acquisition (including the Shareholders' Deeds and the Corporate Guarantees).

7. INTERESTS OF DIRECTORS AND SUBSTANTIAL UNITHOLDERS

As at the Latest Practicable Date, certain directors of the Manager ("**Directors**") collectively hold an aggregate direct and indirect interest in 9,981,618 Units. Further details of the interests in Units of the Directors and Substantial Unitholders[1] are set out below.

Lee Chong Kwee is the Non-Executive Chairman and Director. Tan Ngiap Joo is the Independent Non-Executive Director and Chairman of the Audit and Risk Committee. Lim Joo Boon is the Independent Non-Executive Director and Member of the Audit and Risk Committee. Pok Soy Yoong is the Independent Non-Executive Director and Member of the Audit and Risk Committee. Wee Siew Kim is the Independent Non-Executive Director and Member of the Audit and Risk Committee. Tan Wah Yeow is the Independent Non-Executive Director and Member of the Audit and Risk Committee. Penny Goh is the Lead Independent Non-Executive Director and Chairperson of the Nominating and Remuneration Committee. Tarun Kataria is the Independent Non-Executive Director and Member of the Nominating and Remuneration Committee. Hiew Yoon Khong is the Non-Executive Director and Member of the Nominating and Remuneration Committee. Chua Tiow Chye is the Non-Executive Director. Wong Mun Hoong is the Non-Executive Director. Ng Kiat is the Executive Director and Chief Executive Officer of the Manager.

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	59,400	0.001	–	–	59,400	0.001
Tan Ngiap Joo	–	–	–	–	–	–
Lim Joo Boon	–	–	100,000	0.003	100,000	0.003
Pok Soy Yoong	–	–	844,800	0.027	844,800	0.027
Wee Siew Kim	–	–	–	–	–	–
Tan Wah Yeow	–	–	–	–	–	–
Penny Goh	–	–	200,000	0.006	200,000	0.006
Tarun Kataria	–	–	330,000	0.010	330,000	0.010
Hiew Yoon Khong	1,496,880	0.049	4,351,600	0.142	5,848,480	0.191
Chua Tiow Chye	773,942	0.025	1,687,496	0.055	2,461,438	0.080
Wong Mun Hoong	–	–	–	–	–	–
Ng Kiat	–	–	137,500	0.004	137,500	0.004

Note:

(1) The percentage is based on 3,058,168,591 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 ("**Temasek**")[2]	–	–	1,121,507,820	36.67	1,121,507,820	36.67
Fullerton Management Pte Ltd[3]	–	–	1,091,320,707	35.68	1,091,320,707	35.68
Mapletree Investments Pte Ltd[4]	–	–	1,091,320,707	35.68	1,091,320,707	35.68
Mulberry Pte. Ltd. ("**Mulberry**")	386,588,072	12.64	–	–	386,588,072	12.64
Meranti Investments Pte. Ltd. ("**Meranti**")	350,303,184	11.45	–	–	350,303,184	11.45
Mapletree Logistics Properties Pte. Ltd. ("**MLP**")	170,401,077	5.57	–	–	170,401,077	5.57
Mangrove Pte. Ltd. ("**Mangrove**")	170,398,998	5.57	–	–	170,398,998	5.57

Notes:

(1) The percentage is based on 3,058,168,591 Units in issue as at the Latest Practicable Date.

(2) Temasek is deemed to be interested in the 170,401,077 Units held by MLP, 170,398,998 Units held by Mangrove, 350,303,184 Units held by Meranti, 386,588,072 Units held by Mulberry, 12,837,536 Units held by the Manager and 791,840 Units held by Mapletree Property Management Pte. Ltd. ("**MPM**"). MLP, Mangrove, Meranti and Mulberry 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 Management Pte Ltd which is in turn a wholly-owned subsidiary of Temasek. In addition, Temasek is deemed to be interested in the 30,187,113 Units in which its associated companies have direct or deemed interests.

(3) Fullerton Management Pte Ltd is deemed to be interested in the 170,401,077 Units held by MLP, 170,398,998 Units held by Mangrove, 350,303,184 Units held by Meranti, 386,588,072 Units held by Mulberry, 12,837,536 Units held by the Manager and 791,840 Units held by MPM.

(4) MIPL is an indirect holding company of the MIPL 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 Acquisition.

8. DIRECTORS' SERVICE CONTRACTS

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

9. RECOMMENDATION

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 Acquisition as set out in Paragraph 3 above, the Independent Directors and the Audit and Risk Committee believe that the Acquisition 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.

10. EXTRAORDINARY GENERAL MEETING

The EGM will be held on 24 May 2018 at 2.30 p.m. at 10 Pasir Panjang Road, Mapletree Business City, Town Hall – Auditorium, Singapore 117438, for the purpose of considering and, if thought fit, passing with or without modification, the Resolution set out in the Notice of Extraordinary General Meeting, which is set out on page E-1 of this Circular. The purpose of the Circular is to provide Unitholders with relevant information about the Resolution. Approval by way of an Ordinary Resolution is required in respect of the Resolution.

A Depositor shall not be regarded as a Unitholder entitled to attend the EGM and to speak and vote unless he is shown to have Units entered against his name in the Depository Register, as certified by The Central Depository (Pte) Limited ("**CDP**"), as at 72 hours before the time fixed for the EGM.

11. ABSTENTIONS FROM VOTING

As at the Latest Practicable Date, MIPL, through MLP, Mangrove, Mulberry, Meranti, Mapletree Capital Management Pte. Ltd. and Mapletree Property Services Pte. Ltd., has a deemed interest in 1,091,320,707 Units, which comprises approximately 35.68% of the total number of Units in issue.

Temasek, through its interests in Fullerton Management Pte Ltd and MIPL, has a deemed interest in 1,121,507,820 Units, which comprises approximately 36.67% of the total number of Units in issue.

11.1 Undertakings to Abstain from Voting

Ordinary Resolution (The Proposed Acquisition of a 50.0% Interest in each of 11 Property Holding Companies as an Interested Person Transaction)

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 shareholding interests in the HK SPVs will be acquired from the MIPL Subsidiaries, MIPL and its associates will abstain from voting on the Resolution. Further, MIPL and its associates will not, and will procure that their 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 of the Manager, Mr Hiew Yoon Khong, a Non-Executive Director and Member of the Nominating and Remuneration Committee, Mr Chua Tiow Chye, a Non-Executive Director, Mr Wong Mun Hoong, a Non-Executive Director, and Ms Ng Kiat, an Executive Director and Chief Executive Officer of the Manager, are non-independent Directors, he/she will each abstain from voting on the Resolution in respect of Units (if any) held by them and will not accept appointments as proxies unless specific instructions as to voting are given.

12. ACTION TO BE TAKEN BY UNITHOLDERS

Unitholders will find enclosed in this Circular the Notice of Extraordinary General Meeting and a Proxy Form.

If a Unitholder is unable to attend the EGM and wishes to appoint a proxy to attend and vote on his behalf, he should complete, sign and return the enclosed Proxy Form in accordance with the instructions printed thereon as soon as possible and, in any event, so as to reach MLT's Unit Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623, not later than 2.30 p.m. on 21 May 2018, being 72 hours before the time fixed for the EGM. The completion and return of the Proxy Form by a Unitholder will not prevent him from attending and voting in person at the EGM if he so wishes.

Persons who have an interest in the approval of the Resolution must decline to accept appointment as proxies unless the Unitholder concerned has specific instructions in his Proxy Form as to the manner in which his votes are to be cast in respect of the Resolution. If a Unitholder wishes to appoint Mr Lee Chong Kwee, Mr Hiew Yoon Khong, Mr Chua Tiow Chye, Mr Wong Mun Hoong and/or Ms Ng Kiat as his/her proxy/proxies for the EGM, he/she should give specific instructions in his/her Proxy Form as to the manner in which his/her vote is to be cast in respect of the Resolution.

13. 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 Acquisition and 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.

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

To the best of the Joint Global Co-ordinators and Bookrunners' knowledge and belief, the information about the Equity Fund Raising contained in the "Summary" section and Paragraph 2.11 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.

15. CONSENTS

Each of the IFA (being Ernst & Young Corporate Finance Pte Ltd), the Independent Market Research Consultant (being Colliers International (Hong Kong) Ltd.), and the Independent Valuers (being Colliers and JLL) 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 report issued by the Independent Market Research Consultant in **Appendix C** of this Circular (the "**Independent Market Research Report**"), 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.

16. 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 Share Purchase Agreements;

(ii) the full valuation reports of the Properties dated 1 March 2018 by Colliers;

(iii) the full valuation reports of the Properties dated 1 March 2018 by JLL;

(iv) the Independent Market Research Report by the Independent Market Research Consultant;

(v) the IFA Letter; and

(vi) the written consents of each of the IFA, the Independent Market Research Consultant 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 does not constitute an offer of securities in the United States or any other jurisdiction. Any proposed issue of New Units described in this Circular will not be registered under the Securities Act or under the securities laws of any state or other jurisdiction of the United States, and any such New Units 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.

GLOSSARY

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

Glossary of Defined Terms

%	:	Per centum or percentage
3PL	:	Third-party logistics providers
Acquisition	:	The proposed acquisition of a 50.0% interest in each of the 11 HK SPVs
Acquisition Fee	:	The acquisition fee for the Acquisition which the Manager will be entitled to receive from MLT upon Completion which is payable fully in Units
Acquisition Fee Units	:	Units to be issued to the Manager as payment of the Acquisition Fee
Acquisition Price	:	The acquisition price payable by the Trustee in respect of the Acquisition, being the sum of the Aggregate Share Consideration and the value of the Trustee Shareholders' Loans
Adjusted Net Asset Value	:	The adjusted consolidated net asset value of each HK SPV
Aggregate Leverage	:	The ratio of the value of borrowings (inclusive of proportionate share of borrowings of jointly controlled entities) and deferred payments (if any) to the value of the Deposited Property
Aggregate Share Consideration	:	The aggregate purchase consideration payable by the Trustee in connection with the Acquisition. As at the date of this Circular, the Aggregate Share Consideration is estimated to be S$25.1 million (comprising the purchase consideration of S$4.5 million payable to the Itochu Subsidiaries and the purchase consideration of S$20.6 million payable to the MIPL Subsidiaries), subject to post-Completion adjustments to the Total Adjusted Net Asset Values
Agreed Property Value	:	The agreed property value of each Property
Asset Managers	:	Mapletree Real Estate Advisors Pte Ltd, a wholly-owned subsidiary of MIPL, and the Manager
Audit and Risk Committee	:	The audit and risk committee of the Manager
Board	:	The board of directors of the Manager

CAGR	:	Compounded annual growth rate
CDP	:	The Central Depository (Pte) Limited
Circular	:	This circular to Unitholders dated 8 May 2018
CNH HIBOR	:	Offshore Chinese Renminbi Hong Kong Interbank Offered Rate
Co-owned HK SPVs	:	The eight HK SPVs which are owned by the MIPL Subsidiaries and the Itochu Subsidiaries in the proportion of 80.0% and 20.0% respectively
Colliers	:	Colliers International (Hong Kong) Ltd.
Completion	:	The completion of the Acquisition
Corporate Guarantees	:	The corporate guarantees (as guarantor) the Trustee is required to provide, or procure the provision of, in respect of bank facilities entered into between the HK SPVs and banks
CPF	:	Central Provident Fund
Deposited Property	:	The gross assets of MLT, including all its authorised investments held or deemed to be held upon the trust under the Trust Deed
Directors	:	The directors of the Manager
DPU	:	Distribution per Unit
e-commerce	:	Electronic commerce
EGM	:	The extraordinary general meeting of Unitholders to be held on 24 May 2018 at 2.30 p.m. at 10 Pasir Panjang Road, Mapletree Business City, Town Hall – Auditorium, Singapore 117438, to approve the matters set out in the Notice of Extraordinary General Meeting on page E-1 of this Circular
Enlarged China Portfolio	:	Comprises the Existing China Portfolio and the Properties
Enlarged Portfolio	:	Comprises the Existing Portfolio and the Properties
Equity Fund Raising	:	An equity fund raising undertaken through an issuance of New Units relying on the general mandate of MLT obtained at the annual general meeting of MLT held on 17 July 2017, the details and timing of which have not been determined. The Manager will announce the Equity Fund Raising on SGXNET at the appropriate time

Existing China Portfolio	:	The nine existing properties in China held by MLT
Existing Portfolio	:	The 124 properties held by MLT as at 31 March 2018, unless otherwise stated
F&B	:	Food and beverage
FY17/18	:	Financial year from 1 April 2017 to 31 March 2018
FY17/18 Financial Statements	:	The audited financial statements for MLT for FY17/18
FY18/19	:	Financial year from 1 April 2018 to 31 March 2019
FY19/20	:	Financial year from 1 April 2019 to 31 March 2020
FY20/21	:	Financial year from 1 April 2020 to 31 March 2021
FY21/22	:	Financial year from 1 April 2021 to 31 March 2022
FY22/23	:	Financial year from 1 April 2022 to 31 March 2023
FY23/24	:	Financial year from 1 April 2023 to 31 March 2024
GDP	:	Gross domestic product
GFA	:	Gross floor area
Grade A	:	Grading for warehouses in China identified by their high specifications, such as a clear ceiling height of 9 metres and floor loading of 20 kN psm to 40 kN psm, according to the Independent Market Research Consultant
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 SPV Group	:	Each HK SPV and/or any of its subsidiaries
HK SPVs	:	The 11 Hong Kong special purpose vehicles in which MLT will acquire a 50.0% interest pursuant to the Acquisition
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
Illustrative Issue Price	:	The illustrative issue price of S$1.20 per Unit

Independent Directors	:	The independent directors of the Manager, being Mr Tan Ngiap Joo, Mr Lim Joo Boon, Mr Pok Soy Yoong, Mr Wee Siew Kim, Mr Tan Wah Yeow, Mrs Penny Goh and Mr Tarun Kataria
Independent Market Research Report	:	The independent market research report issued by the Independent Market Research Consultant as set out in **Appendix C** of this Circular
Independent Valuers	:	Colliers International (Hong Kong) Ltd. and Jones Lang LaSalle Corporate Appraisal and Advisory Limited
Issue Price	:	The issue price of the New Units under the Equity Fund Raising
Itochu	:	Itochu Corporation
Itochu Subsidiaries	:	Wholly-owned subsidiaries of Itochu with which the Trustee has entered into certain Share Purchase Agreements
JLL	:	Jones Lang LaSalle Corporate Appraisal and Advisory Limited
Joint Global Co-ordinators and Bookrunners	:	The Joint Global Co-ordinators and Bookrunners in relation to the Equity Fund Raising, being Citigroup Global Markets Singapore Pte. Ltd., DBS Bank Ltd. and The Hongkong and Shanghai Banking Corporation Limited, Singapore Branch
km	:	Kilometre
kN psm	:	KiloNewtons per square metre
Latest Practicable Date	:	26 April 2018, being the latest practicable date prior to the printing of this Circular
Listing Manual	:	The listing manual of the SGX-ST
Loan Facilities	:	MLT's existing credit facilities
m	:	Metre
Manager	:	Mapletree Logistics Trust Management Ltd., in its capacity as manager of MLT
Mangrove	:	Mangrove Pte. Ltd.
Market Price	:	Has the meaning ascribed to it in the Trust Deed
MAS	:	Monetary Authority of Singapore
Meranti	:	Meranti Investments Pte. Ltd.

MIPL	:	Mapletree Investments Pte Ltd
MIPL Subsidiaries	:	Wholly-owned subsidiaries of Mapletree Investments Pte Ltd with which the Trustee has entered into the Share Purchase Agreements
MLP	:	Mapletree Logistics Properties Pte. Ltd.
MLT	:	Mapletree Logistics Trust
MPM	:	Mapletree Property Management Pte. Ltd.
Mulberry	:	Mulberry Pte. Ltd.
MTB	:	Multi-tenanted buildings
NAV	:	Net asset value
Net Property Income	:	Has the meaning ascribed to it in the Trust Deed
New Units	:	New Units to be issued for the purpose of the Equity Fund Raising
NLA	:	Net lettable area
Nominating and Remuneration Committee	:	The nominating and remuneration committee of the Manager
NTA	:	Net tangible assets
OBOR	:	One Belt One Road
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
PRC or **China**	:	The People's Republic of China
PRC Property Manager	:	Shanghai Mapletree Management Co., Ltd.
PRC WFOEs	:	The 11 PRC wholly foreign-owned enterprises, details of which are set out in **Appendix A** of this Circular
Properties	:	The 11 properties located in the PRC, details of which are set out in **Appendix A** of this Circular
Property Funds Appendix	:	Appendix 6 of the Code on Collective Investment Schemes issued by the MAS

Proxy Form	:	The instrument appointing a proxy or proxies as set out in this Circular
REIT	:	Real estate investment trust
Rent-Free Reimbursement Amount	:	The rent-free reimbursement amount of RMB8.5 million (S$1.8 million) in aggregate, payable by the Vendors to the Trustee
Repaid Shareholders' Loans	:	The existing shareholders' loans of RMB592.6 million (S$123.5 million) and RMB272.2 million (S$56.7 million) owed by the HK SPVs to the MIPL Subsidiaries and the Itochu Subsidiaries, respectively, to be repaid and discharged on Completion, subject to adjustments based on the actual date of Completion to take into account interest accruing up to such date
Resolution	:	The Ordinary Resolution in respect of the proposed Acquisition of a 50.0% interest in each of 11 property holding companies as an interested person transaction
RMB	:	The lawful currency of the PRC
S$ and **cents**	:	Singapore dollars and cents
Securities Act	:	U.S. Securities Act of 1933, as amended
SGX-ST	:	Singapore Exchange Securities Trading Limited
Share Purchase Agreements	:	The 11 conditional share purchase agreements entered into between the Trustee and the Vendors dated 26 April 2018
Shareholders	:	The Trustee and the relevant MIPL Subsidiary, each of which will hold a 50.0% interest in the relevant HK SPV upon Completion
Shareholders' Deeds	:	The 11 separate shareholders' deeds the Trustee has undertaken to enter into in relation to each HK SPV at Completion
Sponsor	:	Mapletree Investments Pte Ltd
Sponsor-owned HK SPVs	:	The three HK SPVs which are wholly-owned by the MIPL Subsidiaries
sq ft	:	Square feet
sq m	:	Square metre
SUA	:	Single-user assets

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 Acquisition as set out in Paragraph 2.8 of this Circular
Total Adjusted Net Asset Values	:	The Adjusted Net Asset Value of the 11 HK SPVs
Trust Deed	:	The trust deed dated 5 July 2004 constituting MLT, as amended, restated and/or supplemented by a supplemental deed of appointment and retirement of manager dated 14 June 2005, a supplemental deed of appointment and retirement of trustee dated 24 June 2005, a first amending and restating deed dated 24 June 2005, a third supplemental deed dated 21 December 2005, a fourth supplemental deed dated 20 April 2006, a fifth supplemental deed dated 20 October 2006, a sixth supplemental deed dated 30 November 2006, a second amending and restating deed dated 18 April 2007 and a seventh supplemental deed dated 24 June 2010, a third amending and restating deed dated 6 January 2011, an eighth supplemental deed dated 18 May 2012 and the fourth amending and restating deed dated 26 April 2016, as amended, varied, or supplemented from time to time
Trustee	:	HSBC Institutional Trust Services (Singapore) Limited, in its capacity as trustee of MLT
Trustee Shareholders' Loans	:	The loans of RMB864.8 million (S$180.2 million) to be extended by the Trustee to the HK SPVs on Completion, subject to adjustments based on the actual date of Completion to take into account interest accruing up to such date
Unit	:	A unit representing an undivided interest in MLT
United States or **US**	:	United States of America
Unitholder	:	The Depositor whose securities account with CDP is credited with Unit(s)
US$	:	The lawful currency of the United States
Vendors	:	The MIPL Subsidiaries and the Itochu Subsidiaries
WALE	:	Weighted average lease expiry

Glossary of Property Names

Mapletree Changsha	:	Mapletree Changsha Logistics Park Phase 1
Mapletree Changshu	:	Mapletree Changshu Logistics Park
Mapletree Hangzhou	:	Mapletree Hangzhou Logistics Park
Mapletree Jiaxing	:	Mapletree Jiaxing Logistics Park
Mapletree Nanchang	:	Mapletree Nanchang Logistics Park
Mapletree Nantong	:	Mapletree Nantong Chongchuan Logistics Park
Mapletree Tianjin	:	Mapletree Tianjin Wuqing 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

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:

(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; and

(xi) Mapletree Zhenjiang.

The eight Properties listed in (i) to (viii) above are held by eight PRC WFOEs, which are in turn wholly-owned by eight Co-owned HK SPVs. The MIPL Subsidiaries hold 80.0% and the Itochu Subsidiaries hold 20.0% of the entire ordinary issued share capital of these Co-owned HK SPVs. MLT intends to acquire a 50.0% interest in each of the Co-owned HK SPVs through the acquisition of a 30.0% interest from the MIPL Subsidiaries and the entire 20.0% interest from the Itochu Subsidiaries.

The three Properties listed in (ix) to (xi) above are held by three PRC WFOEs, which are in turn wholly-owned by three Sponsor-owned HK SPVs. The HK SPVs are in turn 100.0% owned by the MIPL Subsidiaries. MLT intends to acquire a 50.0% interest in each of the Sponsor-owned HK SPVs from the MIPL Subsidiaries.

Following the Acquisition, MLT will hold a 50.0% interest in each of the 11 HK SPVs, with the other 50.0% interests to be held by the MIPL Subsidiaries.

1.2. Ownership of the Properties

	Property Name	PRC WFOE holding 100.0% of the Property	HK SPV holding 100.0% of the PRC WFOE	Vendors 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. – 80.0% IRV Investments Limited – 20.0%
2.	Mapletree Hangzhou	Fengzhou Warehouse (Hangzhou) Co., Ltd.	Hangzhou Development (HKSAR) Limited	Mapletree Hangzhou Ltd. – 80.0% ITC Koushu Investment Limited – 20.0%
3.	Mapletree Nantong	Fengrui Logistics (Nantong) Co., Ltd.	Nantong Development (HKSAR) Limited	Mapletree Nantong Ltd. – 80.0% ITC Nantsu Investment Limited – 20.0%
4.	Mapletree Changshu	Changshu Fengjia Warehouse Co., Ltd.	Changshu IDZ (HKSAR) Limited	Mapletree Changshu Ltd. – 80.0% ITC Jyojyuku Investment Limited – 20.0%
5.	Mapletree Changsha	Fengshun Logistics Development (Changsha) Co., Ltd.	Changsha Development (HKSAR) Limited	Mapletree Changsha Ltd. – 80.0% ITC Chousa Investment Limited – 20.0%
6.	Mapletree Wuhan(1)	Fengying Logistics (Wuhan) Co., Ltd.	Yangluo EDZ (HKSAR) Limited	Mapletree Yangluo (EDZ) Ltd. – 80.0% ITC Bukan Investment Limited – 20.0%
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. – 80.0% ITC Seian Investment Limited – 20.0%
8.	Mapletree Tianjin	Fengquan Warehouse (Tianjin) Co., Ltd.	TWDA (HKSAR) Limited	Mapletree Tianjin (WDA) Ltd. – 80.0% ITC Tenshin Investment Limited – 20.0%
9.	Mapletree Jiaxing	Jiaxing Fengyue Warehouse Co., Ltd.	Jiaxing Development (HKSAR) Limited	Mapletree Overseas Holdings Ltd. – 100.0%
10.	Mapletree Nanchang(1)	Fengqi Warehouse (Nanchang) Co., Ltd.	Nanchang ETDZ Development (HKSAR) Limited	Mapletree Overseas Holdings Ltd. – 100.0%
11.	Mapletree Zhenjiang(1)	Fengzhen Logistics (Zhenjiang) Co., Ltd.	Jurong Development (HKSAR) Limited	Mapletree Overseas Holdings Ltd. – 100.0%

Note:

(1) As at the Latest Practicable Date, the PRC WFOEs holding Mapletree Wuhan, Mapletree Xi'an, Mapletree Nanchang and Mapletree Zhenjiang have obtained the land title certificates and are in the process of applying for the property title certificates in respect of these Properties. The Manager expects the property title certificates in respect of these Properties to be obtained by the second half of 2018.

1.3. Description by Asset

The tables in this section set out a summary of selected information on each of the Properties as at 31 March 2018 (unless otherwise indicated).

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. The 2nd storey warehouses are accessible via a vehicular ramp and driveway.
Land Tenure	Leasehold estate of 50 years expiring on 16 March 2064 (approximately 46 years remaining)
Land, Gross Floor and Net Lettable Area	Land area: 99,958 sq m GFA: 119,599 sq m NLA: 122,403 sq m
Building Specifications	Clear ceiling height: 9 m Floor loading: 1st floor – 30 kN psm, 2nd floor – 25 kN psm Column grid: 11.6 m by 12 m
Completion	December 2015
Committed Occupancy as at 31 March 2018	97.1%
Key Tenant(s)	China Post Group Corporation Shanghai J-link Supply Chain Co., Ltd. Shanghai Dingshi Logistics Co., Ltd.
Number of Tenants	15
Independent Valuation by Colliers as at 1 March 2018 (million)	RMB421.0 (S$87.7)
Independent Valuation by JLL as at 1 March 2018 (million)	RMB426.0 (S$88.8)

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 46 years remaining)
Land, Gross Floor and Net Lettable Area	Land area: 83,593 sq m GFA: 94,590 sq m NLA: 106,726 sq m
Building Specifications	Clear ceiling height: 1st floor – 9.12 m, 2nd floor – 9 m Floor loading: 1st floor – 30 kN psm, 2nd floor – 25 kN psm Column grid: 11.9 m by 11.7 m
Completion	June 2016
Committed Occupancy as at 31 March 2018	100.0%
Key Tenant(s)	Cainiao Smart Logistics Network Limited Hangzhou Haomusi Food Co., Ltd. ALOG Technologies Co., Ltd
Number of Tenants	5
Independent Valuation by Colliers as at 1 March 2018 (million)	RMB399.0 (S$83.1)
Independent Valuation by JLL as at 1 March 2018 (million)	RMB420.0 (S$87.5)

3. Mapletree Nantong	
Address	No. 75-76 East Kuaisu Road, Nantong, Jiangsu Province, PRC
Description	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.
Land Tenure	East: Leasehold estate of 50 years expiring on 19 October 2064 (approximately 47 years remaining) West: Leasehold estate of 50 years expiring on 29 January 2065 (approximately 47 years remaining)
Land, Gross Floor and Net Lettable Area	Land area: 135,735 sq m GFA: 75,545 sq m NLA: 78,624 sq m
Building Specifications	Clear ceiling height: 9 m Floor loading: 30 kN psm Column grid: 11.4 m by 30 m
Completion	East: April 2016 West: January 2017
Committed Occupancy as at 31 March 2018	88.5%
Key Tenant(s)	Shanghai Zhengming Modern Logistics Co., Ltd. Sinotrans Limited ZTO Express Co., Ltd.
Number of Tenants	11
Independent Valuation by Colliers as at 1 March 2018 (million)	RMB262.0 (S$54.6)
Independent Valuation by JLL as at 1 March 2018 (million)	RMB268.0 (S$55.8)

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 47 years remaining)
Land, Gross Floor and Net Lettable Area	Land area: 100,672 sq m GFA: 59,538 sq m NLA: 60,966 sq m
Building Specifications	Clear ceiling height: 9 m Floor loading: 30 kN psm Column grid: 11.4 m by 21.7 m
Completion	June 2016
Committed Occupancy as at 31 March 2018	93.6%
Key Tenant(s)	Adient Yanfeng Seating Mechanism Co., Ltd. Nissin Corporation Kunshan Yuan An Logistics Co., Ltd.
Number of Tenants	7
Independent Valuation by Colliers as at 1 March 2018 (million)	RMB197.0 (S$41.0)
Independent Valuation by JLL as at 1 March 2018 (million)	RMB209.0 (S$43.5)

5. Mapletree Changsha	
Address	101, No. 1-5 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 46 years remaining)
Land, Gross Floor and Net Lettable Area	Land area: 125,333 sq m GFA: 76,862 sq m NLA: 79,253 sq m
Building Specifications	Clear ceiling height: 9 m Floor loading: 30 kN psm Column grid: 11.4 m by 23.2 m
Completion	September 2016
Committed Occupancy as at 31 March 2018	96.5%
Key Tenant(s)	Cainiao Smart Logistics Network Limited Hunan Yujia Cosmetics Manufacturing Co., Ltd ZTO Express Co., Ltd.
Number of Tenants	6
Independent Valuation by Colliers as at 1 March 2018 (million)	RMB303.0 (S$63.1)
Independent Valuation by JLL as at 1 March 2018 (million)	RMB307.0 (S$64.0)

6. Mapletree Wuhan[1]	
Address	Dongyue Village, Cangbu Street and Qiuli Village, Yangluo Street, Yangluo Economic and Development Zone, Xiuzhou 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 47 years remaining)
Land, Gross Floor and Net Lettable Area	Land area: 116,467 sq m GFA: 70,772 sq m NLA: 69,984 sq m
Building Specifications	Clear ceiling height: 9 m Floor loading: 30 kN psm Column grid: 11.4 m by 24 m
Completion	October 2017
Committed Occupancy as at 31 March 2018	100.0%
Key Tenant(s)	JD.com, Inc.
Number of Tenants	1
Independent Valuation by Colliers as at 1 March 2018 (million)	RMB243.0 (S$50.6)
Independent Valuation by JLL as at 1 March 2018 (million)	RMB245.0 (S$51.0)

Note:

(1) As at the Latest Practicable Date, the PRC WFOEs holding Mapletree Wuhan, Mapletree Xi'an, Mapletree Nanchang and Mapletree Zhenjiang have obtained the land title certificates and are in the process of applying for the property title certificates in respect of these Properties. The Manager expects the property title certificates in respect of these Properties to be obtained by the second half of 2018.

7. Mapletree Xi'an[1]	
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 mezzanine level of each warehouse unit.
Land Tenure	Leasehold estate of 50 years expiring on 9 December 2063 (approximately 46 years remaining)
Land, Gross Floor and Net Lettable Area	Land area: 119,422 sq m GFA: 64,941 sq m NLA: 63,558 sq m
Building Specifications	Clear ceiling height: 9 m Floor loading: 20 kN psm Column grid: 11.7 m by 26 m
Completion	March 2016
Committed Occupancy as at 31 March 2018	100.0%
Key Tenant(s)	China Deppon Logistics Co., Ltd Yue-Shen (Taicang) Footwear Co., Ltd Shaanxi Zhongyou Health Medicine Co., Ltd
Number of Tenants	5
Independent Valuation by Colliers as at 1 March 2018 (million)	RMB286.0 (S$59.6)
Independent Valuation by JLL as at 1 March 2018 (million)	RMB287.0 (S$59.8)

Note:

(1) As at the Latest Practicable Date, the PRC WFOEs holding Mapletree Wuhan, Mapletree Xi'an, Mapletree Nanchang and Mapletree Zhenjiang have obtained the land title certificates and are in the process of applying for the property title certificates in respect of these Properties. The Manager expects the property title certificates in respect of these Properties to be obtained by the second half of 2018.

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, ancillary offices are located on the mezzanine level of each warehouse unit.
Land Tenure	Leasehold estate of 50 years expiring on 12 February 2065 (approximately 47 years remaining)
Land, Gross Floor and Net Lettable Area	Land area: 47,101 sq m GFA: 29,057 sq m NLA: 29,148 sq m
Building Specifications	Clear ceiling height: 9 m Floor loading: 30 kN psm Column grid: 11.4 m by 26.5 m
Completion	August 2016
Committed Occupancy as at 31 March 2018	100.0%
Key Tenant(s)	Sinotrans Limited
Number of Tenants	1
Independent Valuation by Colliers as at 1 March 2018 (million)	RMB105.0 (S$21.9)
Independent Valuation by JLL as at 1 March 2018 (million)	RMB110.0 (S$22.9)

9. Mapletree Jiaxing	
Address	No. 406 Yantang Road, Wangdian Town, Xiuzhou District, Jiaxing, Zhejiang Province, PRC
Description	Two blocks of single-storey warehouse, ancillary offices are 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 48 years remaining)
Land, Gross Floor and Net Lettable Area	Land area: 62,346 sq m GFA: 35,735 sq m NLA: 35,683 sq m
Building Specifications	Clear ceiling height: 9 m Floor loading: 30 kN psm Column grid: 12 m by 22.2 m
Completion	June 2017
Committed Occupancy as at 31 March 2018	100.0%
Key Tenant(s)	Best Logistics Technology (China) Co., Ltd.
Number of Tenants	1
Independent Valuation by Colliers as at 1 March 2018 (million)	RMB127.0 (S$26.5)
Independent Valuation by JLL as at 1 March 2018 (million)	RMB130.0 (S$27.1)

10. Mapletree Nanchang[1]	
Address	West of Jingkai Avenue, South of You'an Road, North of Management Committee storing land, East of Guihua Road, Economics and Technology Development Zone, 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 48 years remaining)
Land, Gross Floor and Net Lettable Area	Land area: 121,134 sq m GFA: 74,846 sq m NLA: 73,950 sq m
Building Specifications	Clear ceiling height: 9 m Floor loading: 30 kN psm Column grid: 11.4 m by 28 m
Completion	August 2017
Committed Occupancy as at 31 March 2018	100.0%
Key Tenant(s)	SF Express (Group) Co., Ltd. Cainiao Smart Logistics Network Limited Shenzhen Bestlyn Technology Logistics Co., Ltd.
Number of Tenants	5
Independent Valuation by Colliers as at 1 March 2018 (million)	RMB217.0 (S$45.2)
Independent Valuation by JLL as at 1 March 2018 (million)	RMB224.0 (S$46.7)

Note:

(1) As at the Latest Practicable Date, the PRC WFOEs holding Mapletree Wuhan, Mapletree Xi'an, Mapletree Nanchang and Mapletree Zhenjiang have obtained the land title certificates and are in the process of applying for the property title certificates in respect of these Properties. The Manager expects the property title certificates in respect of these Properties to be obtained by the second half of 2018.

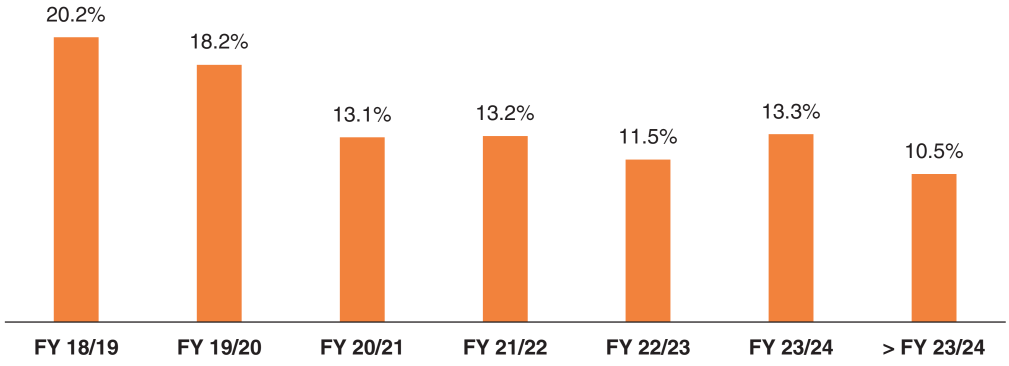
11. Mapletree Zhenjiang[1]	
Address	East of Huamao Road, West of Hengda Road, Guozhuang Town, Jurong, Jiangsu Province, PRC
Description	Seven blocks of single-storey warehouse, ancillary offices are located on the mezzanine level of each warehouse unit.
Land Tenure	Leasehold estate of 50 years expiring on 1 October 2066 (approximately 49 years remaining)
Land, Gross Floor and Net Lettable Area	Land area: 172,106 sq m GFA: 102,531 sq m NLA: 101,616 sq m
Building Specifications	Clear ceiling height: 9 m Floor loading: 30 kN psm Column grid: 11.4 m by 23.1 m
Completion	February 2018
Committed Occupancy as at 31 March 2018	100.0%
Key Tenant(s)	JD.com, Inc.
Number of Tenants	1
Independent Valuation by Colliers as at 1 March 2018 (million)	RMB335.0 (S$69.8)
Independent Valuation by JLL as at 1 March 2018 (million)	RMB330.0 (S$68.8)

Note:

(1) As at the Latest Practicable Date, the PRC WFOEs holding Mapletree Wuhan, Mapletree Xi'an, Mapletree Nanchang and Mapletree Zhenjiang have obtained the land title certificates and are in the process of applying for the property title certificates in respect of these Properties. The Manager expects the property title certificates in respect of these Properties to be obtained by the second half of 2018.

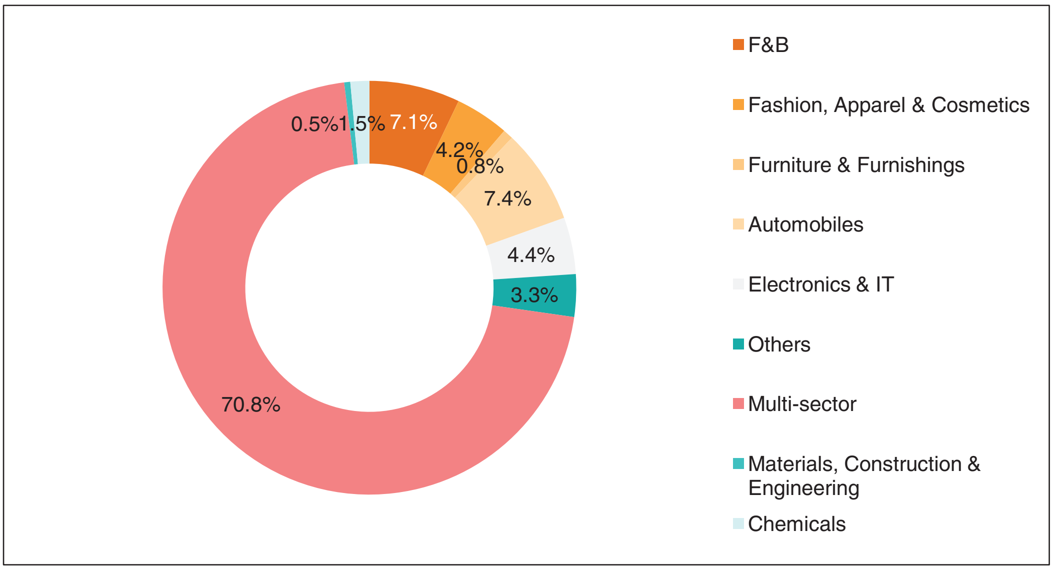
1.4. Lease Expiry Profile of the Properties

The chart below illustrates the committed lease profile of the Properties by NLA. As at 31 March 2018, the WALE by NLA for the Properties is 3.3 years.



1.5. 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 31 March 2018.



1.6. Top 10 Tenants for the Properties

The table below shows the top 10 tenants of the Properties by Gross Revenue as at 31 March 2018.

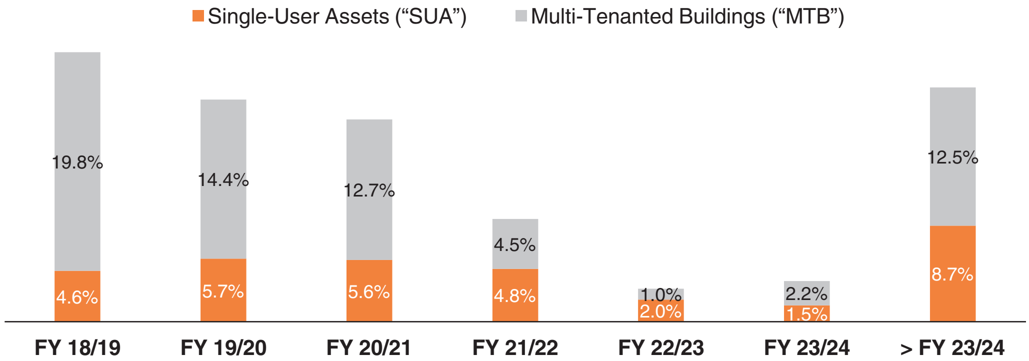
Top 10 Tenants	% of Gross Revenue	Trade Sector (Business Nature)
JD.com, Inc.	20.8%	Multi-sector (E-commerce)
Cainiao Smart Logistics Network Limited	19.3%	Multi-sector (3PL)
Best Logistics Technology (China) Co., Ltd.	5.3%	Multi-sector (3PL)
Sinotrans Limited	4.6%	Multi-sector (3PL)
China Post Group Corporation	3.8%	Multi-sector (3PL)
SF Express (Group) Co., Ltd.	3.7%	Multi-sector (3PL)
Adient Yanfeng Seating Mechanism Co., Ltd.	3.6%	Automobile
China Deppon Logistics Co., Ltd	3.4%	Retail (3PL)
Shanghai Zhengming Modern Logistics Co., Ltd.	3.0%	F&B/Multi-sector (3PL)
ZTO Express Co., Ltd.	2.9%	Multi-sector (3PL)
Total	**70.3%**	–

2. **EXISTING PORTFOLIO**

As at 31 March 2018, MLT's portfolio comprised 124[1] properties located in Singapore, Hong Kong SAR, Japan, Australia, South Korea, PRC, Malaysia and Vietnam. The graphs and charts set out in this Paragraph 2 are based on MLT's portfolio as at 31 March 2018, which comprised 124 properties.

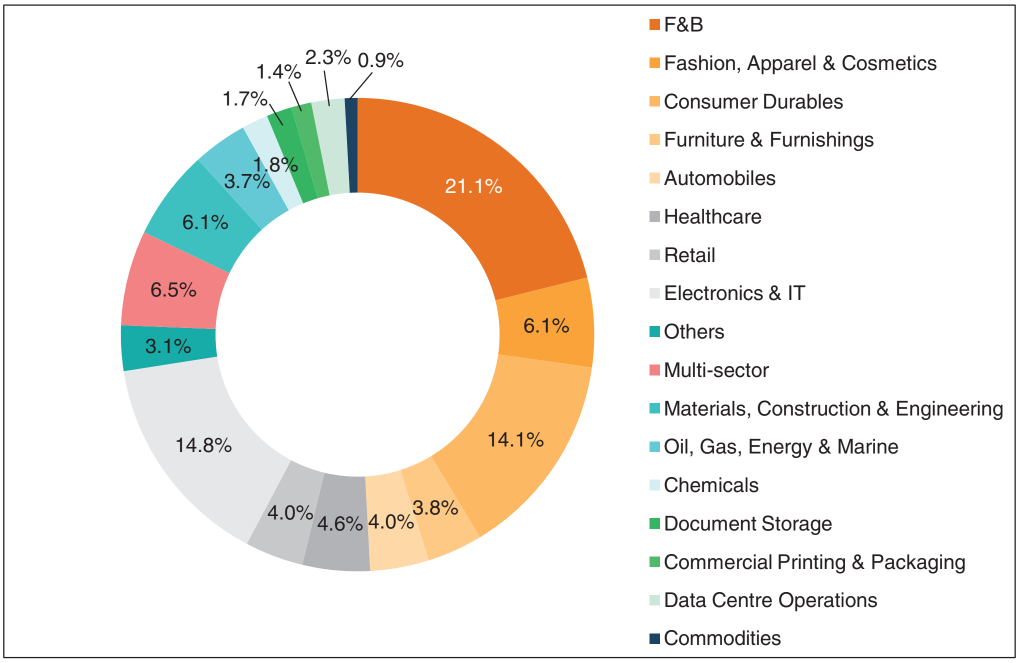
2.1. Lease Profile for the Existing Portfolio (as at 31 March 2018)

The chart below illustrates the committed lease profile of the Existing Portfolio by NLA. As at 31 March 2018, the WALE by NLA for the Existing Portfolio is approximately 3.5 years[2].



2.2. Trade Sector Analysis for the Existing Portfolio (as at 31 March 2018)

The chart below provides a breakdown by Gross Revenue of the different trade sectors represented in the Existing Portfolio.



1 Includes 7 Tai Seng Drive in Singapore. On 11 August 2017, MLT announced that it has granted an option to purchase to MIPL for the proposed divestment of 7 Tai Seng Drive in Singapore, which is subject to the exercise of the option to purchase by MIPL and approval from JTC Corporation. On 27 April 2018, MLT announced that it has entered into a novation agreement with MIPL and DBS Trustee Limited, in its capacity as trustee of Mapletree Industrial Trust, where the option to purchase has been novated from MIPL to DBS Trustee Limited, in its capacity as trustee of Mapletree Industrial Trust.

2 WALE by Gross Revenue is 3.3 years.

2.3. Top 10 Tenants of the Existing Portfolio (as at 31 March 2018)

The table below sets out the top 10 tenants (by Gross Revenue) of the Existing Portfolio (as at 31 March 2018).

Top 10 Tenants	% of Gross Revenue	Trade Sector
Wesfarmers Group	3.7%	F&B
XPO Worldwide Logistics (f.k.a. Menlo Group)	3.4%	Multi-sector
Ever Gain Company Ltd	2.8%	Consumer Staples
Nippon Access Group	2.0%	F&B
adidas Hong Kong Limited	2.0%	Fashion, Apparel & Cosmetics
Nippon Express	2.0%	Multi-sector
Taeun Logistics Co., Ltd.	1.9%	Multi-sector
Equinix	1.8%	Data Centre Operations
Bidvest Group	1.7%	F&B
Woolworths	1.6%	F&B
Total	**23.0%**	–

3. ENLARGED PORTFOLIO

The table below sets out selected information on the Enlarged Portfolio as at 31 March 2018 (unless otherwise indicated).

	Existing Portfolio	Properties(1)	Enlarged Portfolio
GFA (sq m)	3,747,657	402,008	4,149,666
NLA (sq m)	3,738,002	410,955	4,148,957
Number of Tenants	556	58	614
Valuation (S$)	6,515,220,600	300,533,450(2)	6,815,754,050
Occupancy Rate (%)	96.6(3)	97.7(4)	96.7

Notes:

(1) Taking into account MLT's 50.0% indirect interest in the Properties.

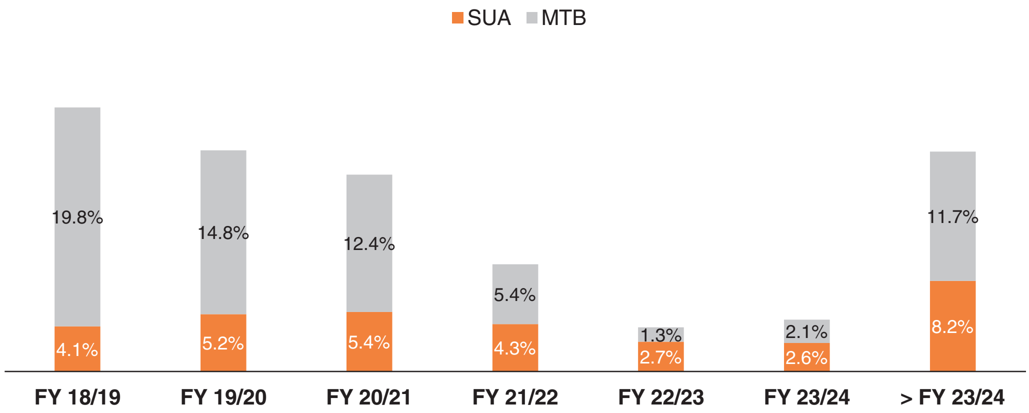
(2) Based on the aggregate Agreed Property Value of the Properties and any capitalised costs. Taking into account MLT's 50.0% indirect interest in the Properties.

(3) Based on the actual occupancy.

(4) Based on the committed occupancy.

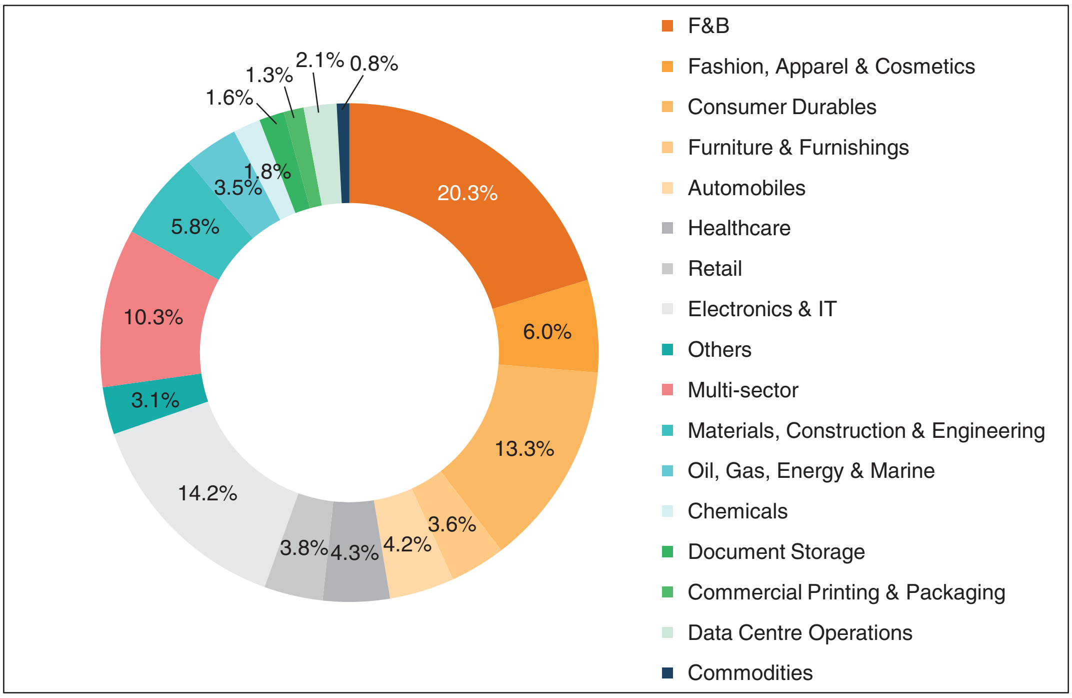
3.1. Lease Profile for the Enlarged Portfolio (as at 31 March 2018)

The chart below illustrates the committed lease profile of the Enlarged Portfolio by NLA. The WALE by NLA for the Enlarged Portfolio is approximately 3.5 years[1].



3.2. Trade Sector Analysis for the Enlarged Portfolio (as at 31 March 2018)

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



1 WALE by Gross Revenue is 3.3 years.

3.3. Top 10 Tenants of the Enlarged Portfolio (as at 31 March 2018)

The table below sets out the top 10 tenants (by Gross Revenue) of the Enlarged Portfolio (as at 31 March 2018).

Top 10 Tenants	% of Gross Revenue	Trade Sector
Wesfarmers Group	3.5%	F&B
XPO Worldwide Logistics (f.k.a. Menlo Group)	3.2%	Multi-sector
Ever Gain Company Ltd	2.7%	Consumer Staples
Nippon Access Group	1.9%	F&B
adidas Hong Kong Limited	1.9%	Fashion, Apparel & Cosmetics
Nippon Express	1.9%	Multi-sector
Taeun Logistics Co., Ltd.	1.8%	Multi-sector
Equinix	1.7%	Data Centre Operations
Bidvest Group	1.6%	F&B
Woolworths	1.5%	F&B
Total	**21.6%**	–

This page has been intentionally left blank.

SUMMARY VALUATION CERTIFICATES

Colliers International (Hong Kong) Ltd.
Valuation & Advisory Services
Company Licence No: C-006052

Suite 5701 Central Plaza
18 Harbour Road Wanchai
Hong Kong

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

1 March 2018

Dear Sirs,

INSTRUCTIONS, PURPOSE AND VALUATION DATE

We refer to your instructions for us to assess the Market Values of the 11 logistics parks (the "Properties") located in The People's Republic of China ("PRC") to be acquired by Mapletree Logistics Trust (the "REIT"). We confirm that we have carried out inspection, made relevant enquiries and searches and obtained such further information as we consider necessary for the purpose of providing our opinion of values of the Properties as at 1 March 2018 (the "Valuation Date").

VALUATION STANDARDS

The valuation has been prepared in accordance with the requirements set out in the RICS Valuation – Global Standards 2017 published by the Royal Institution of Chartered Surveyors effective from 1 July 2017; and the International Valuation Standards 2017 published by the International Valuation Standards Council effective from 1 July 2017.

VALUATION BASIS

Our valuation is made on the basis of 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".

VALUATION ASSUMPTIONS

Our valuation has been made on the assumption that the owner sells the Properties on the open market without the benefit of deferred terms contracts, leasebacks, joint ventures, or any similar arrangements which would affect their values.

No allowances have been made in our valuation for any charges, mortgages or amounts owing neither on the Properties nor for any expenses or taxes 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 an onerous nature which could affect their values.

As the Properties are held under long term land use rights, we have assumed that the owner has free and uninterrupted rights to use the Properties for the whole of the unexpired term of the land use rights.

We have assumed that the areas shown on the documents and/or official plans handed to us by you are correct. All documents and contracts have been used as reference only and all dimensions, measurements and areas are approximations. No on-site measurement has been taken.

VALUATION METHODOLOGY

We have adopted the Income Approach - Discounted Cash Flow ("DCF") Analysis for our valuation of the Properties and the results are cross-checked by the Market Approach.

The DCF Analysis involves the discounting of the net cash flow on an annual basis over the assumed cash flow period at an appropriate rate to reflect risk to derive a value. The net cash flow comprises the cash inflows less the cash outflows over the cash flow period, with the addition of the terminal value in the final cash flow period.

The Market Approach estimates the value of a property by comparing recent sales of similar interests located in the surrounding area. By analysing sales which qualify as 'arms-length' transactions, between willing buyers and sellers, adjustments can be made for location, time, age, quality and other relevant factors when comparing such sales against the subject.

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 defects. We are not, however, able to report whether the Properties are free of rot, infestation or any other structural defects. No tests were carried out on any of the services, including power supply, water supply, drainage and sewage.

INFORMATION SOURCES

We have relied to a considerable extent on the information and documents provided by you, in particular but not limited to, the identification of the Properties, particulars of occupancy, tenancy schedules, title certificates, areas and all other relevant matters. We have no reason to doubt the truth and accuracy of the information provided by you. We have no reason to doubt the truth and accuracy of the information provided by you. We consider that we have been provided with sufficient information to reach an informed view and we have no reason to suspect any material information has been withheld.

TITLE INVESTIGATION

We have been provided with copies of documents in relation to the titles of the Properties. However, we have not scrutinized the original documents nor verified the existence of any amendments, which do not appear in the copies available to us. We have relied to a considerable extent on the information provided by you.

CURRENCY

Unless otherwise stated, all monetary figures stated in this report are in Renminbi ("RMB").

The valuation summary and the valuation certificates are attached hereto.

Yours faithfully,
For and on behalf of
Colliers International (Hong Kong) Ltd.

Vincent Cheung
BSc(Hons) MBA FRICS MHKIS RPS(GP) MISCM MHKSI
MCIREA Registered Real Estate Appraiser PRC
Deputy Managing Director
Valuation & Advisory Services – Asia

Note:

Vincent Cheung holds a Master of Business Administration and he is a Registered Professional Surveyor with about 20 years' experiences in real estate industry and assets valuations sector. His experiences on valuations cover Greater China and other regions. Vincent is a Fellow of the Royal Institution of Chartered Surveyors, a Member of The Hong Kong Institute of Surveyors, a Member of Institute of Shopping Centre Management, a Member of Hong Kong Securities and Investment Institute, a Member of China Institute of Real Estate Appraisers and Agents and a Registered Real Estate Appraiser People's Republic of China.

VALUATION SUMMARY

Properties to be Acquired by the REIT in PRC

No.	Property	Market Value as at the Valuation Date	Reference Value of 50% Interest 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	RMB286,000,000	RMB143,000,000
2	Mapletree Tianjin Wuqing Logistics Park, No. 20 Quanxiu Road, Wuqing Development District, Tianjin New-Tech Industrial Park, Wuqing District, Tianjin, PRC	RMB105,000,000	RMB52,500,000
3	Mapletree Hangzhou Logistics Park, No. 1717 Weiqi Road, Dajiangdong Industrial Cluster Zone, Hangzhou, Zhejiang Province, PRC	RMB399,000,000	RMB199,500,000
4	Mapletree Nantong Chongchuan Logistics Park, No. 75-76 East Kuaisu Road, Nantong, Jiangsu Province, PRC	RMB262,000,000	RMB131,000,000
5	Mapletree Changshu Logistics Park, No. 37 Dongnan Avenue, High-Tech Industrial Development Zone, Changshu, Jiangsu Province, PRC	RMB197,000,000	RMB98,500,000
6	Mapletree Changsha Logistics Park Phase 1, 101, No. 1-5 Buildings and No. 1-2 Gatehouses, No. 77 Jinqiao Road, Yuelu District, Changsha, Hunan Province, PRC	RMB303,000,000	RMB151,500,000
7	Mapletree Wuxi New District Logistics Park, No. 1 Qiangzhai Road, Wuxi, Jiangsu Province, PRC	RMB421,000,000	RMB210,500,000
8	Mapletree Wuhan Yangluo Logistics Park, Dongyue Village, Cangbu Street and Qiuli Village, Yangluo Street, Yangluo Economic and Development Zone, Xiuzhou District, Wuhan, Hubei Province, PRC	RMB243,000,000	RMB121,500,000
9	Mapletree Jiaxing Logistics Park, No. 406 Yantang Road, Wangdian Town, Xiuzhou District, Jiaxing, Zhejiang Province, PRC	RMB127,000,000	RMB63,500,000
10	Mapletree Nanchang Logistics Park, West of Jingkai Avenue, South of You'an Road, North of Management Committee storing land, East of Guihua Road, Economics and Technology Development Zone, Nanchang, Jiangxi Province, PRC	RMB217,000,000	RMB108,500,000
11	Mapletree Zhenjiang Logistics Park, East of Huamao Road, West of Hengda Road, Guozhuang Town, Jurong, Jiangsu Province, PRC	RMB335,000,000	RMB167,500,000
	Total:	**RMB2,895,000,000**	**RMB1,447,500,000**

VALUATION CERTIFICATE

No.	Property	Description and Tenure	Particulars of Occupancy	Market Value 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 warehouses located at North of No. 2 Fengchan Road, East of No. 3 Jianzhang Road, Xi'an, Shaanxi Province, PRC. As per the information provided, it was physically completed in about March 2016. As per the State-owned Land Use Rights Certificate, the property has a site area of approximately 119,422.04 square metres. As per the Construction Project Planning Permit, the property has a gross floor area of approximately 64,941.23 square metres. According to the tenancy schedule provided by the Client as at March 2018, 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 by the Client as at March 2018, the property was leased to different tenants subject to an occupancy rate of approximately 100% and a monthly rental income of RMB1,361,750 exclusive of service charges.	RMB286,000,000 (Renminbi Two Hundred and Eighty Six Million) Reference Value of 50% as at the Valuation Date RMB143,000,000 (Renminbi One Hundred and Forty Three Million)

***Notes*:**

1. The property was inspected by Roy Chan on 20 March 2018.

2. The valuation of the property was prepared by Kit Cheung *MHKIS MRICS RPS(GP) MCIREA Registered Real Estate Appraiser PRC* and Vincent Cheung *MHKIS FRICS RPS(GP) MISCM MHKSI MCIREA Registered Real Estate Appraiser PRC*.

3. Pursuant to the State-owned Land Use Rights Certificate, 西沣国用(2014 出)第 048 号, dated 25 November 2014 and issued by Xi'an State-owned Land Resources Bureau Fengdong New City Branch, the land use rights of the property with a site area of approximately 119,422.04 square metres were granted to 沣航仓储开发(西安)有限公司 for a term expiring on 9 December 2063 for industrial uses.

4. As advised by the Client, the property is yet to be granted with a proper title certificate of building ownership rights. In the course of our valuation, we have assumed that the property has been granted with the relevant title certificate of building ownership rights as at the Valuation Date and there is no any legal impediment for the alienation of the building ownership rights of the property.

5. In the course of our valuation, we have adopted the following key parameters:

DCF Analysis	**Details**
Market Rent (Exclusive):	Level 1: RMB0.96/sqm/day on lettable area basis
Terminal Yield:	4.80%
Stabilised Growth Rate:	4.00%
Discount Rate:	8.70%
Market Approach	**Details**
Unit Prices of Comparables:	RMB2,636 - RMB4,909 per square metre on gross floor area basis
Adopted Unit Value:	RMB4,435 per square metre on gross floor area basis

VALUATION CERTIFICATE

No.	Property	Description and Tenure	Particulars of Occupancy	Market Value 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 warehouses located at No. 20 Quanxiu Road, Wuqing Development District, Tianjin New-Tech Industrial Park, Wuqing District, Tianjin, PRC. As per the information provided, it was physically completed in about August 2016. As per the Real Estate Title Certificate, the property has a site area and a gross floor area of approximately 47,100.70 square metres and 29,056.76 square metres respectively. According to the tenancy schedule provided by the Client as at March 2018, 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 by the Client as at March 2018, the property was leased to a tenant subject to an occupancy rate of approximately 100% and a monthly rental income of RMB523,086 exclusive of service charges.	RMB105,000,000 (Renminbi One Hundred and Five Million) Reference Value of 50% as at the Valuation Date RMB52,500,000 (Renminbi Fifty Two Million and Five Hundred Thousand)

***Notes*:**

1. The property was inspected by Roy Chan on 22 March 2018.

2. The valuation of the property was prepared by Kit Cheung *MHKIS MRICS RPS(GP) MCIREA Registered Real Estate Appraiser PRC* and Vincent Cheung *MHKIS FRICS RPS(GP) MISCM MHKSI MCIREA Registered Real Estate Appraiser PRC*.

3. Pursuant to the Real Estate Title Certificate, 津(2017)武清区不动产权第 1057477 号, dated 1 December 2017 and issued by Tianjin State-owned Land Resources and Housing Management Bureau, the land use rights of the property with a site area of approximately 47,100.70 square metres were granted to 丰泉仓储(天津)有限公司 for a term expiring on 12 February 2065 for warehouse uses.

4. Pursuant to the Real Estate Title Certificate, 津(2017)武清区不动产权第 1057477 号, dated 1 December 2017 and issued by Tianjin State-owned Land Resources and Housing Management

Bureau, the building ownership rights of the property with a gross floor area of approximately 29,056.76 square metres were legally vested in 丰泉仓储(天津)有限公司.

5. In the course of our valuation, we have adopted the following key parameters:

DCF Analysis	**Details**
Market Rent (Exclusive):	Level 1: RMB0.85/sqm/day on lettable area basis
Terminal Yield:	4.50%
Stabilised Growth Rate:	4.00%
Discount Rate:	8.40%
Market Approach	**Details**
Unit Prices of Comparables:	RMB2,636 - RMB4,909 per square metre on gross floor area basis
Adopted Unit Value:	RMB3,614 per square metre on gross floor area basis

VALUATION CERTIFICATE

No.	Property	Description and Tenure	Particulars of Occupancy	Market Value 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 double-storey warehouses located at No. 1717 Weiqi Road, Dajiangdong Industrial Cluster Zone, Hangzhou, Zhejiang Province, PRC. As per the information provided, it was physically completed in about June 2016. As per the Real Estate Title Certificate, the property has a site area and a gross floor area of approximately 83,593.00 square metres and 94,590.36 square metres respectively. According to the tenancy schedule provided by the Client as at March 2018, 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 by the Client as at March 2018, the property was leased to different tenants subject to an occupancy rate of approximately 100% and a monthly rental income of RMB2,514,533 exclusive of service charges.	RMB399,000,000 (Renminbi Three Hundred and Ninety Nine Million) Reference Value of 50% as at the Valuation Date RMB199,500,000 (Renminbi One Hundred Ninety Nine Million and Five Hundred Thousand)

***Notes*:**

1. The property was inspected by Vincent Cheung and Kit Cheung on 20 March 2018.

2. The valuation of the property was prepared by Kit Cheung *MHKIS MRICS RPS(GP) MCIREA Registered Real Estate Appraiser PRC* and Vincent Cheung *MHKIS FRICS RPS(GP) MISCM MHKSI MCIREA Registered Real Estate Appraiser PRC*.

3. Pursuant to the Real Estate Title Certificate, 浙(2017)杭州(大江东)不动产权第 0002896 号, dated 7 April 2017 and issued by Hangzhou State-owned Land Resources Bureau, the land use rights of the property with a site area of approximately 83,593.00 square metres were granted to 丰舟仓储(杭州)有限公司 for a term expiring on 5 September 2064 for industrial uses.

4. Pursuant to the Real Estate Title Certificate, 浙(2017)杭州(大江东)不动产权第 0002896 号, dated 7 April 2017 and issued by Hangzhou State-owned Land Resources Bureau, the building ownership rights of the property with a gross floor area of approximately 94,590.36 square metres were legally vested in 丰舟仓储(杭州)有限公司.

5. In the course of our valuation, we have adopted the following key parameters:

DCF Analysis	Details
Market Rent (Exclusive):	Level 1: RMB0.86/sqm/day on lettable area basis Level 2: RMB0.72/sqm/day on lettable area basis
Terminal Yield:	4.50%
Stabilised Growth Rate:	4.00%
Discount Rate:	8.40%
Market Approach	**Details**
Unit Prices of Comparables:	RMB2,636 - RMB4,909 per square metre on gross floor area basis
Adopted Unit Value:	RMB4,324 per square metre on gross floor area basis

VALUATION CERTIFICATE

No.	Property	Description and Tenure	Particulars of Occupancy	Market Value as at the Valuation Date
4	Mapletree Nantong Chongchuan Logistics Park, No. 75-76 East Kuaisu Road, Nantong, Jiangsu Province, PRC	The property is a logistics park comprising four blocks of single-storey warehouses (three blocks in the East Portion and one block in the West Portion) located at No. 75-76 East Kuaisu Road, Nantong, Jiangsu Province, PRC. As per the information provided, the East Portion and West Portion were physically completed in about April 2016 and January 2017 respectively. As per the Real Estate Title Certificates, the property has a site area and a gross floor area of approximately 135,735.19 square metres and 75,544.75 square metres respectively. According to the tenancy schedule provided by the Client as at March 2018, the property has a total lettable area of approximately 78,624.00 square metres. The land use rights of the property were granted for a term expiring on 19 October 2064 and 29 January 2065 for industrial uses.	According to the tenancy schedule provided by the Client as at March 2018, the property was leased to different tenants subject to an occupancy rate of approximately 89% (inclusive of committed tenancies) and a monthly rental income of RMB1,027,447 exclusive of service charges.	RMB262,000,000 (Renminbi Two Hundred and Sixty Two Million) Reference Value of 50% as at the Valuation Date RMB131,000,000 (Renminbi One Hundred and Thirty One Million)

***Notes*:**

1. The property was inspected by Charlotte Xu on 20 March 2018.

2. The valuation of the property was prepared by Kit Cheung *MHKIS MRICS RPS(GP) MCIREA Registered Real Estate Appraiser PRC* and Vincent Cheung *MHKIS FRICS RPS(GP) MISCM MHKSI MCIREA Registered Real Estate Appraiser PRC*.

3. Pursuant to the two Real Estate Title Certificates issued by Nantong State-owned Land Resources Bureau, the land use rights of the property with a total site area of approximately 135,735.19 square metres were granted to 丰锐仓储(南通)有限公司. The details of the certificates are summarised as below:

Certificate No.	Date of Issue	Land Use Rights Expiry Date	Site Area (sqm)	Use
苏(2017)南通市不动产权第 0004517 号	19 January 2017	19 October 2064	89,969.85	Industrial
苏(2017)南通市不动产权第 0077127 号	10 October 2017	29 January 2065	45,765.34	Industrial

4. Pursuant to the two Real Estate Title Certificates issued by Nantong State-owned Land Resources Bureau, the building ownership rights of the property with a total gross floor area of approximately 75,544.75 square metres were legally vested in 丰锐仓储(南通)有限公司. The details of the certificates are summarised as below:

Certificate No.	Date of Issue	Gross Floor Area (sqm)	Use
苏(2017)南通市不动产权第 0004517 号	19 January 2017	49,843.50	Industrial
苏(2017)南通市不动产权第 0077127 号	10 October 2017	25,701.25	Industrial

5. In the course of our valuation, we have adopted the following key parameters:

DCF Analysis	**Details**
Market Rent (Exclusive):	Level 1: RMB0.73/sqm/day on lettable area basis
Terminal Yield:	5.00%
Stabilised Growth Rate:	4.00%
Discount Rate:	8.90%
Market Approach	**Details**
Unit Prices of Comparables:	RMB2,636 - RMB4,909 per square metre on gross floor area basis
Adopted Unit Value:	RMB3,508 per square metre on gross floor area basis

VALUATION CERTIFICATE

No.	Property	Description and Tenure	Particulars of Occupancy	Market Value as at the Valuation Date
5	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 warehouses located at No. 37 Dongnan Avenue, High-Tech Industrial Development Zone, Changshu, Jiangsu Province, PRC. As per the information provided, it was physically completed in about June 2016. As per the Real Estate Title Certificate, the property has a site area and a gross floor area of approximately 100,672.00 square metres and 59,537.99 square metres respectively. According to the tenancy schedule provided by the Client as at March 2018, the property has a total lettable area of approximately 60,966.38 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 by the Client as at March 2018, the property was leased to different tenants subject to an occupancy rate of approximately 100% and a monthly rental income of RMB985,111 exclusive of service charges.	RMB197,000,000 (Renminbi One Hundred and Ninety Seven Million) Reference Value of 50% as at the Valuation Date RMB98,500,000 (Renminbi Ninety Eight Million and Five Hundred Thousand)

***Notes*:**

1. The property was inspected by Charlotte Xu on 20 March 2018.

2. The valuation of the property was prepared by Kit Cheung *MHKIS MRICS RPS(GP) MCIREA Registered Real Estate Appraiser PRC* and Vincent Cheung *MHKIS FRICS RPS(GP) MISCM MHKSI MCIREA Registered Real Estate Appraiser PRC*.

3. Pursuant to the Real Estate Title Certificate, 苏(2016)常熟市不动产权第 0021031 号, dated 20 December 2016 and issued by Changshu City State-owned Land Resources Bureau, the land use rights of the property with a site area of approximately 100,672.00 square metres were granted to 常熟丰佳仓储有限公司 for a term expiring on 14 February 2065 for warehouse uses.

4. Pursuant to the Real Estate Title Certificate, 苏(2016)常熟市不动产权第 0021031 号, dated 20 December 2016 and issued by Changshu City State-owned Land Resources Bureau, the building ownership rights of the property with a gross floor area of approximately 59,537.99 square metres were legally vested in 常熟丰佳仓储有限公司.

5. In the course of our valuation, we have adopted the following key parameters:

DCF Analysis	Details
Market Rent (Exclusive):	Level 1: RMB0.65/sqm/day on lettable area basis
Terminal Yield:	4.80%
Stabilised Growth Rate:	4.00%
Discount Rate:	8.70%
Market Approach	**Details**
Unit Prices of Comparables:	RMB2,636 - RMB4,909 per square metre on gross floor area basis
Adopted Unit Value:	RMB3,359 per square metre on gross floor area basis

VALUATION CERTIFICATE

No.	Property	Description and Tenure	Particulars of Occupancy	Market Value as at the Valuation Date
6	Mapletree Changsha Logistics Park Phase 1, 101, No. 1-5 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 warehouses located at 101, No. 1-5 Buildings and No. 1-2 Gatehouses, No. 77 Jinqiao Road, Yuelu District, Changsha, Hunan Province, PRC. As per the information provided, it was physically completed in about September 2016. As per the Real Estate Title Certificates, the property has a site area and a total gross floor area of approximately 125,333.34 square metres and 76,862.33 square metres respectively. According to the tenancy schedule provided by the Client as at March 2018, 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 by the Client as at March 2018, the property was leased to different tenants subject to an occupancy rate of approximately 97% and a monthly rental income of RMB1,462,700 exclusive of service charges.	RMB303,000,000 (Renminbi Three Hundred and Three Million) Reference Value of 50% as at the Valuation Date RMB151,500,000 (Renminbi One Hundred Fifty One Million and Five Hundred Thousand)

***Notes*:**

1. The property was inspected by Iverson Chan on 21 March 2018.

2. The valuation of the property was prepared by Kit Cheung *MHKIS MRICS RPS(GP) MCIREA Registered Real Estate Appraiser PRC* and Vincent Cheung *MHKIS FRICS RPS(GP) MISCM MHKSI MCIREA Registered Real Estate Appraiser PRC*.

3. Pursuant to the six Real Estate Title Certificates issued by Changsha State-owned Land Resources Bureau, the land use rights of the property with a site area of approximately 125,333.34 square metres were granted to 丰顺仓储开发(长沙)有限公司. The details of the certificates are summarised as below:

Certificate No.	Date of Issue	Land Use Rights Expiry Date	Site Area (sqm)*	Use
湘(2017)长沙市不动产权	13 July 2017	20 June 2064	125,333.34	Industrial

第 0172201 号				
湘(2017)长沙市不动产权第 0170189 号	12 July 2017	20 June 2064	125,333.34	Industrial
湘(2017)长沙市不动产权第 0170161 号	12 July 2017	20 June 2064	125,333.34	Industrial
湘(2017)长沙市不动产权第 0170077 号	12 July 2017	20 June 2064	125,333.34	Industrial
湘(2017)长沙市不动产权第 0169920 号	12 July 2017	20 June 2064	125,333.34	Industrial
湘(2017)长沙市不动产权第 0169921 号	13 July 2017	20 June 2064	125,333.34	Industrial

*The figure on each Real Estate Title Certificate is the site area of the whole lot of the property.

4. Pursuant to the six Real Estate Title Certificates issued by Changsha State-owned Land Resources Bureau, the building ownership rights of the property with a total gross floor area of approximately 76,862.33 square metres were legally vested in 丰顺仓储开发(长沙)有限公司. The details of the certificates are summarised as below:

Certificate No.	**Date of Issue**	**Gross Floor Area (sqm)**	**Use**
湘(2017)长沙市不动产权第 0172201 号	13 July 2017	19,395.14	Industrial
湘(2017)长沙市不动产权第 0170189 号	12 July 2017	19,595.14	Industrial
湘(2017)长沙市不动产权第 0170161 号	12 July 2017	18,587.31	Industrial
湘(2017)长沙市不动产权第 0170077 号	12 July 2017	19,177.95	Industrial
湘(2017)长沙市不动产权第 0169920 号	12 July 2017	68.39	Industrial
湘(2017)长沙市不动产权第 0169921 号	13 July 2017	38.40	Industrial

5. In the course of our valuation, we have adopted the following key parameters:

DCF Analysis	**Details**
Market Rent (Exclusive):	Level 1: RMB0.84/sqm/day on lettable area basis
Terminal Yield:	4.80%
Stabilised Growth Rate:	4.00%
Discount Rate:	8.70%
Market Approach	**Details**
Unit Prices of Comparables:	RMB2,636 - RMB4,909 per square metre on gross floor area basis
Adopted Unit Value:	RMB4,046 per square metre on gross floor area basis

VALUATION CERTIFICATE

No.	Property	Description and Tenure	Particulars of Occupancy	Market Value as at the Valuation Date
7	Mapletree Wuxi New District Logistics Park, No. 1 Qiangzhai Road, Wuxi, Jiangsu Province, PRC	The property is a logistics park comprising four blocks of double-storey warehouses located at No. 1 Qiangzhai Road, Wuxi, Jiangsu Province, PRC. As per the information provided, it was physically completed in about December 2015. As per the Real Estate Title Certificate, the property has a site area and a gross floor area of approximately 99,958.30 square metres and 119,599.26 square metres respectively. According to the tenancy schedule provided by the Client as at March 2018, 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 by the Client as at March 2018, the property was leased to different tenants subject to an occupancy rate of approximately 97% and a monthly rental income of RMB2,019,928 exclusive of service charges.	RMB421,000,000 (Renminbi Four Hundred and Twenty One Million) Reference Value of 50% as at the Valuation Date RMB210,500,000 (Renminbi Two Hundred Ten Million and Five Hundred Thousand)

***Notes*:**

1. The property was inspected by Charlotte Xu on 21 March 2018.

2. The valuation of the property was prepared by Kit Cheung *MHKIS MRICS RPS(GP) MCIREA Registered Real Estate Appraiser PRC* and Vincent Cheung *MHKIS FRICS RPS(GP) MISCM MHKSI MCIREA Registered Real Estate Appraiser PRC*.

3. Pursuant to the Real Estate Title Certificate, 苏(2016)无锡市不动产权第 0074079 号, issued by Wuxi State-owned Land Resources Bureau, the land use rights of the property with a site area of approximately 99,958.30 square metres were granted to 丰硕仓储开发(无锡)有限公司 for a term expiring on 16 March 2064 for warehouse uses.

4. Pursuant to the Real Estate Title Certificate, 苏(2016)无锡市不动产权第 0074079 号, issued by Wuxi State-owned Land Resources Bureau, the building ownership rights of the property with a gross floor area of approximately 119,599.26 square metres were legally vested in 丰硕仓储开发(无锡)有限公司.

5. In the course of our valuation, we have adopted the following key parameters:

DCF Analysis	Details
Market Rent (Exclusive):	Level 1: RMB0.85/sqm/day on lettable area basis Level 2: RMB0.62/sqm/day on lettable area basis
Terminal Yield:	4.80%
Stabilised Growth Rate:	4.00%
Discount Rate:	8.70%
Market Approach	**Details**
Unit Prices of Comparables:	RMB2,636 - RMB4,909 per square metre on gross floor area basis
Adopted Unit Value:	RMB3,370 per square metre on gross floor area basis

VALUATION CERTIFICATE

No.	Property	Description and Tenure	Particulars of Occupancy	Market Value as at the Valuation Date
8	Mapletree Wuhan Yangluo Logistics Park, Dongyue Village, Cangbu Street and Qiuli Village, Yangluo Street, Yangluo Economic and Development Zone, Xiuzhou District, Wuhan, Hubei Province, PRC	The property is a logistics park comprising four blocks of single-storey warehouses located at Dongyue Village, Cangbu Street and Qiuli Village, Yangluo Street, Yangluo Economic and Development Zone, Xiuzhou District, Wuhan, Hubei Province, PRC. As per the information provided, it was physically completed in about October 2017. As per the State-owned Land Use Rights Certificate, the property has a site area of approximately 116,467.46 square metres. As per the Construction Project Planning Permit, the property has a gross floor area of approximately 70,772.00 square metres. According to the tenancy schedule provided by the Client as at March 2018, 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 by the Client as at March 2018, the property was leased to a tenant subject to an occupancy rate of approximately 100% and a monthly rental income of RMB1,277,206 exclusive of service charges.	RMB243,000,000 (Renminbi Two Hundred and Forty Three Million) Reference Value of 50% as at the Valuation Date RMB121,500,000 (Renminbi One Hundred Twenty One Million and Five Hundred Thousand)

***Notes*:**

1. The property was inspected by Iverson Chan on 19 March 2018.

2. The valuation of the property was prepared by Kit Cheung *MHKIS MRICS RPS(GP) MCIREA Registered Real Estate Appraiser PRC* and Vincent Cheung *MHKIS FRICS RPS(GP) MISCM MHKSI MCIREA Registered Real Estate Appraiser PRC*.

3. Pursuant to the State-owned Land Use Rights Certificate, 武新国用(2016)第 1705 号, dated 8 June 2016 and issued by Wuhan Xinzhou District People's Government, the land use rights of the property with a site area of approximately 116,467.46 square metres were granted to 丰赢仓储(武汉)有限公司 for a term expiring on 10 June 2065 for industrial uses.

4. As advised by the Client, the property is yet to be granted with a proper title certificate of building ownership rights. In the course of our valuation, we have assumed that the property has been granted with the relevant title certificate of building ownership rights as at the Valuation Date and there is no any legal impediment for the alienation of the building ownership rights of the property.

5. In the course of our valuation, we have adopted the following key parameters:

DCF Analysis	**Details**
Market Rent (Exclusive):	Level 1: RMB0.68/sqm/day on lettable area basis
Terminal Yield:	4.50%
Stabilised Growth Rate:	4.00%
Discount Rate:	8.40%
Market Approach	**Details**
Unit Prices of Comparables:	RMB2,636 - RMB4,909 per square metre on gross floor area basis
Adopted Unit Value:	RMB3,490 per square metre on gross floor area basis

VALUATION CERTIFICATE

No.	Property	Description and Tenure	Particulars of Occupancy	Market Value 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 warehouses located at No. 406 Yantang Road, Wangdian Town, Xiuzhou District, Jiaxing, Zhejiang Province, PRC. As per the information provided, it was physically completed in about June 2017. As per the Real Estate Title Certificate, the property has a site area and a gross floor area of approximately 62,346.00 square metres and 35,734.76 square metres respectively. According to the tenancy schedule provided by the Client as at March 2018, 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 by the Client as at March 2018, the property was leased to a tenant subject to an occupancy rate of approximately 100% and a monthly rental income of RMB1,052,810 inclusive of service charges.	RMB127,000,000 (Renminbi One Hundred and Twenty Seven Million) Reference Value of 50% as at the Valuation Date RMB63,500,000 (Renminbi Sixty Three Million and Five Hundred Thousand)

***Notes*:**

1. The property was inspected by Vincent Cheung and Kit Cheung on 20 March 2018.

2. The valuation of the property was prepared by Kit Cheung *MHKIS MRICS RPS(GP) MCIREA Registered Real Estate Appraiser PRC* and Vincent Cheung *MHKIS FRICS RPS(GP) MISCM MHKSI MCIREA Registered Real Estate Appraiser PRC*.

3. Pursuant to the Real Estate Title Certificate, 浙(2018)嘉秀不动产权第 0004516 号, dated 13 February 2018 and issued by Jiaxing State-owned Land Resources Bureau, the land use rights of the property with a site area of approximately 62,346.00 square metres were granted to 嘉兴丰跃仓储有限公司 for a term expiring on 26 January 2066 for warehouse uses.

4. Pursuant to the Real Estate Title Certificate, 浙(2018)嘉秀不动产权第 0004516 号, dated 13 February 2018 and issued by Jiaxing State-owned Land Resources Bureau, the building ownership rights of the property with a gross floor area of approximately 35,734.76 square metres were legally vested in 嘉兴丰跃仓储有限公司.

5. In the course of our valuation, we have adopted the following key parameters:

DCF Analysis	**Details**
Market Rent (Inclusive):	Level 1: RMB1.05/sqm/day on lettable area basis
Terminal Yield:	4.70%
Stabilised Growth Rate:	4.00%
Discount Rate:	8.60%
Market Approach	**Details**
Unit Prices of Comparables:	RMB2,636 - RMB4,909 per square metre on gross floor area basis
Adopted Unit Value:	RMB3,694 per square metre on gross floor area basis

VALUATION CERTIFICATE

No.	Property	Description and Tenure	Particulars of Occupancy	Market Value as at the Valuation Date
10	Mapletree Nanchang Logistics Park, West of Jingkai Avenue, South of You'an Road, North of Management Committee storing land, East of Guihua Road, Economics and Technology Development Zone, Nanchang, Jiangxi Province, PRC	The property is a logistics park comprising three blocks of single-storey warehouses located at West of Jingkai Avenue, South of You'an Road, North of Management Committee storing land, East of Guihua Road, Economics and Technology Development Zone, Nanchang, Jiangxi Province, PRC. As per the information provided, it was completed in about August 2017. As per the Real Estate Title Certificate, the property has a site area of approximately 121,134.00 square metres. As per the Construction Project Commencement Permit, the Property has a gross floor area of approximately 74,846.00 square metres. According to the tenancy schedule provided by the Client as at March 2018, 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 by the Client as at March 2018, the property was leased to different tenants subject to an occupancy rate of approximately 92% (inclusive of committed tenancies) and a monthly rental income of RMB1,170,064 exclusive of service charges.	RMB217,000,000 (Renminbi Two Hundred and Seventeen Million) Reference Value of 50% as at the Valuation Date RMB108,500,000 (Renminbi One Hundred Eight Million and Five Hundred Thousand)

***Notes*:**

1. The property was inspected by Iverson Chan on 20 March 2018.

2. The valuation of the property was prepared by Kit Cheung *MHKIS MRICS RPS(GP) MCIREA Registered Real Estate Appraiser PRC* and Vincent Cheung *MHKIS FRICS RPS(GP) MISCM MHKSI MCIREA Registered Real Estate Appraiser PRC*.

3. Pursuant to the Real Estate Title Certificate, 赣(2016)南昌市不动产权第 0015817 号, dated 19 April 2016 and issued by Nanchang Real Estate Registration Bureau, the land use rights of the property with a site area of approximately 121,134.00 square metres were granted to 丰骐仓储(南昌)有限公司 for a term expiring on 14 January 2066 for warehouse uses.

4. As advised by the Client, the property is yet to be granted with a proper title certificate of building ownership rights. In the course of our valuation, we have assumed that the property has been granted with the relevant title certificate of building ownership rights as at the Valuation Date and there is no any legal impediment for the alienation of the building ownership rights of the property.

5. In the course of our valuation, we have adopted the following key parameters:

DCF Analysis	**Details**
Market Rent (Exclusive):	Level 1: RMB0.64/sqm/day on lettable area basis
Terminal Yield:	4.70%
Stabilised Growth Rate:	4.00%
Discount Rate:	8.60%
Market Approach	**Details**
Unit Prices of Comparables:	RMB2,636 - RMB4,909 per square metre on gross floor area basis
Adopted Unit Value:	RMB2,832 per square metre on gross floor area basis

VALUATION CERTIFICATE

No.	Property	Description and Tenure	Particulars of Occupancy	Market Value 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 warehouses located at East of Huamao Road, West of Hengda Road, Guozhuang Town, Jurong, Jiangsu Province, PRC. As per the information provided, it was physically completed in about February 2018. As per the Real Estate Title Certificate, the property has a site area of approximately 172,106.00 square metres. As per the Construction Project Commencement Permit, the Property has a gross floor area of approximately 102,531.20 square metres. According to the tenancy schedule provided by the Client as at March 2018, the property has a total lettable area of approximately 101,615.70 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 by the Client as at March 2018, the property was leased to a tenant subject to an occupancy rate of approximately 100% (with effective from August 2018) and a monthly rental income of RMB2,689,005 inclusive of service charges.	RMB335,000,000 (Renminbi Three Hundred and Thirty Five Million) Reference Value of 50% as at the Valuation Date RMB167,500,000 (Renminbi One Hundred Sixty Seven Million and Five Hundred Thousand)

***Notes*:**

1. The property was inspected by Charlotte Xu on 21 March 2018.

2. The valuation of the property was prepared by Kit Cheung *MHKIS MRICS RPS(GP) MCIREA Registered Real Estate Appraiser PRC* and Vincent Cheung *MHKIS FRICS RPS(GP) MISCM MHKSI MCIREA Registered Real Estate Appraiser PRC*.

3. Pursuant to the Real Estate Title Certificate, 苏(2016)句容市不动产权第 0015419 号, the land use rights of the property with a site area of approximately 172,106.00 square metres were granted to 丰镇物流(镇江)有限公司 for a term expiring on 1 October 2066 for warehouse uses.

4. As advised by the Client, the property is yet to be granted with a proper title certificate of building ownership rights. In the course of our valuation, we have assumed that the property has

been granted with the relevant title certificate of building ownership rights as at the Valuation Date and there is no any legal impediment for the alienation of the building ownership rights of the property.

5. In the course of our valuation, we have adopted the following key parameters:

DCF Analysis	**Details**
Market Rent (Inclusive):	Level 1: RMB0.97/sqm/day on lettable area basis
Terminal Yield:	4.70%
Stabilised Growth Rate:	4.00%
Discount Rate:	8.60%
Market Approach	**Details**
Unit Prices of Comparables:	RMB2,636 - RMB4,909 per square metre on gross floor area basis
Adopted Unit Value:	RMB3,414 per square metre on gross floor area basis

The following is the text of a letter, summary of values and valuation certificates, prepared for the purpose of incorporation in this document received from Jones Lang LaSalle Corporate Appraisal and Advisory Limited, an independent valuer, in connection with its valuation as at 1 March 2018 of the eleven properties held by Mapletree Logistics Trust Management Ltd

JLL
仲量聯行

Jones Lang LaSalle Corporate Appraisal and Advisory Limited
6/F Three Pacific Place 1 Queen's Road East Hong Kong
tel +852 2846 5000 fax +852 2169 6001
Licence No.: C-030171

1 March 2018

The Directors
Mapletree Logistics Trust Management Ltd
10 Pasir Panjang Road, #13-01
Singapore 117438

Dear Sirs,

In accordance with your instructions from Mapletree Logistics Trust Management Ltd (the Instructing Party or the Group) to value 11 logistics parks (hereinafter together referred to as the Portfolio or the Properties) in the People's Republic of China (the "PRC"), we confirm that we have carried out inspections, made relevant enquiries and 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 Properties as at 1 March 2018 (the "date of valuation").

Our valuation is carried out on a market value basis. 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".

Due to the nature of the Properties and the particular locations where they are situated, there are unlikely to be relevant market comparable sales readily available. The Properties have therefore been valued by Income Capitalisation Method and Discounted Cash Flow ("DCF") Analysis.

The Income Capitalisation method is based on the capitalisation of the fully leased, current passing rental income and potential reversionary from the date of valuation at appropriate investment yield to arrive at the market value. The appropriate adjustments/ deductions for rent free period and ongoing vacancy voids/ marketing periods for the vacant space have been allowed.

JLL
仲量聯行

DCF analysis requires periodic net cash flows to be forecasted over the life of the investment and discounted at a risk-adjusted opportunity cost of capital to arrive at a present value. DCF analysis takes into consideration the month by month net cash flows after deductions for expenditure, and having regard to the assumptions made relating to rental growth projections, vacancies, rent frees, replacement reserves, non-recoverable outgoings and leasing costs. Unless otherwise stated, the DCF analysis is prepared on an assumed 10-year holding period and the reversionary value at the end of year ten, discounted by an appropriate discount rate to derive a net present value.

Unless otherwise stated, our valuation has been made on the assumption that the seller sells the Properties in the market without the benefit of a deferred term contract, leaseback, joint venture or any similar arrangement, which could serve to affect the values of the Properties.

No allowance has been made in our report for any charge, mortgage or amount owing on any of the Properties valued nor for any expense 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 an onerous nature, which could affect their values.

In valuing the Properties, we have complied with all requirements contained in the RICS Valuation – Global Standards 2017 published by the Royal Institution of Chartered Surveyors; the HKIS Valuation Standards 2017 published by the Hong Kong Institute of Surveyors; and the International Valuation Standards 2017 published by the International Valuation Standards Council.

We have relied on the information given by the Instructing Party and have accepted advice given to us on such matters as status of the Properties, tenure, planning approvals, statutory notices, easements, particulars of occupancy, lettings and other relevant matters.

We have been shown copies of various title documents including State-owned Land Use Rights Certificates, Real Estate Ownership Certificates and other official plans relating to the Properties and have made relevant enquiries. Where possible, we have examined the original documents to verify the existing title to the Properties in the PRC and any material encumbrance that might be attached to the Properties or any tenancy amendment. We have relied considerably on the legal opinion given by the Group, concerning the validity of the Properties in the PRC.

Inspection of the Properties was carried out in March 2018 by 9 technical staff including Mr. Jerry He, Mr. Kevin Wang, Ms. Yvonne Liu, etc. They are Member of China Certified Real Estate Appraisers or have more than 3 years' experience in the valuation of properties in the PRC.

We have not carried out detailed measurements to verify the correctness of the areas in respect of the Properties but have assumed that the areas shown on the title documents and official site plans handed to us are correct. All documents and contracts have been used as reference only and all dimensions, measurements and areas are approximations. No on-site measurement has been taken.

JLL
仲量聯行

We have inspected the exterior and, where possible, the interior of the Properties. However, we have not carried out investigation to determine the suitability of the ground conditions and services for any development thereon. Our valuation has been prepared on the assumption that these aspects are satisfactory. Moreover, 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 whether the Properties are free of rot, infestation or any other structural defect. No tests were carried out on any of the services.

We have had no reason to doubt the truth and accuracy of the information provided to us by the Instructing Party. We have also sought confirmation from the Instructing Party that no material factors have been omitted from the information supplied. We consider that we have been provided with sufficient information to arrive an informed view, and we have no reason to suspect that any material information has been withheld.

Unless otherwise stated, all monetary figures stated in this report are in Renminbi (RMB).

Our valuation is summarized below and the valuation certificates are attached.

Yours faithfully,
for and on behalf of
Jones Lang LaSalle Corporate Appraisal and Advisory Limited

Perri Yu	**Eddie T.W. Yiu**
MRICS	*MRICS MHKIS RPS (GP)*
Local Director	**Director**

SUMMARY OF VALUES

No.	Property	Market value in existing state as at 1 March 2018 *RMB*	Interest attributable to the Group	Market value attributable to the Group 1 March 2018 RMB
1.	Mapletree Fengdong (Xi'an) Industrial Park located at North of No. 2 Fengchan Road, East of No.3 Jianzhang Road, Xi'an, Shaanxi Province, PRC	287,000,000	50%	143,500,000
2.	Mapletree Tianjin Wuqing Logistics Park located at No.20 Quanxiu Road, Wuqing Development District, Tianjin New-Tech Industrial Park, Wuqing District, Tianjin, PRC	110,000,000	50%	55,000,000
3.	Mapletree Hangzhou Logistics Park located at No. 1717 Weiqi Road, Dajiangdong Industrial Cluster Zone, Hangzhou, Zhejiang Province, PRC	420,000,000	50%	210,000,000
4.	Mapletree Nantong Chongchuan Logistics Park located at No. 75-76 East Kuaisu Road, Nantong, Jiangsu Province, PRC	268,000,000	50%	134,000,000

No.	Property	Market value in existing state as at 1 March 2018 *RMB*	Interest attributable to the Group	Market value attributable to the Group 1 March 2018 RMB
5	Mapletree Changshu Logistics Park located at No. 37 Dongnan Avenue, High-Tech Industrial Development Zone, Changshu, Jiangsu Province, PRC	209,000,000	50%	104,500,000
6	Mapletree Changsha Logistics Park Phase 1 located at 101, No. 1-5 Buildings and No. 1-2 Gatehouses, No. 77 Jinqiao Road, Yuelu District, Changsha, Hunan Province, PRC	307,000,000	50%	153,500,000
7	Mapletree Wuxi New District Logistics Park located at No.1 Qiangzhai Road, Wuxi, Jiangsu Province, PRC	426,000,000	50%	213,000,000

No.	Property	Market value in existing state as at 1 March 2018 *RMB*	Interest attributable to the Group	Market value attributable to the Group 1 March 2018 RMB
8	Mapletree Wuhan Yangluo Logistics Park located at Dongyue Village, Cangbu Street and Qiuli Village, Yangluo Street, Yangluo Economic and Development Zone, Xiuzhou District, Wuhan, Hubei Province, PRC	245,000,000	50%	122,500,000
9	Mapletree Jiaxing Logistics Park located at No. 406 Yantang Road, Wangdian Town, Xiuzhou District, Jiaxing, Zhejiang Province, PRC	130,000,000	50%	65,000,000
10	Mapletree Nanchang Logistics Park located at West of Jingkai Avenue, South of You'an Road, North of Management Committee storing land, East of Guihua Road, Economics and Technology Development Zone, Nanchang, Jiangxi Province, PRC	224,000,000	50%	112,000,000

No.	Property	Market value in existing state as at 1 March 2018 *RMB*	Interest attributable to the Group	Market value attributable to the Group 1 March 2018 RMB
11	Mapletree Zhenjiang Logistics Park located at East of Huamao Road, West of Hengda Road, Guozhuang Town, Jurong, Jiangsu Province, PRC	330,000,000	50%	165,000,000
	Total:	2,956,000,000	50%	1,478,000,000

JLL
仲量聯行

VALUATION CERTIFICATE

Property No.1

Property Address	:	Mapletree Fengdong (Xi'an) Industrial Park (the "Property No.1") located at North of No. 2 Fengchan Road, East of No.3 Jianzhang Road, Xi'an, Shaanxi Province, PRC
Registered Owner	:	沣航仓储开发（西安）有限公司
Site Area	:	Approximately 119,422.04m^2
Land Use	:	Industrial
Land Tenure Expiry	:	Expiring on 9 December 2063
Gross Floor Area	:	Approximately 64,941.23m^2 (based on the Gross Floor Area ("GFA") in the provided Construction Works Planning Permit)
Lettable Area	:	Approximately 63,558.10m^2 (based on the lettable area in the provided tenancy schedule)
Occupancy Rate	:	As at the date of valuation, the occupancy rate of Property No.1 was 100%, computed based on all current leases in respect of Property No.1 as at 1 March 2018.
Legal Descriptions	:	Pursuant to the State-owned Land Use Certificate No. 西沣国用(2014 出)第048号, Property No.1 with a total site area of approximately 119,422.04m^2 is owned by 沣航仓储开发(西安)有限公司. Pursuant to the Construction Works Planning Permit No. 西咸规建字第02-2015-027号 dated on 8 July 2015, the permitted gross floor area of the property is approximately 64,941.23m^2.

JLL
仲量聯行

Location : Property No.1 is located at North of No. 2 Fengchan Road, East of No.3 Jianzhang Road, Xi'an, Shaanxi Province, PRC. It is in close proximity to Tianzhang Avenue and is approximately 13 kilometers away from the Xi'an Xianyang International Airport.

As per our inspection, the immediate neighbourhood of Property No.1 is predominated by industrial developments. Accessibility to the Property is considered reasonable.

Brief Description : Property No.1 comprises three single-storey warehouse which were completed in March 2016.

The area information of Property No. 1 is shown as follows:

Building	Approx. Gross Floor Area (m^2) (1)	Approx. Lettable Area (m^2) (2)
The Property	64,941.23	63,558.10

Notes:
(1) Based on the GFA in the provided Construction Works Planning Permit
(2) Based on the lettable area in the provided tenancy schedule

Encumbrance : N/A

JLL
仲量聯行

Basis of Valuation	:	Market value, subject to existing tenancies
Valuation Approach	:	Income Capitalisation Method and DCF Analysis
Valuation Date	:	1 March 2018
Market Value*	:	RMB287,000,000 *(50% interest attributable to the Group : RMB143,500,000)*

* The market values arrived by Income Capitalisation Method and DCF analysis are in line with each other within reasonable range and we have applied equal weighting to them.

Notes :

(1) According to the State-owned Land Use Certificates No. 西沣国用 (2014 出)第 048 号, the land use rights of the Property comprising a total site area of approximately 119,422.04m² for industrial use expiring on 9 December 2063 is vested in 沣航仓储开发(西安)有限公司.

(2) Pursuant to the Construction Works Planning Permit No. 西咸规建字第 02-2015-027 号 dated on 8 July 2015, the permitted gross floor area of the property is approximately 64,941.23m².

(3) We have prepared our valuation on the following assumptions:

- The Property is valued with the benefit of good title.
- Assumed that all land premium for the land grant has been fully settled and paid as at the Date of Valuation.
- The Property is free from encumbrances, restrictions and outgoings of an onerous nature that could affect its value.
- The Property is freely disposable and transferable in the market for its designated use for the whole of the unexpired term as granted.
- The Property had been built in accordance with the development scheme approved by relevant government authorities.
- The prevailing value added tax, real estate tax and land use tax as provided would remain the same throughout the remaining land use term.
- It is assumed that the tenants are capable of meeting their financial obligations under the leases and that there are no arrears of rent or undisclosed breaches of covenant.
- In the course of our valuation, we take into consideration the contractual lease terms, rents and management fees according to the provided rent-roll without reimbursements of rent free periods or incentives.

Notes (Cont'd) :

(4) In the course of our valuation, the key parameters are summarized as below:

Income Capitalisation Method

	Gross Rental Income	Yield (NOI)
Term	Passing Monthly Gross Income : RMB1.01m^2/day (lettable) (inclusive of management fee and VAT)	5.75%
Reversion	Estimated Total Gross Market Income : RMB1.03/m^2/day (lettable) (inclusive of management fee and exclusive of VAT)	6.25%

DCF Analysis

Variables	Valuation Parameters	Remarks
Gross Rental Income:	Input of existing rent and reversionary rent	Refer to Gross Rental Income in Income Capitalisation Method
Rental Growth Rate:	+4% p.a.	
Terminal Yield (NOI):	6.25%	
Discount Rate:	10.5%	

JLL
仲量聯行

VALUATION CERTIFICATE

Property No. 2

Property Address	:	Mapletree Tianjin Wuqing Logistics Park (the "Property No.2") located at No.20 Quanxiu Road, Wuqing Development District, Tianjin New-Tech Industrial Park, Wuqing District, Tianjin, PRC
Registered Owner	:	丰泉仓储（天津）有限公司
Site Area	:	Approximately 47,100.70m^2
Land Use	:	Warehouse
Land Tenure Expiry	:	Expiring on 12 February 2065
Gross Floor Area	:	Approximately 29,056.76m^2 (based on the Gross Floor Area ("GFA") in the provided Certificate of Real Estate Ownership)
Lettable Area	:	Approximately 29,148.02m^2 (based on the lettable area in the provided tenancy schedule)
Occupancy Rate	:	As at the date of valuation, the occupancy rate of Property No.2 was 100%, computed based on all current leases in respect of Property No.2 as at 1 March 2018.
Legal Descriptions	:	Pursuant to Certificate of Real Estate Ownership No. 津(2017)武清区不动产权第1057477号, Property No.2 with a total gross floor area of approximately 29,056.76m^2 together with the corresponding land use rights with a total site area of approximately 47,100.70m^2 are owned by 丰泉仓储（天津）有限公司.

Location : Property No.2 is located at No.20 Quanxiu Road, Wuqing Development District, Tianjin New-Tech Industrial Park, Wuqing District, Tianjin, PRC. It is in close proximity to Jingjintang Expressway and is approximately 13 kilometers away from Wuqing railway station and 47 kilometers away from Tianjin Binhai International Airport.

As per our inspection, the immediate neighbourhood of the Property is predominated by industrial developments. Accessibility to the Property is considered reasonable.

Brief Description : Property No.2 comprises two single-storey warehouses which were completed in August 2016.

The area information of Property No. 2 is shown as follows:

Building	Approx. Gross Floor Area (m^2) (1)	Approx. Lettable Area (m^2) (2)
The Property	29,056.76	29,148.02

Notes:
(1) Based on the GFA in the provided Certificate of Real Estate Ownership
(2) Based on the Lettable Area in the provided tenancy schedule

Encumbrance : N/A

JLL
仲量聯行

Basis of Valuation	:	Market value, subject to existing tenancies.
Valuation Approach	:	Income Capitalisation Method and DCF Analysis
Valuation Date	:	1 March 2018
Market Value*	:	RMB110,000,000 *(50% interest attributable to the Group : RMB55,000,000)*

* The market values arrived by Income Capitalisation Method and DCF analysis are in line with each other within reasonable range and we have applied equal weighting to them.

Notes :

(1) According to the Certificate of Real Estate Ownership No. 津(2017)武清区不动产权第 1057477 号, the building ownership rights of the Property with a total GFA of approximately 29,056.76m^2, and the land use rights of the Property comprising a total site area of approximately 47,100.70m^2 for warehouse use expiring on 12 February 2065 are vested in 丰泉仓储（天津）有限公司.

(2) We have prepared our valuation on the following assumptions:

- The Property is valued with the benefit of good title.
- Assumed that all land premium for the land grant has been fully settled and paid as at the Date of Valuation.
- The Property is free from encumbrances, restrictions and outgoings of an onerous nature that could affect its value.
- The Property is freely disposable and transferable in the market for its designated use for the whole of the unexpired term as granted.
- The Property had been built in accordance with the development scheme approved by relevant government authorities.
- The prevailing value added tax, real estate tax and land use tax as provided would remain the same throughout the remaining land use term.
- It is assumed that the tenants are capable of meeting their financial obligations under the leases and that there are no arrears of rent or undisclosed breaches of covenant.
- In the course of our valuation, we take into consideration the contractual lease terms, rents and management fees according to the provided rent-roll without reimbursements of rent free periods or incentives.

Notes (Cont'd) :

(3) In the course of our valuation, the key parameters are summarized as below:

Income Capitalisation Method

	Gross Rental Income	Yield (NOI)
Term	Passing Monthly Gross Income : RMB0.85m²/day (lettable) (inclusive of management fee and VAT)	5.25%
Reversion	Estimated Total Gross Market Income : RMB0.81/m²/day (lettable) (inclusive of management fee and exclusive of VAT)	5.75%

DCF Analysis

Variables	Valuation Parameters	Remarks
Gross Rental Income:	Input of existing rent and reversionary rent	Refer to Gross Rental Income in Income Capitalisation Method
Rental Growth Rate:	+4% p.a.	
Terminal Yield (NOI):	5.75%	
Discount Rate:	10.25%	

JLL
仲量聯行

VALUATION CERTIFICATE

Property No.3

Property Address	:	Mapletree Hangzhou Logistics Park (the "Property No.3") located at No. 1717 Weiqi Road, Dajiangdong Industrial Cluster Zone, Hangzhou, Zhejiang Province, PRC
Registered Owner	:	丰舟仓储（杭州）有限公司
Site Area	:	Approximately 83,593.00m^2
Land Use	:	Industrial
Land Tenure Expiry	:	Expiring on 5 September 2064
Gross Floor Area	:	Approximately 94,590.36m^2 (based on the Gross Floor Area ("GFA") in the Certificate of Real Estate Ownership)
Lettable Area	:	Approximately 106,725.97m^2 (based on the lettable area in the provided tenancy schedule).
Occupancy Rate	:	As at the date of valuation, the occupancy rate of Property No.3 was 100%, computed based on all current leases in respect of Property No.3 as at 1 March 2018.
Legal Descriptions	:	Pursuant to the Certificate of Real Estate Ownership No. 浙(2017)杭州(大江东)不动产权第0002896号, Property No.3 with a total gross floor area of approximately 94,590.36m^2 together with the corresponding land use rights with a total site area of approximately 83,593m^2 are owned by 丰舟仓储（杭州）有限公司.

仲量聯行

Location : Property No.3 is located at No. 1717 Weiqi Road, Dajiangdong Industrial Cluster Zone, Hangzhou, Zhejiang Province, PRC. It is in close proximity to Xinshiji Avenue and is approximately 19 kilometers away from the Hangzhou Xiaoshan International Airport.

As per our inspection, the immediate neighbourhood of the Property is predominated by industrial developments. Accessibility to the Property is considered reasonable.

Brief Description : Property No.3 comprises three 2-storey warehouses with ramp access to Level 2 which were completed in June 2016.

The area information of Property No. 3 is shown as follows:

Building	Approx. Gross Floor Area (m^2) (1)	Approx. Lettable Area (m^2) (2)
The Property	94,590.36	106,725.97

Notes:
(1) Based on the GFA in the provided Certificate of Real Estate Ownership
(2) Based on the lettable area in the provided tenancy schedule

Encumbrance : N/A

JLL
仲量聯行

Basis of Valuation	:	Market value, subject to existing tenancies
Valuation Approach	:	Income Capitalisation Method and DCF Analysis
Valuation Date	:	1 March 2018
Market Value*	:	RMB420,000,000 *(50% interest attributable to the Group : RMB210,000,000)*

* The market values arrived by Income Capitalisation Method and DCF analysis are in line with each other within reasonable range and we have applied equal weighting to them.

Notes :

(1) According to the Certificate of Real Estate Ownership No. 浙(2017)杭州(大江东)不动产权第0002896号, the building ownership rights of the Property with a total GFA of approximately 94,590.36m^2, and the land use rights of the Property comprising a total site area of approximately 83,593.00m^2 for industry use expiring on 5 September 2064 are vested in 丰舟仓储（杭州）有限公司.

(2) We have prepared our valuation on the following assumptions:

- The Property is valued with the benefit of good title.
- Assumed that all land premium for the land grant has been fully settled and paid as at the Date of Valuation.
- The Property is free from encumbrances, restrictions and outgoings of an onerous nature that could affect its value.
- The Property is freely disposable and transferable in the market for its designated use for the whole of the unexpired term as granted.
- The Property had been built in accordance with the development scheme approved by relevant government authorities.
- The prevailing value added tax, real estate tax and land use tax as provided would remain the same throughout the remaining land use term.
- It is assumed that the tenants are capable of meeting their financial obligations under the leases and that there are no arrears of rent or undisclosed breaches of covenant.
- It is assumed that there is no reimbursements of any rent free periods or incentives are considered in the valuation.

JLL 仲量聯行

Notes (Cont'd) :

(3) In the course of our valuation, the key parameters are summarized as below:

Income Capitalisation Method

	Gross Rental Income	Yield (NOI)
Term	Passing Monthly Gross Income : RMB1.11m²/day (lettable) (inclusive of management fee and VAT)	5.75%
Reversion	Estimated Total Gross Market Income : RMB0.92/m²/day (lettable) (inclusive of management fee and exclusive of VAT)	6.25%

DCF Analysis

Variables	Valuation Parameters	Remarks
Gross Rental Income:	Input of existing rent and reversionary rent	Refer to Gross Rental Income in Income Capitalisation Method
Rental Growth Rate:	+4% p.a.	
Terminal Yield (NOI):	6.25%	
Discount Rate:	10.5%	

JLL
仲量聯行

VALUATION CERTIFICATE

Property No.4

Property Address	:	Mapletree Nantong Chongchuan Logistics Park (the "Property No.4") located at No. 75-76 East Kuaisu Road, Nantong, Jiangsu Province, PRC
Registered Owner	:	丰锐仓储（南通）有限公司
Site Area	:	Approximately 135,735.19m^2
Land Use	:	Industrial
Land Tenure Expiry	:	Expiring on 29 January 2065 and 19 October 2064
Gross Floor Area	:	Approximately 75,544.75m^2 (based on the Gross Floor Area ("GFA") in the provided 2 Certificates of Real Estate Ownership)
Lettable Area	:	Approximately 78,624.00m^2 (based on the lettable area in the provided tenancy schedule.
Occupancy Rate	:	As at the date of valuation, the occupancy rate of Property No.4 was 89% (incl. 10% pre-committed), computed based on all current leases in respect of Property No.4 as at 1 March 2018.
Legal Descriptions	:	Pursuant to the Certificates of Real Estate Ownership No. 苏 (2017) 南通市不动产权证第0077127号 and No. 苏 (2017) 南通市不动产权证第0004517号, Property No.4 with a total gross floor area of approximately 75,544.75m^2 together with the corresponding land use rights with a total site area of approximately 135,735.19 m^2 are owned by 丰锐仓储（南通）有限公司.

Location : Property No.4 is located at No. 75-76 East Kuaisu Road, Nantong, Jiangsu Province, PRC. It is approximately 5 kilometers away from the Nantong Xingdong International Airport.

As per our inspection, the immediate neighbourhood of Property No.4 is predominated by industrial developments. Accessibility to the Property is considered reasonable.

Brief Description : Property No.4 comprises 4 single-storey warehouses, which were completed in April 2016 and January 2017.

The area information of Property No. 4 is shown as follows:

Building	Approx. Gross Floor Area (m^2) [(1)]	Approx. Lettable Area (m^2) [(2)]
West Portion	25,701.25	26,900.00
East Portion	49,843.50	51,724.00
Total	**75,544.75**	**78,624.00**

Notes:
(1) Based on the GFA in the provided 2 Certificates of Real Estate Ownership
(2) Based on the lettable area in the provided tenancy schedule

Encumbrance : N/A

JLL
仲量聯行

Basis of Valuation : Market value, subject to existing tenancies and vacant possession for vacant spaces.

Valuation Approach : Income Capitalisation Method and DCF Analysis

Valuation Date : 1 March 2018

Market Value : RMB268,000,000
(50% interest attributable to the Group : RMB134,000,000)

* The market values arrived by Income Capitalisation Method and DCF analysis are in line with each other within reasonable range and we have applied equal weighting to them.

Notes :

(1) According to the Certificates of Real Estate Ownership No. 苏 (2017) 南通市不动产权证第 0077127 号 and No. 苏 (2017) 南通市不动产权证第 0004517 号, the building ownership rights of the Property with a total GFA of approximately 75,545.75m^2, and the land use rights of the Property comprising a total site area of approximately 135,735.19 m2 for Industrial use Expiring on 29 January 2065 and 19 October 2064 are vested in 丰锐仓储（南通）有限公司.

(2) We have prepared our valuation on the following assumptions:

- The Property is valued with the benefit of good title.
- Assumed that all land premium for the land grant has been fully settled and paid as at the Date of Valuation.
- The Property is free from encumbrances, restrictions and outgoings of an onerous nature that could affect its value.
- The Property is freely disposable and transferable in the market for its designated use for the whole of the unexpired term as granted.
- The Property had been built in accordance with the development scheme approved by relevant government authorities.
- The prevailing value added tax, real estate tax and land use tax as provided would remain the same throughout the remaining land use term.
- It is assumed that the tenants are capable of meeting their financial obligations under the leases and that there are no arrears of rent or undisclosed breaches of covenant.
- In the course of our valuation, we take into consideration the contractual lease terms, rents and management fees according to the provided rent-roll without reimbursements of rent free periods or incentives.

JLL
仲量聯行

Notes (Cont'd) :

(3) In the course of our valuation, the key parameters are summarized as below:

Income Capitalisation Method

	Gross Rental Income	Yield (NOI)
Term	Passing Monthly Gross Income : RMB0.91m^2/day (lettable) (inclusive of management fee and VAT)	6.0%
Reversion	Estimated Total Gross Market Income : RMB0.79/m^2/day (lettable) (inclusive of management fee and exclusive of VAT)	6.5%

DCF Analysis

Variables	Valuation Parameters	Remarks
Gross Rental Income:	Input of existing rent and reversionary rent	Refer to Gross Rental Income in Income Capitalisation Method
Rental Growth Rate:	+4% p.a.	
Terminal Yield (NOI):	6.5%	
Discount Rate:	10.5%	

仲量聯行

VALUATION CERTIFICATE

Property No.5

Property Address	:	Mapletree Changshu Logistics Park (the "Property No.5") located at No. 37 Dongnan Avenue, High-Tech Industrial Development Zone, Changshu, Jiangsu Province, PRC
Registered Owner	:	常熟丰佳仓储有限公司
Site Area	:	Approximately 100,672.00m^2
Land Use	:	Warehouse
Land Tenure Expiry	:	Expiring on 14 February 2065
Gross Floor Area	:	Approximately 59,537.99m^2 (based on the Gross Floor Area ("GFA") in the provided Certificate of Real Estate Ownership)
Lettable Area	:	Approximately 60,966.38m^2 (based on the lettable area in the provided tenancy schedule)
Occupancy Rate	:	As at the date of valuation, the occupancy rate of Property No.5 was 100%, computed based on all current leases in respect of Property No.5 as at 1 March 2018.
Legal Descriptions	:	Pursuant to the Certificate of Real Estate Ownership No. 苏(2016)常熟市不动产权第0021031号, Property No.5 with a total gross floor area of approximately 59,537.99m^2 together with the corresponding land use rights with a total site area of approximately 100,672.00m^2 are owned by 常熟丰佳仓储有限公司.

JLL
仲量聯行

Location : Property No.5 is located at No. 37 Dongnan Avenue, High-Tech Industrial Development Zone, Changshu, Jiangsu Province, PRC. It is in close proximity to Dongnan Avenue and Su jiahang Highway.

As per our inspection, the immediate neighbourhood of Property No.5 is predominated by industrial developments. Accessibility to the Property is considered reasonable.

Brief Description : Property No.5 comprises four single-storey warehouses which were completed in June 2016.

The area information of Property No. 5 is summarized as below:

Building	Approx. Gross Floor Area (m^2) (1)	Approx. Lettable Area (m^2) (2)
The Property	59,537.99	60,966.38

Notes:
(1) Based on the GFA in the provided Certificate of Real Estate Ownership
(2) Based on the lettable area in the provided tenancy schedule

Encumbrance : N/A

Basis of Valuation : Market value, subject to existing tenancies

Valuation Approach : Income Capitalisation Method and DCF Analysis

Valuation Date : 1 March 2018

Market Value : RMB209,000,000
(50% interest attributable to the Group : RMB104,500,000)

* The market values arrived by Income Capitalisation Method and DCF analysis are in line with each other within reasonable range and we have applied equal weighting to them.

Notes :

(1) According to the Certificate of Real Estate Ownership No. 苏(2016) 常熟市不动产权第 0021031 号, the building ownership rights of the Property with a total GFA of approximately 59,537.99m², and the land use rights of the Property comprising a total site area of approximately 100,672.00m² for warehouse use expiring on 14 February 2065 are vested in 常熟丰佳仓储有限公司.

(2) We have prepared our valuation on the following assumptions:

- The Property is valued with the benefit of good title.
- Assumed that all land premium for the land grant has been fully settled and paid as at the Date of Valuation.
- The Property is free from encumbrances, restrictions and outgoings of an onerous nature that could affect its value.
- The Property is freely disposable and transferable in the market for its designated use for the whole of the unexpired term as granted.
- The Property had been built in accordance with the development scheme approved by relevant government authorities.
- The prevailing value added tax, real estate tax and land use tax as provided would remain the same throughout the remaining land use term.
- It is assumed that the tenants are capable of meeting their financial obligations under the leases and that there are no arrears of rent or undisclosed breaches of covenant.
- In the course of our valuation, we take into consideration the contractual lease terms, rents and management fees according to the provided rent-roll without reimbursements of rent free periods or incentives.

JLL
仲量聯行

Notes (Cont'd) :

(3) In the course of our valuation, the key parameters are summarized as below:

Income Capitalisation Method

	Gross Rental Income	Yield (NOI)
Term	Passing Monthly Gross Income : RMB0.86m^2/day (lettable) (inclusive of management fee and VAT)	5.75%
Reversion	Estimated Total Gross Market Income : RMB0.80/m^2/day (lettable) (inclusive of management fee and exclusive of VAT)	6.25%

DCF Analysis

Variables	Valuation Parameters	Remarks
Gross Rental Income:	Input of existing rent and reversionary rent	Refer to Gross Rental Income in Income Capitalisation Method
Rental Growth Rate:	+4% p.a.	
Terminal Yield (NOI):	6.25%	
Discount Rate:	10.5%	

仲量聯行

VALUATION CERTIFICATE

Property No.6

Property Address	:	Mapletree Changsha Logistics Park Phase 1 (the “Property No.6”) located at 101, No. 1-5 Buildings and No. 1-2 Gatehouses, No. 77 Jinqiao Road, Yuelu District, Changsha, Hunan Province, PRC
Registered Owner	:	丰顺仓储开发（长沙）有限公司
Site Area	:	Approximately 125,333.34m^2
Land Use	:	Industrial
Land Tenure Expiry	:	Expiring on 20 June 2064
Gross Floor Area	:	Approximately 76,862.33m^2 (based on the Gross Floor Area (“GFA”) in the provided 6 Certificates of Real Estate Ownership)
Lettable Area	:	Approximately 79,252.71m^2 (base on the lettable area in the provided tenancy schedule)
Occupancy Rate	:	As at the date of valuation, the occupancy rate of Property No.6 was 97%, computed based on all current leases in respect of Property No.6 as at 1 March 2018.
Legal Descriptions	:	Pursuant to 6 Certificates of Real Estate Ownership, Property No.6 with a total gross floor area of approximately 76,862.33m^2 together with the corresponding land use rights with a total site area of approximately 125,333.34m^2 are owned by 丰顺仓储开发（长沙）有限公司.

Location : Property No.6 is located at 101, No. 1-5 Buildings and No. 1-2 Gatehouses, No. 77 Jinqiao Road, Yuelu District, Changsha, Hunan Province, PRC. It is in close proximity to Express Way 0401 and is approximately 50 kilometers away from the Changsha Huanghua Airport.

As per our inspection, the immediate neighbourhood of Property No.6 is predominated by industrial developments. Accessibility to the Property is considered reasonable.

Brief Description : Property No.6 comprises four single-storey warehouses and two guard houses completed in September 2016.

The area information of Property No. 6 is shown as follows:

Building	Approx. Gross Floor Area (m^2) (1)	Approx. Lettable Area (m^2) (2)
The Property	76,862.33	79,252.71

Notes:

(1) Based on the GFA in the provided 6 Certificates of Real Estate Ownership

(2) Based on the lettable area in the provided tenancy schedule

Encumbrance : N/A

JLL
仲量聯行

Basis of Valuation	:	Market value, subject to existing tenancies and vacant possession for vacant spaces.
Valuation Approach	:	Income Capitalisation Method and DCF Analysis
Valuation Date	:	1 March 2018
Market Value	:	RMB307,000,000 *(50% interest attributable to the Group : RMB153,500,000)*

* The market values arrived by Income Capitalisation Method and DCF analysis are in line with each other within reasonable range and we have applied equal weighting to them.

Notes :

(1) According to 6 Certificates of Real Estate Ownership, the building ownership rights of the Property with a total GFA of approximately 76,862.33m^2, and the land use rights of the Property comprising a total site area of approximately 125,333.34m^2 for industry use expiring on 20 June 2064 are vested in 丰顺仓储开发（长沙）有限公司.

(2) We have prepared our valuation on the following assumptions:

- The Property is valued with the benefit of good title.
- Assumed that all land premium for the land grant and has been fully settled and paid as at the valuation date.
- Property is free from encumbrances, restrictions and outgoings of an onerous nature that could affect its value.
- The Property is freely disposable and transferable in the market for its designated use for the whole of the unexpired term as granted.
- The Property had been built in accordance with the development scheme approved by relevant government authorities.
- The prevailing value added tax, real estate tax and land use tax as provided would remain the same throughout the remaining land use term.
- It is assumed that the tenants are capable of meeting their financial obligations under the leases and that there are no arrears of rent or undisclosed breaches of covenant.
- In the course of our valuation, we take into consideration the contractual lease terms, rents and management fees according to the provided rent-roll without reimbursements of rent free periods or incentives.

Notes (Cont'd) :

(3) In the course of our valuation, the key parameters are summarized as below:

Income Capitalisation Method

	Gross Rental Income	Yield (NOI)
Term	Passing Monthly Gross Income : RMB0.90m²/day (lettable) (inclusive of management fee and VAT)	5.75%
Reversion	Estimated Total Gross Market Income : RMB0.92/m²/day (lettable) (inclusive of management fee and exclusive of VAT)	6.25%

DCF Analysis

Variables	Valuation Parameters	Remarks
Gross Rental Income:	Input of existing rent and reversionary rent	Refer to Gross Rental Income in Income Capitalisation Method
Rental Growth Rate:	+4% p.a.	
Terminal Yield (NOI):	6.25%	
Discount Rate:	10.5%	

JLL 仲量聯行

VALUATION CERTIFICATE

Property No. 7

Property Address	:	Mapletree Wuxi New District Logistics Park (the "Property No.7") located at No. 1 Qiangzhai Road, Wuxi, Jiangsu Province PRC
Registered Owner	:	丰硕仓储开发（无锡）有限公司
Site Area	:	Approximately 99,958.30m^2
Land Use	:	Warehouse
Land Tenure Expiry	:	Expiring on 16 March 2064
Gross Floor Area	:	Approximately 119,599.26m^2 (based on the Gross Floor Area ("GFA") in the provided Certificate of Real Estate Ownership)
Lettable Area	:	Approximately 122,403.33m^2 (based on the lettable area in the provided tenancy schedule)
Occupancy Rate	:	As at the date of valuation, the occupancy rate of Property No.7 was 97%, computed based on all current leases in respect of Property No.7 as at 1 March 2018.
Legal Descriptions	:	Pursuant to the Certificate of Real Estate Ownership No. 苏(2016)无锡市不动产权第0074079号, Property No.7 with a total gross floor area of approximately 119,599.26m^2 together with the corresponding land use rights with a total site area of approximately 99,958m^2 are owned by 丰硕仓储开发（无锡）有限公司.

Location : Property No.7 is located at No. 1 Qiangzhai Road, Wuxi, Jiangsu Province, PRC. It is in close proximity to Tong-Xi Highway and is approximately 8.7 kilometers away from the Sunan Shuofang International Airport.

As per our inspection, the immediate neighbourhood of Property No.7 is predominated by industrial developments. Accessibility to the Property is considered reasonable.

Brief Description : Property No.7 comprises four 2-storey warehouses with ramp access to Level 2 which were completed in December 2015.

The area information of Property No.7 is summarized as below:

Building	Approx. Gross Floor Area (m^2) (1)	Approx. Lettable Area (m^2) (2)
The Property	119,599.26	122,403.33

Notes:
(1) Based on the GFA in the provided Certificate of Real Estate Ownership
(2) Based on the lettable area in the provided tenancy schedule

Encumbrance : N/A

仲量聯行

Basis of Valuation : Market value, subject to existing tenancies and vacant possession for vacant spaces.

Valuation Approach : Income Capitalisation Method and DCF Analysis

Valuation Date : 1 March 2018

Market Value : RMB426,000,000
(50% interest attributable to the Group: RMB213,000,000)

* The market values arrived by Income Capitalisation Method and DCF analysis are in line with each other within reasonable range and we have applied equal weighting to them.

Notes :

(1) According to Certificate of Real Estate Ownership No. 苏(2016) 无锡市不动产权第 0074079 号, the building ownership rights of the Property with a total GFA of approximately 119,589.26m^2, and the land use rights of the Property comprising a total site area of approximately 99,958.26m^2 for warehouse use expiring on 16 March 2064 are vested in 丰硕仓储开发（无锡）有限公司.

(2) We have prepared our valuation on the following assumptions:

- The Property is valued with the benefit of good title.
- Assumed that all land premium for the land grant has been fully settled and paid as at the Date of Valuation.
- The Property is free from encumbrances, restrictions and outgoings of an onerous nature that could affect its value.
- The Property is freely disposable and transferable in the market for its designated use for the whole of the unexpired term as granted.
- The Property had been built in accordance with the development scheme approved by relevant government authorities.
- The prevailing value added tax, real estate tax and land use tax as provided would remain the same throughout the remaining land use term.
- It is assumed that the tenants are capable of meeting their financial obligations under the leases and that there are no arrears of rent or undisclosed breaches of covenant.
- In the course of our valuation, we take into consideration the contractual lease terms, rents and management fees according to the provided rent-roll without reimbursements of rent free periods or incentives.

Notes (Cont'd) :

(3) In the course of our valuation, the key parameters are summarized as below:

Income Capitalisation Method

	Gross Rental Income	Yield (NOI)
Term	Passing Monthly Gross Income : RMB0.84m^2/day (lettable) (inclusive of management fee and VAT)	5.75%
Reversion	Estimated Total Gross Market Income : RMB0.81/m^2/day (lettable) (inclusive of management fee and exclusive of VAT)	6.25%

DCF Analysis

Variables	Valuation Parameters	Remarks
Gross Rental Income:	Input of existing rent and reversionary rent	Refer to Gross Rental Income in Income Capitalisation Method
Rental Growth Rate:	+4% p.a.	
Terminal Yield (NOI):	6.25%	
Discount Rate:	10.5%	

仲量聯行

VALUATION CERTIFICATE

Property No.8

Property Address	:	Mapletree Wuhan Yangluo Logistics Parks (the "Property No.8") located at Dongyue Village, Cangbu Street and Qiuli Village, Yangluo Street, Yangluo Economic and Development Zone, Xiuzhou District, Wuhan, Hubei Province, PRC
Registered Owner	:	丰赢仓储（武汉）有限公司
Site Area	:	Approximately 116,467.46m^2
Land Use	:	Industrial
Land Tenure Expiry	:	Expiring on 10 June 2065
Gross Floor Area	:	Approximately 70,772.00m^2 (based on the Gross Floor Area ("GFA") in the provided Construction Works Planning Permit).
Lettable Area	:	Approximately 69,983.90m^2 (based on the lettable area in the provided tenancy schedule)
Occupancy Rate	:	As at the date of valuation, the occupancy rate of Property No.8 was 100%, computed based on all current leases in respect of Property No.8 as at 1 March 2018.
Legal Descriptions	:	Pursuant to the State-owned Land Use Certificate No.武新国用(2016)第1705号, Property No. 8 with a total site area of approximately 116,467.46m^2 is owned by 丰赢仓储（武汉）有限公司. Pursuant to the Construction Works Planning Permit No. 武规(新*阳开)建[2016]005号 dated on 25 August 2016, the permitted gross floor area of the Property is approximately 70,772.00m^2.

JLL
仲量聯行

Location : Property No.8 is located at Dongyue Village, Cangbu Street and Qiuli Village, Yangluo Street, Yangluo Economic and Development Zone, Xiuzhou District, Wuhan, Hubei Province, PRC. It is in close proximity to Jingdong Avenue and is approximately 60 kilometers away from the Wuhan Tianhe Airport.

As per our inspection, the immediate neighbourhood of Property No.8 is predominated by logistics developments. Accessibility to the Property is considered reasonable.

Brief Description : Property No.8 comprises four single-storey warehouses which were completed in October 2017.

The area information of Property No. 8 is shown as follows:

Building	Approx. Gross Floor Area (m^2) [1]	Approx. Lettable Area (m^2) [2]
The Property	70,772.00	69,983.90

Notes:
(1) Based on the GFA in the provided Construction Works Planning Permit
(2) Based on the lettable area in the provided tenancy schedule

Encumbrance : N/A

仲量聯行

Basis of Valuation	:	Market value, subject to existing tenancy and vacant possession for vacant spaces.
Valuation Approach	:	Income Capitalisation Method and DCF Analysis
Valuation Date	:	1 March 2018
Market Value	:	RMB245,000,000 *(50% interest attributable to the Group : RMB122,500,000)*

* The market values arrived by Income Capitalisation Method and DCF analysis are in line with each other within reasonable range and we have applied equal weighting to them.

Notes :

(1) According to State-owned Land Use Certificate No.武新国用(2016)第 1705 号 dated 8 June 2016, the land use rights of the Property comprising a site area of approximately 116,467.46m^2 for industrial use expiring on 10 June 2065 is vested in 丰赢仓储（武汉）有限公司

(2) Pursuant to the Construction Works Planning Permit No. 武规(新*阳开)建[2016]005 号 dated on 25 August 2016, the permitted gross floor area of the Property is approximately 70,772.00m^2

(3) We have prepared our valuation on the following assumptions:

- The Property is valued with the benefit of good title.
- Assumed that all land premium for the land grant has been fully settled and paid as at the Date of Valuation.
- The Property is free from encumbrances, restrictions and outgoings of an onerous nature that could affect its value.
- The Property is freely disposable and transferable in the market for its designated use for the whole of the unexpired term as granted.
- The Property had been built in accordance with the development scheme approved by relevant government authorities.
- The prevailing value added tax, real estate tax and land use tax as provided would remain the same throughout the remaining land use term.
- It is assumed that the tenants are capable of meeting their financial obligations under the leases and that there are no arrears of rent or undisclosed breaches of covenant.
- In the course of our valuation, we take into consideration the contractual lease terms, rents and management fees according to the provided rent-roll without reimbursements of rent free periods or incentives.

Notes (Cont'd) :

(4) In the course of our valuation, the key parameters are summarized as below:

Income Capitalisation Method

	Gross Rental Income	Yield (NOI)
Term	Passing Monthly Gross Income : RMB0.86m²/day (lettable) (inclusive of management fee and VAT)	5.75%
Reversion	Estimated Total Gross Market Income : RMB0.80/m²/day (lettable) (inclusive of management fee and exclusive of VAT)	6.25%

DCF Analysis

Variables	Valuation Parameters	Remarks
Gross Rental Income:	Input of existing rent and reversionary rent	Refer to Gross Rental Income in Income Capitalisation Method
Rental Growth Rate:	+4% p.a.	
Terminal Yield (NOI):	6.25%	
Discount Rate:	10.5%	

JLL
仲量聯行

VALUATION CERTIFICATE

Property No.9

Property Address	:	Mapletree Jiaxing Logistics Park (the "Property No.9") located at No. 406 Yantang Road, Wangdian Town, Xiuzhou District, Jiaxing, Zhejiang Province, PRC
Registered Owner	:	嘉兴丰跃仓储有限公司
Site Area	:	Approximately 62,346.00m^2
Land Use	:	Warehouse
Land Tenure Expiry	:	Expiring on 26 January 2066
Gross Floor Area	:	Approximately 35,734.76m^2 (based on the Gross Floor Area ("GFA") in the provided Certificate of Real Estate Ownership).
Lettable Area	:	Approximately 35,683.43m^2 (based on the lettable area in the provided tenancy schedule).
Occupancy Rate	:	As at the date of valuation, the occupancy rate of Property No.9 was 100%, computed based on all current leases in respect of Property No.9 as at 1 March 2018.
Legal Descriptions	:	Pursuant to the Certificate of Real Estate Ownership No. 浙(2018)嘉秀不动产权第0004516号, Property No.9 with a total gross floor area of approximately 35,734.76m^2 together with the corresponding land use rights with a total site area of approximately 62,346m^2 are owned by 嘉兴丰跃仓储有限公司.

Location : Property No.9 is located at No. 406 Yantang Road, Wangdian Town, Xiuzhou District, Jiaxing, Zhejiang Province, PRC. It is in close proximity to 103 County Road and is approximately 20 kilometers away from the Jiaxing South railway station.

As per our inspection, the immediate neighbourhood of Property No.9 is predominated by industrial developments. Accessibility to the Property is considered reasonable.

Brief Description : Property No. 9 comprises two single-storey warehouses which were completed in June 2017.

The area information of Property No. 9 is shown as follows:

Building	Approx. Gross Floor Area (m^2) (1)	Approx. Lettable Area (m^2) (2)
The Property	35,734.75	35,683.43

Notes:
(1) Based on the GFA in the provided Certificate of Real Estate Ownership
(2) Based on the lettable area in the provided tenancy schedule

Encumbrance : N/A

JLL
仲量聯行

Basis of Valuation	:	Market value, subject to existing tenancies
Valuation Approach	:	Income Capitalisation Method and DCF Analysis
Valuation Date	:	1 March 2018
Market Value	:	RMB130,000,000 *(50% interest attributable to the Group : RMB65,000,000)*

* The market values arrived by Income Capitalisation Method and DCF analysis are in line with each other within reasonable range and we have applied equal weighting to them.

Notes :

(1) According to the Certificate of Real Estate Ownership No. 浙(2018)嘉秀不动产权第0004516号, the building ownership rights of the Property with a total GFA of approximately 35,734.76m^2, the land use rights of the Property comprising a total site area of approximately 62,346m^2 for warehouse use expiring on 26 January 2066 are vested in 嘉兴丰跃仓储有限公司.

(2) We have prepared our valuation on the following assumptions:

- The Property is valued with the benefit of good title.
- Assumed that all land premium for the land grant has been fully settled and paid as at the Date of Valuation.
- The Property is free from encumbrances, restrictions and outgoings of an onerous nature that could affect its value.
- The Property is freely disposable and transferable in the market for its designated use for the whole of the unexpired term as granted.
- The Property had been built in accordance with the development scheme approved by relevant government authorities.
- The prevailing value added tax, real estate tax and land use tax as provided would remain the same throughout the remaining land use term.
- It is assumed that the tenants are capable of meeting their financial obligations under the leases and that there are no arrears of rent or undisclosed breaches of covenant.
- It is assumed that there is no reimbursements of any rent free periods or incentives are considered in the valuation.
- In the course of our valuation, we take into consideration the contractual lease terms, rents and management fees according to the provided rent-roll without reimbursements of rent free periods or incentives.

仲量聯行

Notes (Cont'd) :

(3) In the course of our valuation, the key parameters are summarized as below:

Income Capitalisation Method

	Gross Rental Income	Yield (NOI)
Term	Passing Monthly Gross Income : RMB0.97m^2/day (lettable) (inclusive of management fee and VAT)	5.75%
Reversion	Estimated Total Gross Market Income : RMB0.84/m^2/day (lettable) (inclusive of management fee and exclusive of VAT)	6.25%

DCF Analysis

Variables	Valuation Parameters	Remarks
Gross Rental Income:	Input of existing rent and reversionary rent	Refer to Gross Rental Income in Income Capitalisation Method
Rental Growth Rate:	+4% p.a.	
Terminal Yield (NOI):	6.25%	
Discount Rate:	10.5%	

JLL
仲量聯行

VALUATION CERTIFICATE

Property No.10

Property Address	:	Mapletree Nanchang Logistics Park (the “Property No.10”) located at West of Jingkai Avenue, South of You’an Road, North of Management Committee storing land, East of Guihua Road, Economics and Technology Development Zone, Nanchang, Jiangxi Province, PRC
Registered Owner	:	丰骐仓储（南昌）有限公司
Site Area	:	Approximately 121,134.00m^2
Land Use	:	Warehouse
Land Tenure Expiry	:	Expiring on 14 January 2066
Gross Floor Area	:	Approximately 74,846.00m^2 (based on the Gross Floor Area (“GFA”) in the provided Construction Works Commencement Permit)
Lettable Area	:	Approximately 73,950.40m^2 (based on the lettable area in the provided tenancy schedule)
Occupancy Rate	:	As at the date of valuation, the occupancy rate of the Property No.10 was 92% (incl. 5% pre-committed), computed based on all current leases in respect of Property No.10 as at 1 March 2018.
Legal Descriptions	:	Pursuant to Certificate of Real Estate Ownership No. 赣(2016)南昌市不动产权第0015817号, Property No.10 with a total site area of approximately 121,134.00m^2 is owned by 丰骐仓储（南昌）有限公司. Pursuant to the Construction Works Commencement Permit No. 360101201609266201 dated on 26 September 2016, the permitted gross floor area of the Property is approximately 74,846.00m^2.

Location	:	Property No.10 is located at West of Jingkai Avenue, South of You'an Road, North of Management Committee storing land, East of Guihua Road, Economics and Technology Development Zone, Nanchang, Jiangxi Province, PRC. It is in close proximity to G6001 Highway and is approximately 10 kilometers away from the Nanchang Changbei International Airport. As per our inspection, the immediate neighbourhood of the Property is predominated by vacant lands. And the formal address for the Property had been granted and recorded as No. 3688, Jingkai Avenue. Accessibility to the Property is considered reasonable.
Brief Description	:	Property No. 10 comprises three single-storey warehouses with ancillary structures such as guard houses which were completed in August 2017. The area information of Property No. 10 is shown as follows:

Building	Approx. Gross Floor Area (m^2) (1)	Approx. Lettable Area (m^2) (2)
The Property	74,846.00	73,950.40

Notes:
(1) Based on the GFA in the provided Construction Works Commencement Permit
(2) Based on the lettable area in the provided tenancy schedule

Encumbrance	:	N/A

JLL
仲量聯行

Basis of Valuation : Market value, subject to existing tenancies and vacant possession for vacant spaces.

Valuation Approach : Income Capitalisation Method and DCF Analysis

Valuation Date : 1 March 2018

Market Value : RMB224,000,000
(50% interest attributable to the Group : RMB112,000,000)

* The market values arrived by Income Capitalisation Method and DCF analysis are in line with each other within reasonable range and we have applied equal weighting to them.

Notes :

(1) According to Certificate of Real Estate Ownership, the land use rights of the Property comprising a total site area of approximately 121,134.00m^2 for warehouse use expiring on 14 January 2066 is vested in 丰骐仓储（南昌）有限公司.

(2) Pursuant to the Construction Works Commencement Permit No. 360101201609266201 dated on 26 September 2016, the permitted gross floor area of the Property is approximately 74,846.00m^2.

(3) We have prepared our valuation on the following assumptions:

- The Property is valued with the benefit of good title.
- Assumed that all land premium for the land grant has been fully settled and paid as at the Date of Valuation.
- The Property is free from encumbrances, restrictions and outgoings of an onerous nature that could affect its value.
- The Property is freely disposable and transferable in the market for its designated use for the whole of the unexpired term as granted.
- The Property had been built in accordance with the development scheme approved by relevant government authorities.
- The prevailing value added tax, real estate tax and land use tax as provided would remain the same throughout the remaining land use term.
- It is assumed that the tenants are capable of meeting their financial obligations under the leases and that there are no arrears of rent or undisclosed breaches of covenant.
- In the course of our valuation, we take into consideration the contractual lease terms, rents and management fees according to the provided rent-roll without reimbursements of rent free periods or incentives.

JLL
仲量聯行

Notes (Cont'd) :

(4) In the course of our valuation, the key parameters are summarized as below:

Income Capitalisation Method

	Gross Rental Income	Yield (NOI)
Term	Passing Monthly Gross Income : RMB0.85m^2/day (lettable) (inclusive of management fee and VAT)	6.0%
Reversion	Estimated Total Gross Market Income : RMB0.75/m^2/day (lettable) (inclusive of management fee and exclusive of VAT)	6.5%

DCF Analysis

Variables	Valuation Parameters	Remarks
Gross Rental Income:	Input of existing rent and reversionary rent	Refer to Gross Rental Income in Income Capitalisation Method
Rental Growth Rate:	+4% p.a.	
Terminal Yield (NOI):	6.5%	
Discount Rate:	10.5%	

仲量聯行

VALUATION CERTIFICATE

Property No.11

Property Address	:	Mapletree Zhenjiang Logistics Park (the "Property No.11") located at East of Huamao Road, West of Hengda Road, Guozhuang Town, Jurong, Jiangsu Province, PRC
Registered Owner	:	丰镇物流(镇江)有限公司
Site Area	:	Approximately 172,106.00m^2
Land Use	:	Warehouse
Land Tenure Expiry	:	Expiring on 1 October 2066
Gross Floor Area	:	Approximately 102,531.20m^2 (based on the Gross Floor Area ("GFA") in the provided Construction Works Commencement Permit)
Lettable Area	:	Approximately 101,615.70m^2 (based on the lettable area in the provided tenancy schedule).
Occupancy Rate	:	As at the date of valuation, the occupancy rate of Property No.11 was 100% (pre-committed), computed based on all current leases in respect of Property No.11 as at 1 March 2018.
Legal Descriptions	:	Pursuant to the Certificate of Real Estate Ownership No. 苏(2016)句容市不动产权第0015419号, Property No.11 with a total site area of approximately 172,106m^2 is owned by 丰镇物流(镇江)有限公司. Pursuant to the Construction Works Commencement Permit No. 321183201704120101 dated on 13 April 2017, the permitted gross floor area of the Property is approximately 102,531.20m^2.

Location : Property No. 11 is located at East of Huamao Road, West of Hengda Road, Guozhuang Town, Jurong, Jiangsu Province, PRC. It is approximately 17 kilometers away from the Nanjing Lukou International Airport.

As per our inspection, the immediate neighbourhood of Property No.11 is predominated by industrial developments. Accessibility to the Property is considered reasonable.

Brief Description : Property No. 11 comprises 7 single-storey warehouses which were completed in February 2018.

The area information of Property No. 11 is shown as follows:

Building	Approx. Gross Floor Area (m^2) (1)	Approx. Lettable Area (m^2) (2)
The Property	102,531.20	101,615.70

Notes:
(1) Based on the GFA in the provided Construction Works Commencement Permit
(2) Based on the lettable area in the provided tenancy schedule

Encumbrance : N/A

JLL

仲量聯行

Basis of Valuation	:	Market value, subject to existing tenancies
Valuation Approach	:	Income Capitalisation Method and DCF Analysis
Valuation Date	:	1 March 2018
Market Value	:	RMB330,000,000 *(50% interest attributable to the Group : RMB165,000,000)*

* The market values arrived by Income Capitalisation Method and DCF analysis are in line with each other within reasonable range and we have applied equal weighting to them.

Notes :

(1) According to the Certificate of Real Estate Ownership No. 苏(2016)句容市不动产权第0015419 号, the land use rights of the Property comprising a total site area of approximately 172,106m2 for warehouse use expiring on 1 October 2066 is vested in 丰镇物流(镇江)有限公司.

(2) Pursuant to the Construction Works Commencement Permit No. 321183201704120101 dated on 13 April 2017, the permitted gross floor area of the Property is approximately 102,531.20m^2.

(3) We have prepared our valuation on the following assumptions:

- The Property is valued with the benefit of good title.
- Assumed that all land premium for the land grant has been fully settled and paid as at the Date of Valuation.
- The Property is free from encumbrances, restrictions and outgoings of an onerous nature that could affect its value.
- The Property is freely disposable and transferable in the market for its designated use for the whole of the unexpired term as granted.
- The Property had been built in accordance with the development scheme approved by relevant government authorities.
- The prevailing value added tax, real estate tax and land use tax as provided would remain the same throughout the remaining land use term.
- It is assumed that the tenants are capable of meeting their financial obligations under the leases and that there are no arrears of rent or undisclosed breaches of covenant.
- In the course of our valuation, we take into consideration the contractual lease terms, rents and management fees according to the provided rent-roll without reimbursements of rent free periods or incentives.

JLL
仲量聯行

Notes (Cont'd) :

(4) In the course of our valuation, the key parameters are summarized as below:

Income Capitalisation Method

	Gross Rental Income	Yield (NOI)
Term	Passing Monthly Gross Income : RMB0.87m^2/day (lettable) (inclusive of management fee and VAT)	6.0%
Reversion	Estimated Total Gross Market Income : RMB0.84/m^2/day (lettable) (inclusive of management fee and exclusive of VAT)	6.5%

DCF Analysis

Variables	Valuation Parameters	Remarks
Gross Rental Income:	Input of existing rent and reversionary rent	Refer to Gross Rental Income in Income Capitalisation Method
Rental Growth Rate:	+4% p.a.	
Terminal Yield (NOI):	6.5%	
Discount Rate:	10.5%	

This page has been intentionally left blank.

INDEPENDENT MARKET RESEARCH REPORT

Colliers INTERNATIONAL

Consultancy Services

China Logistics Market Study

APRIL 2018

Prepared by
Colliers International (Hong Kong) Ltd.

Prepared for
HSBC Institutional Trust Services (Singapore) Limited (In its capacity as trustee of Mapletree Logistics Trust) and Mapletree Logistics Trust Management Ltd. (In its capacity as manager of Mapletree Logistics Trust)

Accelerating success.

24 April 2018

Consultancy Services

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 Sir/ Madam,

RE: Consultancy Services of China Logistics Market Study

With reference to your instructions received on 14 February 2018, we have prepared a market research report of Grade A logistics market study.

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 (Hong Kong) Ltd. 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 (Hong Kong) Ltd.

David Wang
Associate Director, Industrial Services

Joanne Lee
Associate Director, Valuation and Advisory Services

TABLE OF CONTENTS

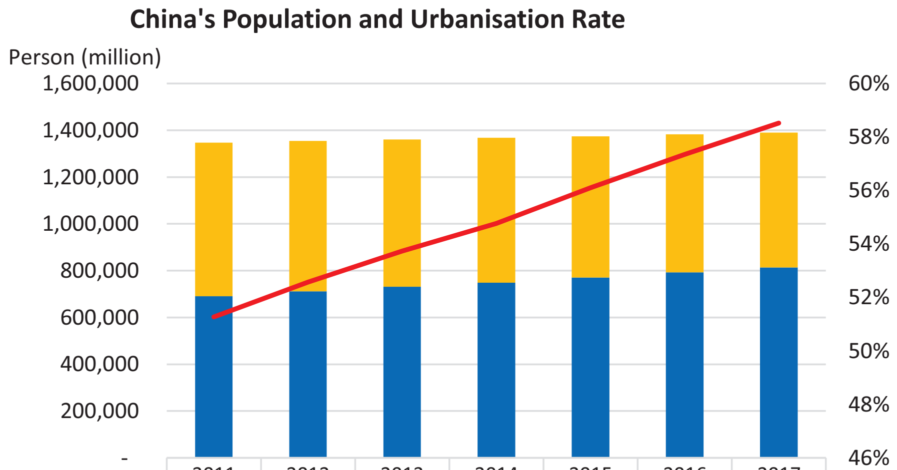
SECTION 1: CHINA MACROECONOMIC OVERVIEW

1.1 CHINA OVERVIEW

China, the most populous country in the world, had a population reaching 1.39 billion at the end of 2017. China's population has grown at a Compound Annual Growth Rate ("CAGR") of 0.52% over the last 6 years, and although the implementation of the one-child policy successfully limited population growth, the slow population growth rate posed a threat for the country's sustainable growth in the long run due to an increasingly aging population. In December 2015, the State Council abolished the one-child policy after 33 years of enforcement to ensure that the workforce is able to generate sustainable future economic growth.

China's continuous economic development and infrastructure advancement has resulted in urbanisation rate growing from 51.3% in 2011 to 58.5% in 2017. This is expected to improve to approximately 60% by 2020 as outlined in the government's initiatives and would bring about economic growth momentum through increased urban employment opportunities and income level of the Chinese people, further driving economic growth through increased consumption.

Figure 1 China's Population and Urbanisation Rate

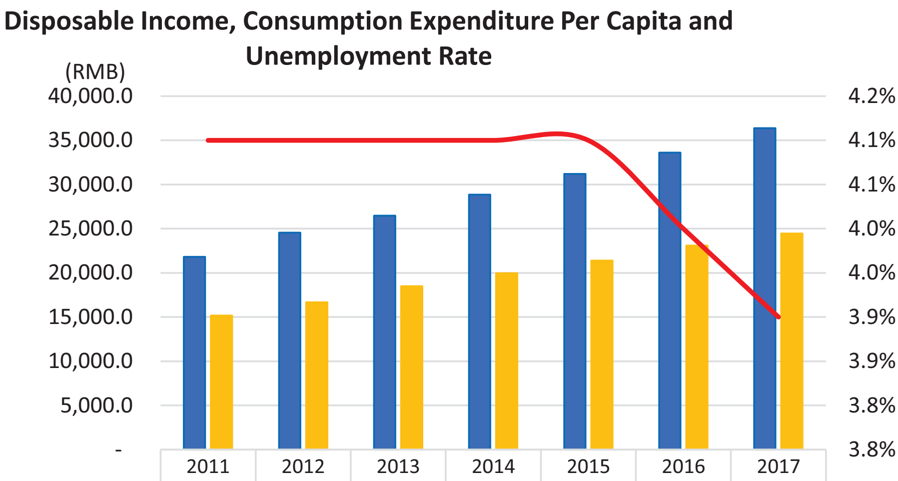


	2011	2012	2013	2014	2015	2016	2017
Rural Population (LHS)	656,560	642,220	629,610	618,660	603,460	589,730	576,610
Urban Population (LHS)	690,790	711,820	731,110	749,160	771,160	792,980	813,470
Urbanisation Rate (RHS)	51.3%	52.6%	53.7%	54.8%	56.1%	57.3%	58.5%

Source: National Bureau of Statistics of China, Colliers International

From 2011 to 2017, disposable income and consumption expenditure per urban capita in China grew at a CAGR of 8.9% and 8.3%, reaching a record high of RMB36,396.2 and RMB24,445.0 respectively. Growth in disposable income however has slowed down in comparison to the long term historical CAGR to 6.5%. China's unemployment rate of urban residents was stable from 2011-2015 at 4.1% and improved to 4.0% in 2016 and 3.9% in 2017. These figures indicate a positive overall Chinese economy with income and consumption on a consistent upward trend and urban unemployment rate at a long-term low.

Figure 2 China's Urban Disposable Income, Consumption Expenditure and Unemployment Rate



	2011	2012	2013	2014	2015	2016	2017
Disposable Income	21,810.0	24,565.0	26,467.0	28,843.9	31,194.8	33,616.3	36,396.2
Consumption Expenditure	15,161.0	16,674.0	18,487.5	19,968.1	21,392.4	23,078.9	24,445.0
Unemployment Rate	4.1%	4.1%	4.1%	4.1%	4.1%	4.0%	3.9%

Source: National Bureau of Statistics of China, Colliers International

According to the 13th Five-Year Plan (2016-2020) of China, Gross Domestic Product ("GDP") growth rate is targeted at 6.5% per year over the projection period. Target urbanisation rate is expected to improve from 56.1% in 2015 to 60% of the total population in 2020, and with regards to the people's welfare, disposable income per capita is estimated to grow at a rate of 6.5% per annum. So far, China has shown sustainable progress to date and is expected to meet the Plan's projection targets and maintain its position as one the fastest growing economy in the upcoming years.

1.2 ECONOMIC OVERVIEW

1.2.1 Gross Domestic Product

China's GDP was recorded at RMB82.7 trillion as of 2017, exceeding the RMB80 trillion milestone, ranking second globally only after The United States of America ("USA") in terms of economic scale. China is however narrowing this gap quickly.

China's 2011-2017 GDP CAGR of 9.1% outperformed most developed economies and was among the most sustainable amongst the emerging markets. This rapid and stable growth of the economy was supported by the continuous expansion of tertiary industries and strong domestic consumption. In 2017, GDP grew at 6.9% YOY and was accelerating in contrast to the declining growth from 2012 to 2016.
China's economy is expected to regain momentum, with sustainable GDP growth over the next few years. The International Monetary Fund ("IMF") had recently uplifted the forecast of China's 2018 economic growth to 6.6%, in comparison to the estimated global economic growth of 3.9%.

Figure 3 China's GDP and Growth Rate

	2011	2012	2013	2014	2015	2016	2017
Nominal GDP	48,930.1	54,036.7	59,524.4	64,397.4	68,905.2	74,358.6	82,712.2
GDP Growth YOY	9.5%	7.9%	7.8%	7.3%	6.9%	6.7%	6.9%

Source: National Bureau of Statistics of China, Colliers International

1.2.2 GDP by Industry

With continuous economic development and rapid urbanisation, the tertiary industry recorded a CAGR of 12% between 2011 and 2017. Structural change in GDP composition was also noticeable, with a strong growth in the contribution of tertiary industries to China's GDP's composition.

The value of China's tertiary industry increased to RMB42.7 trillion in 2017, accounting for 51.6% of GDP. This strong upward momentum was driven by three sectors in 2017 - the transportation, warehousing and postal service sector (up 11.3% YOY); the hotel and catering services sector (up 9.3% YOY); and wholesale and retail sector (up 9.1% YOY).

Urbanisation has facilitated the growth of the tertiary industry, stimulating consumption which further promotes the development of tertiary industry sectors. Based on the 13th Five-Year Plan (2016-2020), the value-added service sector (i.e. tertiary industry) is targeted to achieve a 56% contribution to overall GDP in 2020, representing an average growth of 5.5% per annum between 2016 and 2020.

Colliers INTERNATIONAL

Figure 4 China's GDP by Industry

	2011	2012	2013	2014	2015	2016	2017
Primary Indsutry	4,616.3	5,090.2	5,532.9	5,834.4	6,086.2	6,367.3	6,546.8
Secondary Industry	22,703.9	24,464.3	26,195.6	27,757.2	28,204.0	29,654.8	33,462.3
Tertiary Industry	21,609.9	24,482.2	27,795.9	30,805.9	34,615.0	38,336.5	42,703.2

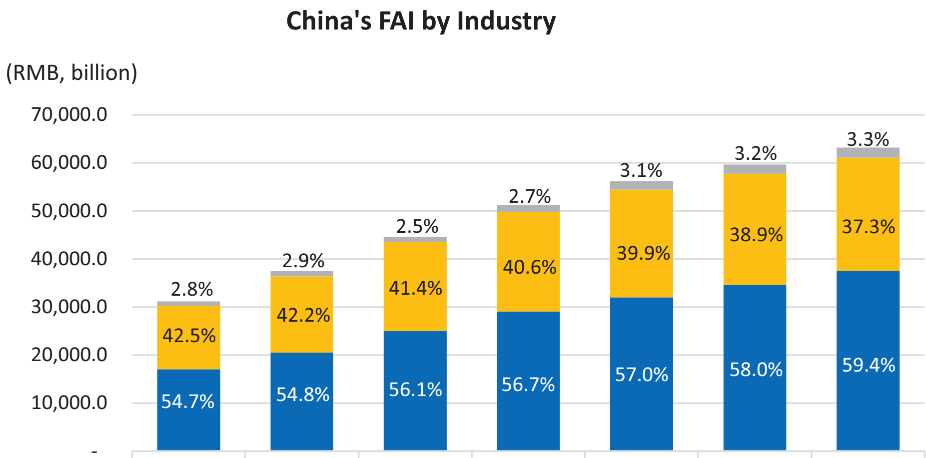
Source: National Bureau of Statistics of China, Colliers International

1.2.3 Fixed Asset Investment

China's Fixed Asset Investment ("FAI") was on a continuous upward trend since 2011 with a promising CAGR of 12.5% from 2011 to 2017. Double-digit growth ranging from 14.7% to 23.8% was observed between 2011 and 2014 but has since decelerated to 4.2% YOY growth in 2017 reflecting a RMB63.2 trillion FAI in 2017. Urban FAI growth showed a slightly better performance than the overall FAI for the country over the same period.

Due to its relatively smaller base, the FAI primary industry grew faster than the FAI growth rates of the secondary and the tertiary industries from 2016 to 2017. As such, the primary industry aggregated RMB2.1 trillion, up 10.9% YOY; whilst the secondary industry aggregated RMB23.6 trillion, up 1.7% YOY; and the largest segment tertiary industry aggregated RMB37.5 trillion, up 8.4% YOY.

Figure 5 China's FAI by Industry



	2011	2012	2013	2014	2015	2016	2017
Primary Industry	875.8	1,099.6	1,118.7	1,380.3	1,754.2	1,883.8	2,089.2
Seconday Industry	13,247.7	15,826.3	18,481.4	20,768.4	22,425.9	23,182.6	23,575.1
Tertiary Industry	17,025.1	20,543.6	25,029.3	29,053.4	32,019.9	34,583.7	37,504.0

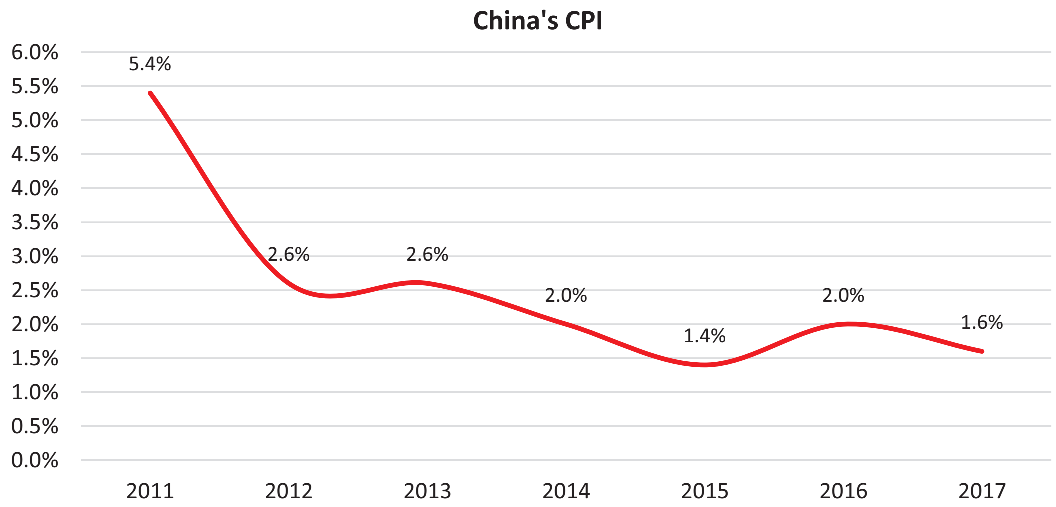
Tertiary Industry   Seconday Industry   Primary Industry

Source: National Bureau of Statistics of China, Colliers International

1.2.4 Consumer Price Index

China's CPI remained consistent since 2012, after a surge in 2011, with an inflation rate of 5.4% attributable to stable economic expansion. Between 2012 and 2017, inflation rate varied at a healthy range of 1.4% to 2.6%, whilst in 2017, China's CPI stood at a relatively moderate 1.6%. Health care, housing, education and entertainment saw the most significant price growth in 2017, up by 6.6%, 2.8% and 2.1%, respectively. Within the commodity retail sector, fuel and medicine price index recorded an 8.4% and 5.4% YOY increase respectively.

Figure 6 China's CPI



Source: National Bureau of Statistics of China, Colliers International

1.3 GOVERNMENT PLANNING AND POLICIES

1.3.1 The 13th Five-Year Plan

According to The Report on The Work of the Government, delivered by Premier Li Keqiang, at the Fifth Session of the 12th National People's Congress on 5 March 2017, the government rolled out a set of goals and priorities for 2017, and adopted "seeking progress while maintaining stability" as the core theme for 2017.

Premier Li Keqiang highlighted several key tasks in his government report. This includes 1) Keeping fixed asset investment as a key driver of China's economic growth, 2) Implementing the development plan for strategic emerging industries, 3) Deepening structural reform to create a business-friendly environment, 4) Promoting the steady development of the real estate sector and 5) Maintaining RMB's stable position in the global monetary system.

Under 1) Keeping fixed asset investment as a key driver of China's economic growth, the government mentioned promoting effective investment and continuing to pursue its investment strategies under the One Belt One Road Initiative. The government will invest RMB 800 billion in railway construction and RMB 1.8 trillion in highway and waterway projects, as well as speed up work on major transport, civil aviation and telecommunications infrastructure projects. These projects will accelerate urbanisation and positively impact real estate. Urbanisation is regarded as having the greatest potential for boosting domestic demand and is the most powerful force for sustaining economic development. The government will also step up its efforts on providing basic housing support and increasing the supply of residential land to prevent escalating housing prices. Local governments at different levels have already started putting through new regulations to restrict speculative residential purchases by residents and investors.

1.3.2 The 19th Party Congress

The 19th Party Congress of the ruling Communist Party of China (CPC), held in Beijing from 18-24 October 2017, is a landmark event that has resulted in some very important decisions being made. The Party has fortified itself with a new theory – the "Xi Jinping Thought on Socialism with Chinese characteristics for a New Era", and will embark on a journey towards building China into a "great modern socialist country" by 2049.

The 19th Party Congress has laid out clear visions, principles, and a roadmap for China's development in the coming 30 years. The list below sets out a few important takeaways:

1. The Party will assume "absolute leadership" over work in all areas of endeavour in every part of the country, and advocates "centralised and unified leadership" within the Party with General Secretary Xi Jinping as the "core".
2. The Party has moved to put more emphasis on "quality and efficiency" of future economic development and purposely set no "quantitative" targets for GDP growth.
3. SOEs, with strong Party and state support, will play a more prominent role in China's future economic drive, while SOE reform will gather pace.
4. Foreign companies and the private sector are expected to enjoy improved market access and fairer treatment as the Party vows to provide a favourable business environment for all types of business entities.
5. The Belt and Road initiative, representing a new China-driven new model of international economic cooperation, is poised to gather new growth momentum.
6. Other than economic growth, the Party will devote more attention to environmental protection and improving people's livelihood. This more balanced and inclusive approach will not only ensure China's growth is more sustainable, but also increase the business opportunities to foreign and domestic companies.

1.3.3 The 19th Party Congress – One Belt One Road Initiative

The 19th Party Congress report calls for "developing new ways of making outbound investments", promoting international cooperation on production capacity, and forming globally-oriented networks of trade, investment, financing, production and services. The congress stated that the One Belt One Road Initiative will be pursued "as a priority" and thus investment into the One Belt One Road regions is expected to grow significantly.

1.4 INFRASTRUCTURE DEVELOPMENTS

1.4.1 One Belt One Road Initiative

The One Belt One Road project can be broken down into two parts: a maritime Silk Route connecting China to Europe via South East Asia, the Middle East and East Africa, and an overland Silk Route connecting China to Europe via Central Asia. These routes recreate historical trading links and the ultimate intent appears to be to create an interlinked economic zone supported by substantial Chinese public investment and special lending schemes. President Xi, in a two-day Belt and Road International Forum that closed on 15 May, pledged that China would commit additional funding to the project, raising combined public support and special lending schemes to RMB480 billion.

Figure 7 One Belt One Road Map

Remarks: Satellite Clusters indicate the cities where Mapletree Logistics Trust's acquisition properties are located

Source: Xinhua, Colliers International

In its original conception, the One Belt One Road project covered about 70 countries. However, this has evolved and seems to have become more inclusive with Chinese authorities appearing very open to engagement with any country or regional organisation along or near the two main Silk Routes (and even countries further away).

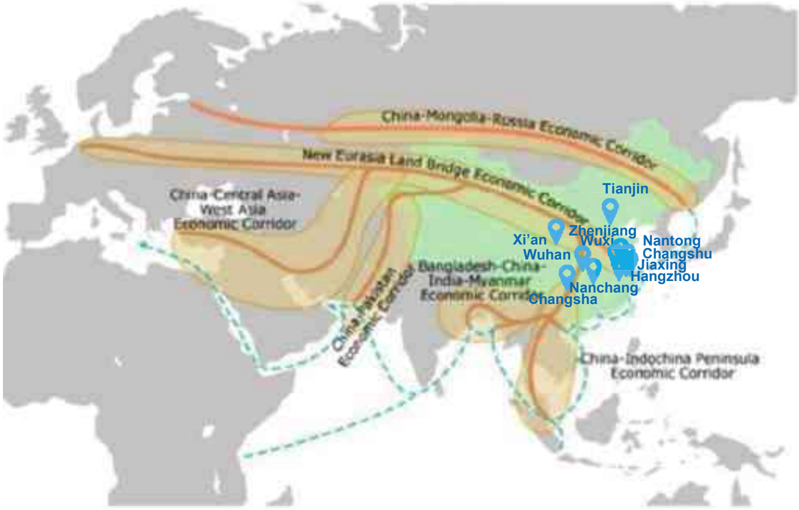
The Chinese envisage the "One Belt, One Road" being driven by major infrastructure projects (which in practice are likely to be handled by large state-owned groups). Over time, these projects should stimulate economic growth in the countries and cities along the main Silk Routes. The "One Belt, One Road" thus should help to eliminate poverty and improve the standard of living of people in the regions along the project's chief corridors. From the perspective of private-sector investors, this initiative should also enhance existing investment and development opportunities.

Colliers' believes that the "One Belt One Road" project should alleviate two problems China is currently facing - overcapacity in the heavy industry, and the imbalanced development between the developed eastern coastal areas and the less developed western areas. By exporting labour and knowledge in infrastructure-related industries such as construction, materials and equipment and self-developed technology, the One Belt One Road project should help spur development and raise economic output and prosperity in western China.

1.4.2 Six Infrastructure Corridors under One Belt One Road Initiative

While "One Belt One Road" contains two principal investment and development routes, these are subdivided into six large economic corridors. The corridors are the China-Indochina Peninsula Economic Corridor, the Bangladesh-China-India-Myanmar Economic Corridor, the China-Pakistan Economic Corridor, the New Eurasia Land Bridge Economic Corridor, the China-Mongolia-Russia Economic Corridor, and the China-Central Asia-West Asia Economic Corridor. These corridors are illustrated below and form the major routes along which infrastructure investment will be channelled.

Figure 8 Six Economic Corridors Spanning Asia, Europe and Africa



Source: Hong Kong Trade Development Council, Colliers International

China-Indochina Peninsula Economic Corridor

The China-Indochina Peninsula Economic Corridor extends from China's Pearl River Delta through railways and highways to countries along the Mekong River, linking Nanning and Pingxiang to Hanoi and Singapore. This land bridge links China with the Indochina Peninsula and crosses the centre of Vietnam, Laos, Cambodia, Thailand, Myanmar and Malaysia. During the Fifth Leaders Meeting on Greater Mekong Sub-Regional Economic Cooperation held in Bangkok in December 2014, Chinese Premier Li Keqiang put forth three suggestions to deepen relationships between China and the five countries in the Indochina Peninsula. The suggestions include: (1) jointly planning and building an extensive transportation network in addition to numerous industrial cooperation projects; (2) creating a new mode of co-operation for fund raising; and (3) promoting sustainable and co-ordinated socio-economic development. Currently, the countries along the Greater Mekong River are engaged in building nine cross-national highways, connecting east and west and linking north to south. A number of these construction projects have already been completed. Guangxi, for example, has already finished work on an expressway leading to the Friendship Gate and the port of Dongxing at the China-Vietnam border. The province has also opened an international rail line, running from Nanning to Hanoi, as well as introducing air routes to several major South East Asian cities.

Cities in which Mapletree Logistics Trust ("MLT")'s acquisition properties are located along or near this corridor include Nanchang, Changsha and Wuhan.

Bangladesh-China-India-Myanmar Economic Corridor

In a series of meetings during Premier Li Keqiang's visit to India in May 2013, China and India jointly proposed the building of the Bangladesh-China-India-Myanmar Economic Corridor. In December 2013, the Bangladesh-China-India-Myanmar Economic Corridor Joint Working Group convened its first meeting in Kunming in Yunnan Province. Official representatives from the four countries conducted detailed discussions regarding the development prospects, priority areas of co-operation and co-operation mechanisms for the economic corridor. They also reached broad consensus on cooperation in areas such as transportation infrastructure, investment and commercial circulation, and people-to-people connectivity. The four parties agreed to the Bangladesh-China-India-Myanmar Economic Corridor joint study programme, establishing a mechanism for promoting co-operation among the four governments.

China-Pakistan Economic Corridor

The concept of the China-Pakistan Economic Corridor was first raised by Premier Li Keqiang during his visit to Pakistan in May 2013. At the time, the objective was to build an economic corridor running from Kashgar, China's north-western Xinjiang province, to Pakistan's Gwadar Port on the country's south coast. As of now, the two governments have mapped out a long-term plan for building highways, railways, oil and natural gas pipelines and optic fibre networks along this corridor. According to a joint declaration issued by China and Pakistan in Islamabad in April 2015, the two countries will promote key co-operation projects, including Phase II of the upgrading and renovation of the Karakoram Highway (the Thakot-Havelian section), an expressway at the east bay of Gwadar Port, a new international airport, an expressway from Karachi to Lahore (the Multan-Sukkur section), the Lahore rail transport orange line, the Haier-Ruba economic zone, and the China-Pakistan cross-national optic fibre network.

The New Eurasia Land Bridge Economic Corridor

The New Eurasia Land Bridge, also known as the Second Eurasia Land Bridge, is an international railway line running from Lianyungang in China's Jiangsu province through Alashankou in Xinjiang to Rotterdam in Holland, linking the Pacific Ocean and the Atlantic Ocean. The 10,800 km rail link serves more than 30 countries and regions. The China section of the line comprises the Lanzhou-Lianyungang Railway and the Lanzhou-Xinjiang Railway and stretches through eastern, central and western China. After exiting Chinese territory, the new land bridge passes through Kazakhstan, Russia, Belarus and Poland, reaching a number of coastal ports in Europe. Capitalising on the New Eurasia Land Bridge, China has opened an international freight rail route linking Chongqing to Duisburg (Germany); a direct freight train running between Wuhan and Mělník and Pardubice (Czech Republic); a freight rail route from Chengdu to Lodz (Poland); and a freight rail route from Zhengzhou to Hamburg (Germany). All these new rail routes offer rail-to-rail freight transport, as well as the convenience of "one declaration, one inspection, one cargo release" for any cargo transported.

Cities in which MLT's acquisition properties are located along or near this corridor include: Zhenjiang, Hangzhou, Wuxi, Changshu, Jiaxing, Nantong and Xian.

The China-Mongolia-Russia Economic Corridor

The China-Mongolia-Russia Economic Corridor comprises two key traffic arteries, one extending from Beijing-Tianjin-Hebei region to Hohhot and on to Mongolia and Russia and the other extending from Dalian, Shenyang, Changchun, Harbin and Manzhouli to Russia. Linked by land, China, Mongolia and Russia have long established various economic ties and co-operation by way of frontier trade and cross-border co-operation. In 2014, the Shanghai Co-operation Organisation Dushanbe Summit agreement was reached on forging tripartite co-operation on the basis of China-Russia, China-Mongolia and Russia-Mongolia bilateral ties. The three heads of state also agreed to bring together the building of China's Silk Road Economic Belt, the renovation of Russia's Eurasia Land Bridge and the proposed development of Mongolia's Steppe Road. This commitment will strengthen rail and highway connectivity and construction, advance customs clearance and transport facilitation, promote cross-national co-operation in transportation, and help establish the China-Mongolia-Russia Economic Corridor.

City in which MLT's acquisition properties are located along or near this corridor include: Tianjin.

China-Central Asia-West Asia Economic Corridor

The China-Central Asia-West Asia Economic Corridor runs from Xinjiang in China and exits the country via Alashankou to join the railway networks of Central Asia and West Asia before reaching the Mediterranean coast and the Arabian Peninsula. The corridor mainly covers five countries in Central Asia (Kazakhstan, Kyrgyzstan, Tajikistan, Uzbekistan and Turkmenistan) as well as Iran and Turkey in West Asia. This corridor will mutually benefit these countries in areas such as trade, investment, finance, transport and communications.

1.4.3 The Benefit to Chinese Cities due to the One Belt One Road Initiative

Since the launch of One Belt One Road, investors across the world have taken out their maps and have begun to chart new opportunities. One Belt One Road initiative, proposed by the Chinese government, aims to boost inter-continental connectivity on both land and sea between Europe and China. For China, One Belt One Road plans to revive old trade routes and spread economic growth inland, as well as to other parts of China away from the east coast. The plan dovetails with a second initiative, the Yangtze River Economic Belt, which will build up transport and trade along China's longest river. Due to this initiative, city planners in the east have put more focus on becoming a transport and logistics hub. Many cities, including those in which MLT's acquisition properties are located in, such as Xi'an, Chongqing, Hangzhou, Wuhan, Xi'an, Tianjing, are launching new projects as part of One Belt, One Road initiative. These cities are aiming to become the buckle between the internal inland cities, and the cities in the east, resulting in the opportunity to become a logistics hub straddling the One Belt One Road and the Yangtze Economic Belt.

As a result, logistics connectivity will also improve in key provinces in China as a whole, especially benefitting the non-tier 1 cities from road and rail construction. As trade flows grow, inland rail routes become viable for freight, boosting inter-continental and intra-China connectivity. Rail volumes between Europe and China have grown 5 times from 104,000 tonnes in 2013 to 511,000 tonnes in 2016. In particular, the central and western provinces stand to gain the most from increased connectivity. The railway density in these regions is around 6km per 1,000 square kilometres, below the national average of 10km per 1,000 square kilometres. The increased connectivity is expected to support demand for logistics properties.

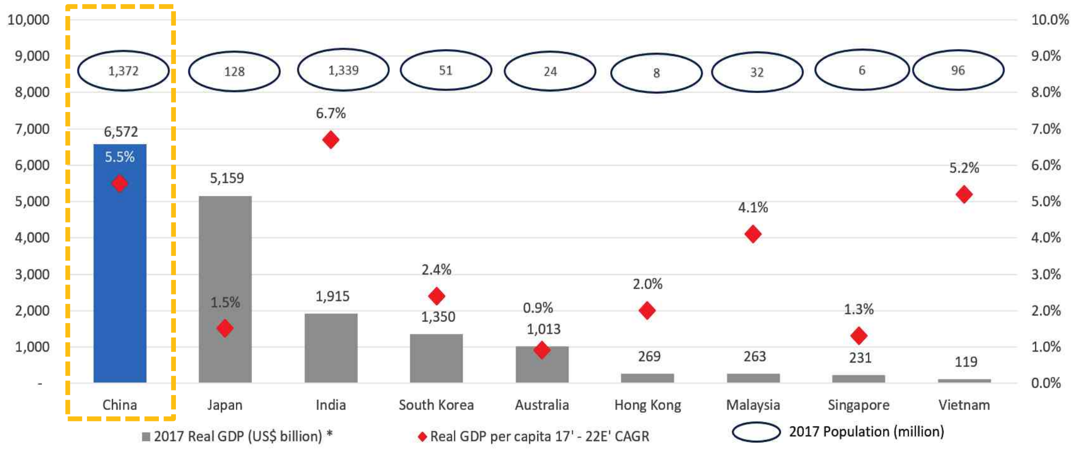
SECTION 2: CHINA LOGISTICS MARKET OVERVIEW

2.1 CHINA LOGISTICS MARKET OUTLOOK

2.1.1 Key Macro Trends that Underpin the Logistics Market in China

China has the largest economy and population base in APAC. Despite its lower GDP per capita in comparison to other APAC markets, China has been growing rapidly and its GDP per capita is forecasted to grow at a pace of 5.5% over the period of 2017 – 2022E. This makes it one of the world's fastest growing economies and an attractive emerging market.

Figure 9 APAC Economy and Population Base

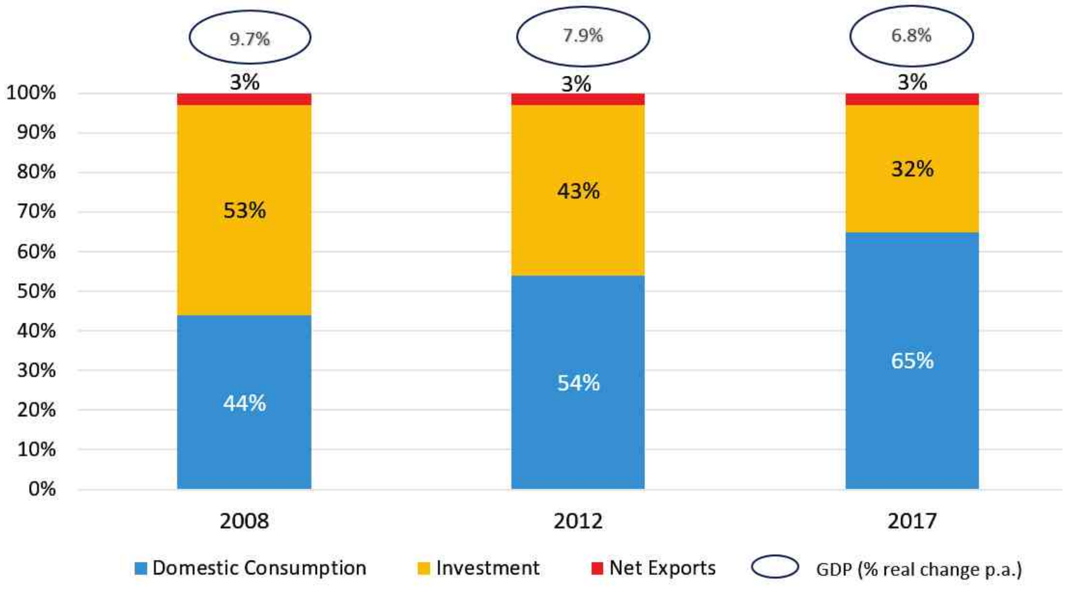


*Note: * Adjusted to exclude the effects of inflation, with 2005 as the reference year*

Source: Economist Intelligence Unit, Colliers International

China has been gradually rebalancing its economy from investment driven growth to domestic consumption driven growth, which is a more stable and sustainable growth driver. China has been able to maintain stable growth despite global economic instability headwinds through optimistic domestic consumption. Domestic consumption growth now accounts for 64.7% of real GDP growth in 2017 as compared to 44.3% in 2008. Urbanisation rate has increased steadily, from 43.9% in 2006 to 58.5% of the population in 2017, also supporting consumption growth.

Figure 10 Components of China's GDP growth



Source: Colliers International

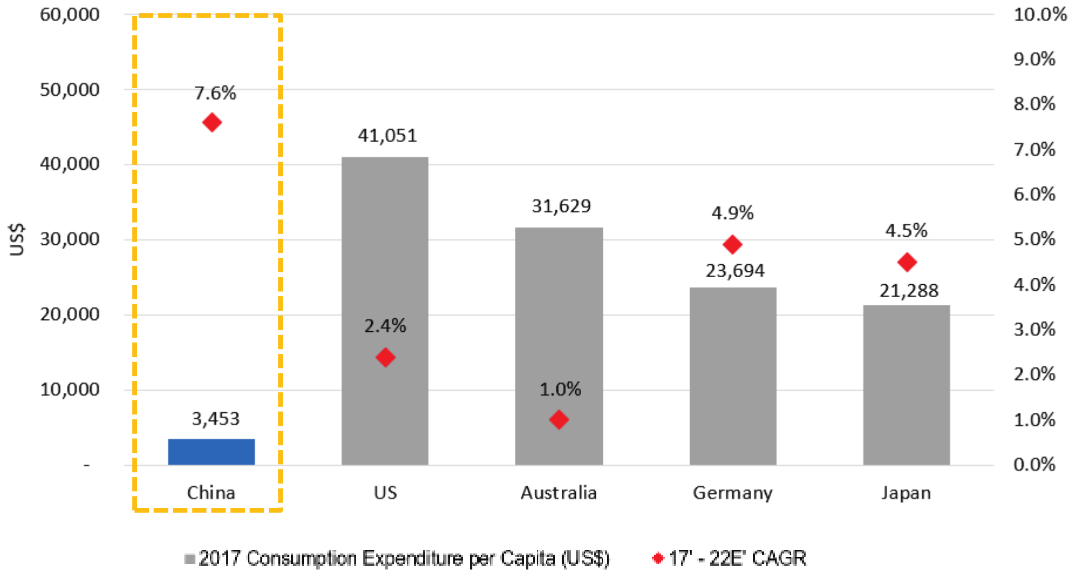
2.1.2 Rising demand for logistics properties driven by increasing consumption expenditures, strong growth momentum of inland regions and rapid expansion of e-commerce

Increasing middle income and consumption expenditure in China

The Chinese consumer market is in the midst of a transformation that offers tremendous investment opportunities. Private consumption is becoming the main driver of economic growth in China. In comparison to major consumer markets such as The United States and Japan, China's consumer expenditures per capita possesses significant headroom for potential growth.

In 2017, China's consumption expenditure per capita reached US$3,453 and is forecasted to grow at a promising rate of 7.6% over the period of 2017 to 2022E. However, in comparison to major developed economies such as The United States and Australia, Chinese consumption expenditure only represents 8.4% and 10.9% of these economies' consumption expenditure respectively. It is believed that with the high growth in consumption rate driven by increasing urbanisation, economic growth, rising household income, and improvement in quality of life, Chinese consumption expenditure will outperform those of the developed economies in the coming years.

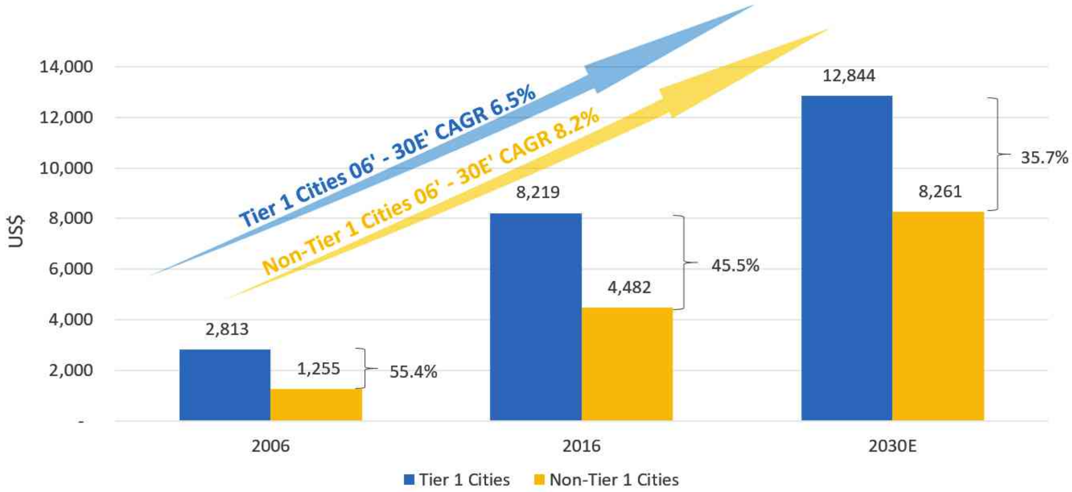
Figure 11 Consumption Expenditure Per Capita Comparison in Selected Economies



Source: Economist Intelligence Unit, Colliers International

Strong economic growth has driven disposable household income of non-tier 1 cities to grow at a faster pace than Tier 1 cities. This growth has narrowed the disposable household income gap between the Tier 1 cities and the non-tier 1 cities from 55.4% in 2006 to 45.5% in 2016 and this gap is expected to narrow further to 35.7% in 2030. With non-tier 1 cities contributing 59% of the country's GDP and 73% of the total population, it is expected that the non-tier 1 cities' growth will become the future engines for spending and a number of industries including logistics will stand to benefit from it. Increasing household income and consumption is expected to generate higher demand for logistics services to move and store physical goods, and correspondingly a greater demand for logistics properties.

Figure 12 Disposable Income Between Different Tier Cities



Source: National Bureau of Statistics of China, Economist Intelligence Unit, Colliers International

Strong growth momentum of inland regions

In recent years, a new wave of urbanisation has shifted the focus to China's smaller inland cities which are increasingly offering better job prospects, quality of life and cheaper living costs. As China shifts its economic drivers away from investment and towards consumption, many inland cities have made sound progress in terms of industrial diversification, logistics and liveability. The Economist Intelligence Unit opined that the income level between different tier cities will become more dispersed rather than concentrated in first tier cities such as Shanghai and Guangzhou on the eastern coast. By 2030, inland cities such as Changsha and Chongqing will experience sizable growth, having at least 2 million high income consumers.

Disposable incomes in inland second tier cities areas are rising and will foster higher demand for branded goods as consumers move beyond basic needs to more and functional demands (as they seek higher relative performance) and emotional purchases through engaging with the brand personality of the products they consume. High income consumers will no longer only originate from first tier cities but also from the numerous cities throughout China in the coming decade.

Rapid expansion of e-commerce a major demand driver for logistics properties

Rising incomes and shifting consumer patterns have driven growth in the e-commerce sector. China has become the largest e-commerce market, despite having a relatively low e-commerce sales per capita of USD 327 in 2017. China has total e-commerce sales volume globally at USD 449 billion with other e-commerce markets in Asia Pacific in comparison lacking similar scale. The figure below provides a snapshot of e-commerce statistics in selected economies. According to Euromonitor 2017, China ranked top in total e-commerce sales volume, surpassing developed economies such as US and Japan's e-commerce per capita. China's internet penetration however lagged behind the countries such as US, Japan and Australia. With improving urbanisation and infrastructure development, it is expected that e-commerce will continue on an upward trend with a high growth rate and China will maintain the top position in e-commerce sales volume.

Colliers International believes that urbanisation, the rising middle class, increasing household income and the growth of online retail sales will underpin strong demand growth for logistics facilities which can facilitate the movement of goods to meet consumption demand across China.

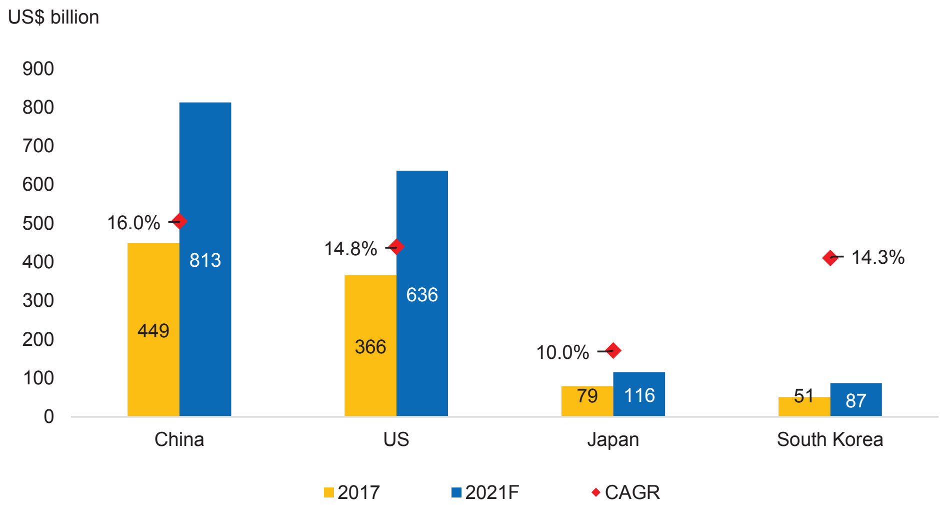
Figure 13 Key E-commerce Markets

	China	United States	Japan	South Korea	Australia	Hong Kong	Singapore
2017 E-commerce Sales (US$ bn)	449	366	79	51	19	2	1
2017 E-commerce Sales per Capita (US$)	327	1,121	618	1,006	769	264	223
2016 Population Size (mm)	1,366	324	128	51	24	7	6
2016 Internet Penetration	53%	76%	92%	93%	88%	87%	81%

Source: Euromonitor, World Bank and Colliers International

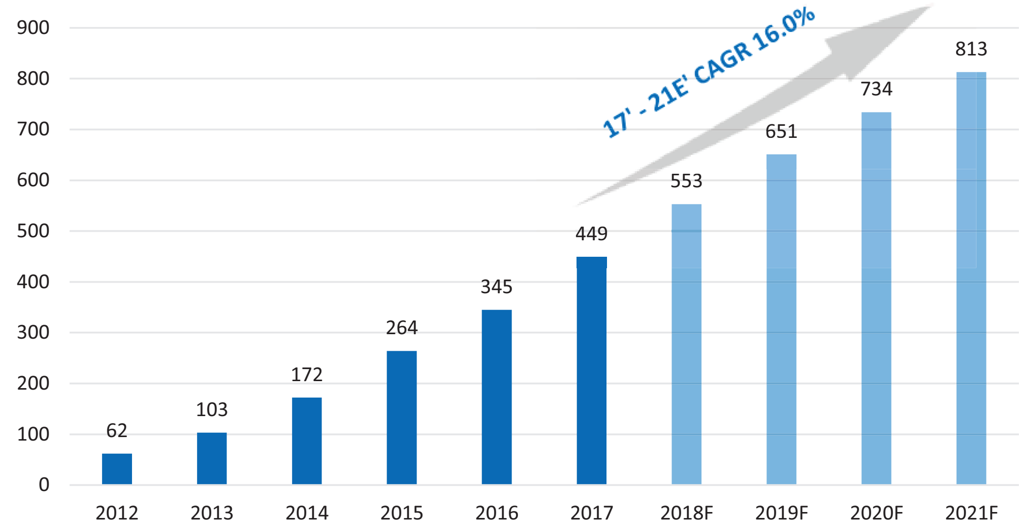
The retail e-commerce sales volume in China is expected to grow from US$449 billion in 2017 to US$813 billion in 2021. The forecasted CAGR of 16.0% represents even stronger growth momentum as compared to the already double-digit growth of US, Japan and South Korea. The China market has become one of the most-sought after growth markets as more global retailers and brands enter the booming market via cross-border e-commerce, especially with the embrace of omni-channel retailing, the rise of mobile payments and the continued investment in logistics infrastructure in the country.

Figure 14 Retail e-Commerce Sales Volume from 2017 to 2021F (US$ billion)



Source: Euromonitor, Colliers International

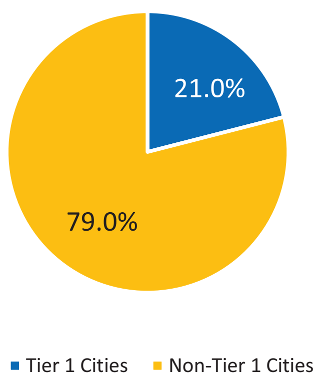
Figure 15 **E-commerce Sales Growth in China 2012-2021F**



Source: Euromonitor, Colliers International

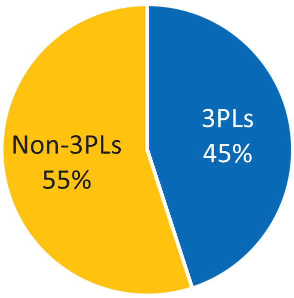
E-commerce sales have not just been growing in Tier 1 cities but have also grown strongly in non-tier 1 cities. As such, in 2016, non-tier 1 cities accounted for 79.0% of e-commerce volume. Furthermore, the proportion of e-commerce sales to total retail sales is expected to increase steadily. This increasing emphasis on efficiency and faster deliveries has translated into strong demand for warehouses and distribution centres by e-commerce players.

Figure 16 **E-commerce Sales Volume by City Tier**



Source: China's E-commerce Research Centre, Colliers International

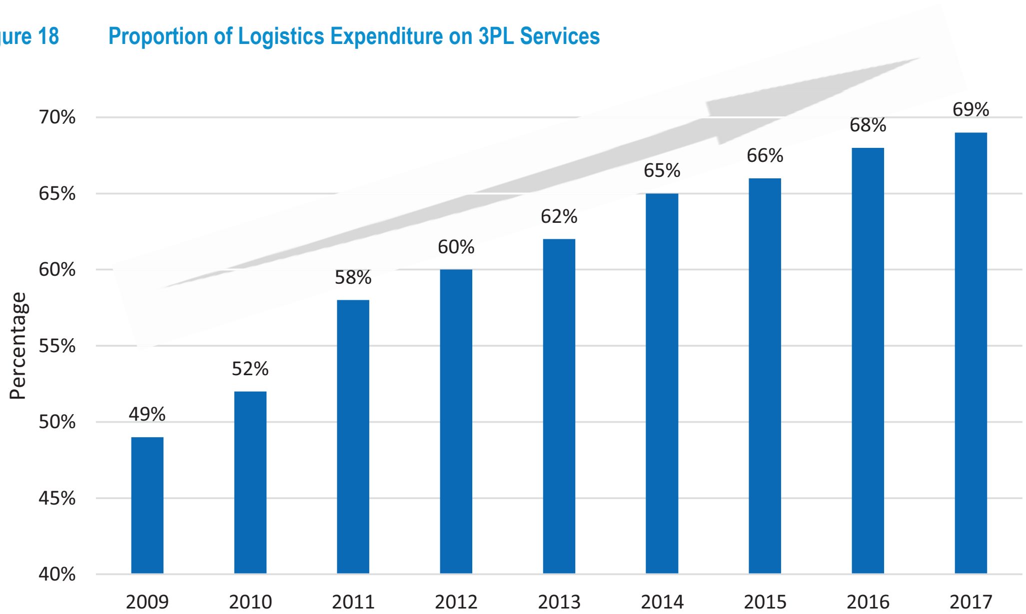
Figure 17 China's Grade A Warehouses Net Absorption by Demand Type 2017



Source: Colliers International

The continued e-commerce growth in China is putting pressure on the logistics capabilities of e-commerce business and is creating strong demand for logistics properties. Colliers International has estimated that 3PLs tenants contribute to about 45% of net absorption of Grade A warehouses in 2017. Domestic consumption has driven the growth of consumer goods and e-commerce companies, and many of these companies outsource logistics to 3PL firms for cost and efficiency considerations. The revenues of 3PLs in China have increased over the years as companies increase their budget allocation for 3PLs, from 49% in 2009 to 69% in 2017. This growth is expected to drive demand for warehouses, and the 3PL market is forecasted to grow at a CAGR of 10.2% in the period from 2018 to 2021.

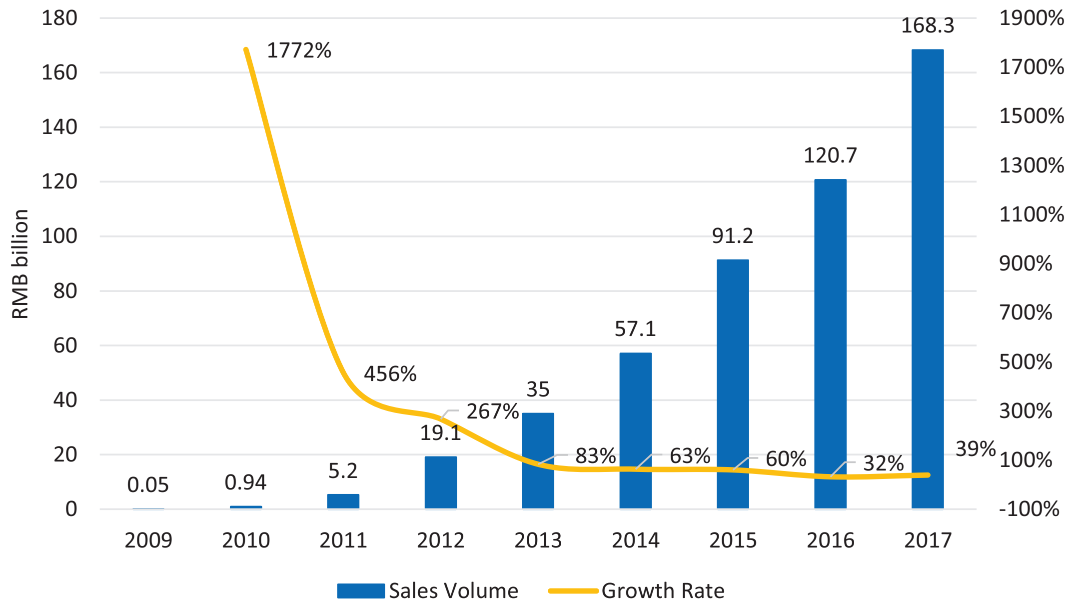
Figure 18 Proportion of Logistics Expenditure on 3PL Services



Source: Research and Markets (Third Party Logistics Market in China 2017-2021), Colliers International

2.1.3 Demand Driven by E-commerce

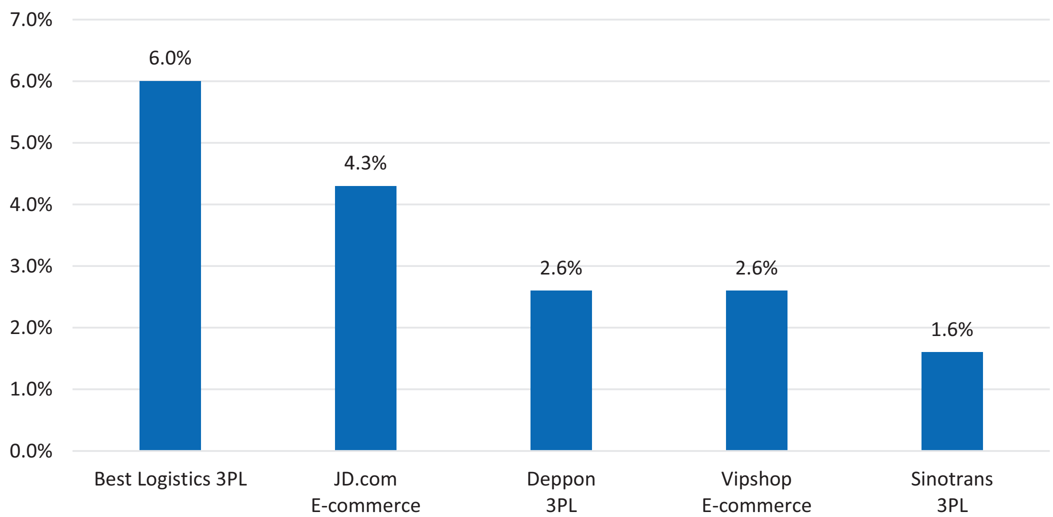
Figure 19 Ali's Double 11 Sales Growth



Source: Colliers International

As shown in the chart above, growth of Alibaba's Double 11 (Singles' Day) sales growth was tremendous in the past several years, having a YOY increase of CAGR at 175% for eight years. This outstanding growth was not limited to Alibaba, but also the whole e-commerce sector in China, which continues booming in recent years. Riding on the growth of the e-commerce sector, logistics companies have benefited from this trend.

Figure 20 Top 5 Tenants of Global Logistics Properties ("GLP") by Leased Area



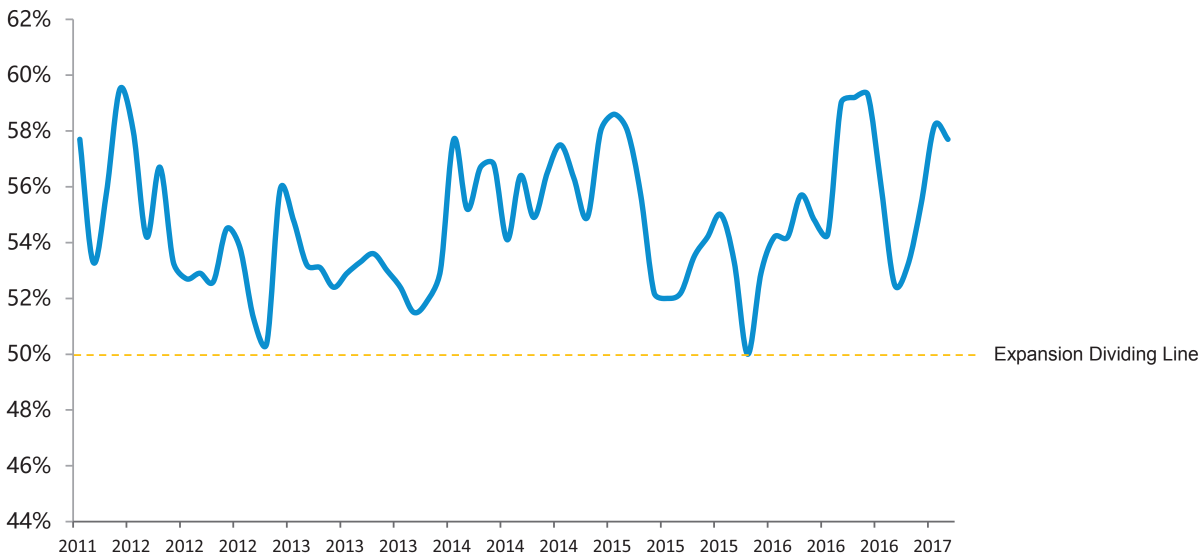
Source: Colliers International

In the annual report published by GLP who accounts for about 40% of the total market share in terms of total GFA, 3 of the top 5 tenants were 3PL companies and the remaining 2 belonged to e-commerce companies. This trend was not specific to just GLP, but the entire logistics market as a whole. In the second half of 2017, China logistics market witnessed the rapid expansion of e-commerce enterprises which led to expansion of leased area in Grade A warehouses. For example, occupancy rate in Wuxi, one of the core logistics cities in East China, was just 67% by the first half of 2017, but increased to 95% at the end of 2017. In total, JD and Cainiao occupied nearly half of the space of Grade A warehouses in Wuxi. It is expected that China's e-commerce sector will continue its rapid growth in the next three years, creating strong demand of logistics warehouses.

2.2 GENERAL OVERVIEW OF LOGISTICS MARKET

2.2.1 Landscape

Figure 21 Logistics Performance Index



Source: China Federation of Logistics & Purchasing, CFLP

Definition: Logistics Performance Index ("LPI") is an interactive benchmarking tool created to help countries identify the challenges and opportunities they face in trade logistics and what they can do to improve performance.

It is the weighted average of the country's scores on the following six key dimensions: efficiency of the clearance process (i.e. speed, simplicity and predictability of formalities) by border control agencies, including Customs; Quality of trade and transport-related infrastructure (e.g. ports, railroads, roads, information technology); Ease of arranging competitively priced shipments; Competence and quality of logistics services (e.g., transport operators, customs brokers); Ability to track and trace consignments; Timeliness of shipments in reaching destinations within the scheduled or expected delivery time. This measure indicates the relative ease and efficiency with which products can be moved into and inside of a country.

The LPI reflects the overall change of the economic development of the logistics industry. The dividing line between expansion and contraction is 50%, and China's LPI remains above the line, showing that China's logistics market has maintained growth in recent years.

2.2.2 Market Convention of Leasing and Sales

Market Convention of Leasing:

- In general, the rent-free period is generally less than 1 month/year, with the rent-free period usually granted at the beginning of the lease term.
- The logistics market is influenced strongly by e-commerce discount festivals, especially the Double 11 and Double 12 festivals.
- It is generally a landlords' market in China, and thus bargaining power of tenants is relatively low.

Market Convention of Sales:

- There are three methods of sales transactions in the logistics market: asset transfer, on-shore equity transfer, and off-shore equity transfer. In first-tier cities, government regulation on the logistics sector is relatively strict.

Barriers to entry for first-tier cities in China are as follows:

- It is difficult for developers to meet the investment intensity and tax requirement requested by local governments
- Logistics land supply is limited and it is expected to be more limited in the future.

2.3 CHINA LOGISTICS PROPERTIES

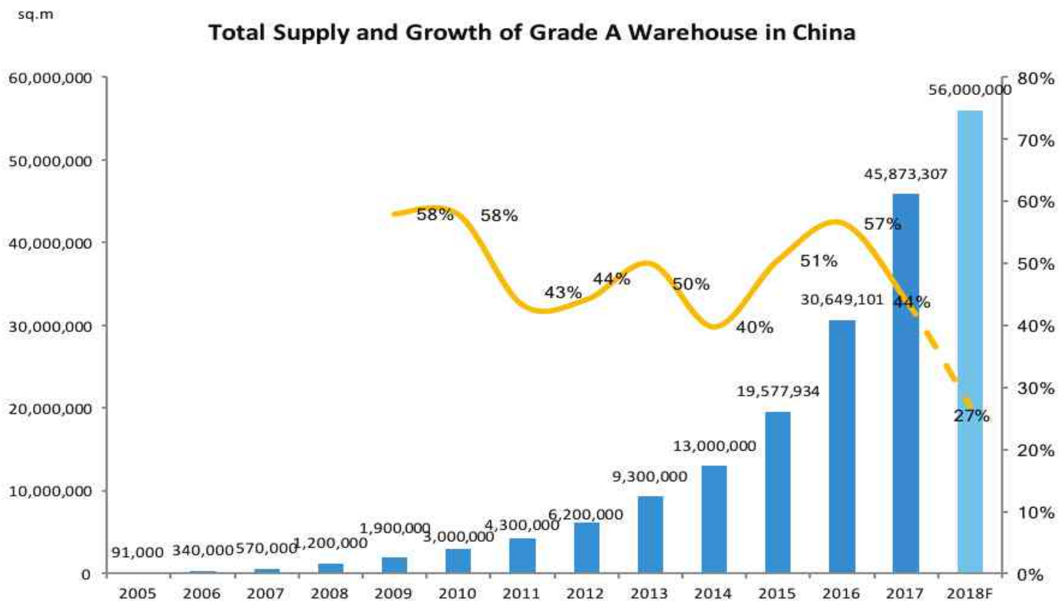
2.3.1 Segmentation

There is a clear distinction between traditional and modern warehouses. Modern warehouses, or "Grade A warehouses" in China, only accounts for less than 5% of the total general warehouse market in terms of Gross Floor Area ("GFA"). There is no building specification for non-Grade A warehouse as all the warehouses other than Grade A warehouses are non-Grade A warehouses. This is because Grade A warehouses were the first type warehouses that introduced building specifications. The building standard of Grade A warehouse in China was according to the major developers and investors, and is as follows:

Grade A warehouse	
Warehouse Fire Compartments	Minimum 6,000 sq m per Class C, Grade 2 General Warehousing
Fire Rating	Class C Grade 2
Column Grid	12m x 12m multiples or thereabouts
Span	20m~30m
Ceiling Clear Height	9m
Floor Loading	20 KN psm to 40 KN psm
Height of Dock Leveler	1.3m
Floor Finish	Hardened floors
Sprinkler	Early Suppression Fast Response("ESFR") sprinkler system

2.3.2 Supply Situation

Figure 22 Total Supply and Growth of Grade A Warehouse in China

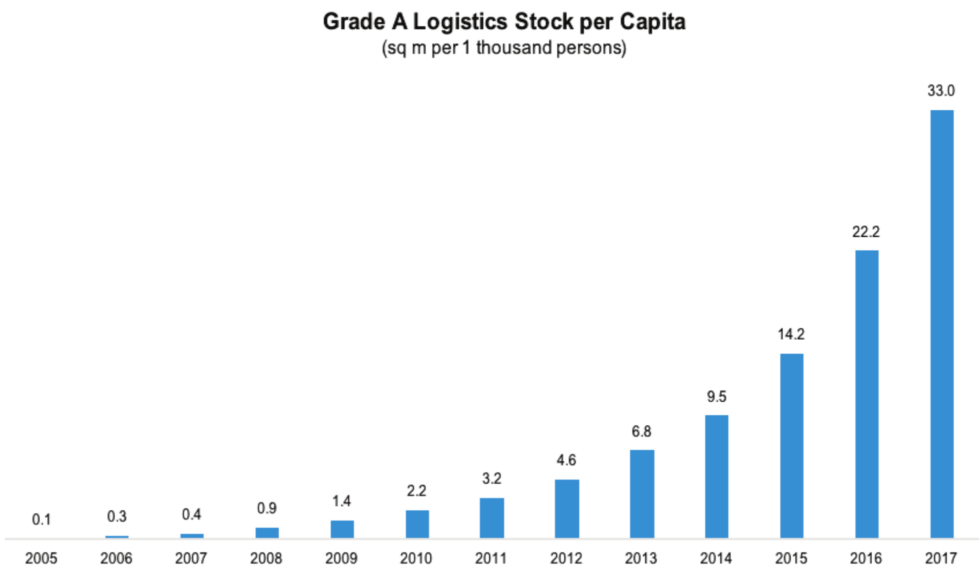


Source: Colliers International

Total supply is collected from 65 cities with Grade A warehouse in China

Grade A warehouses first appeared in China market at the beginning of the twenty-first century. Since then, total stock in China has maintained double-digit growth, with an average growth rate of up to 55% in the last decade. Over the last few years, growth remained stable at 40-60%. Global Logistic Properties ("GLP") is the largest Grade A warehouse developer in terms of total stock. By the end of 2017, total Gross Floor Area ("GFA") of completed projects in the market was slightly more than 45 million sq m, with 44% growth year on year ("YOY"). Total stock is estimated to be over 56 million sq m in 2018. In the next three years, new supply is expected to be more than 10 million sq m each year.

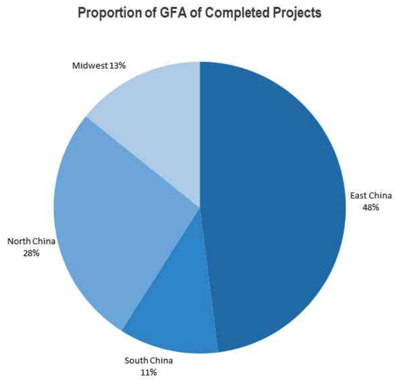
Figure 23 China's Historical Grade A Logistics Stock per Capita



Source: Colliers International

China's Grade A logistics stock per capita increased from 0.1 sq m per 1 thousand persons in 2005 to 33.0 sq m per 1 thousand persons in 2017. Despite this significant growth, China is remains below the Grade A logistics stock per capita of developed markets, such as Hong Kong (681.4 sq m per 1 thousand persons), Singapore (1,346.7 sq m per 1 thousand persons) and Japan (142.9 sq m per 1 thousand persons). This suggests there is still a much room for logistics market growth in China.

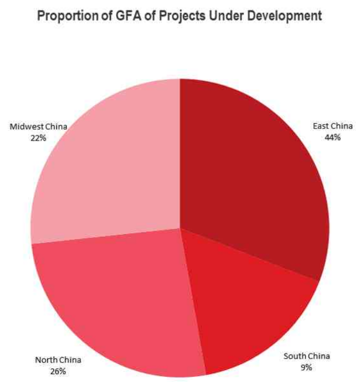
Figure 24 Proportion of GFA of Completed Projects



Source: Colliers International

Total GFA of completed projects in East China accounted for 48% in 2017, nearly half of the market share. Core logistics cities in East China include Shanghai, Kunshan, Suzhou, Jiaxing, Wuxi, Hangzhou, and Nanjing. North China ranked second at 28%, with Beijing, Tianjin, Langfang, Shenyang, and Dalian being the logistics hot-spots.

Figure 25 Proportion of GFA of Projects Under Development



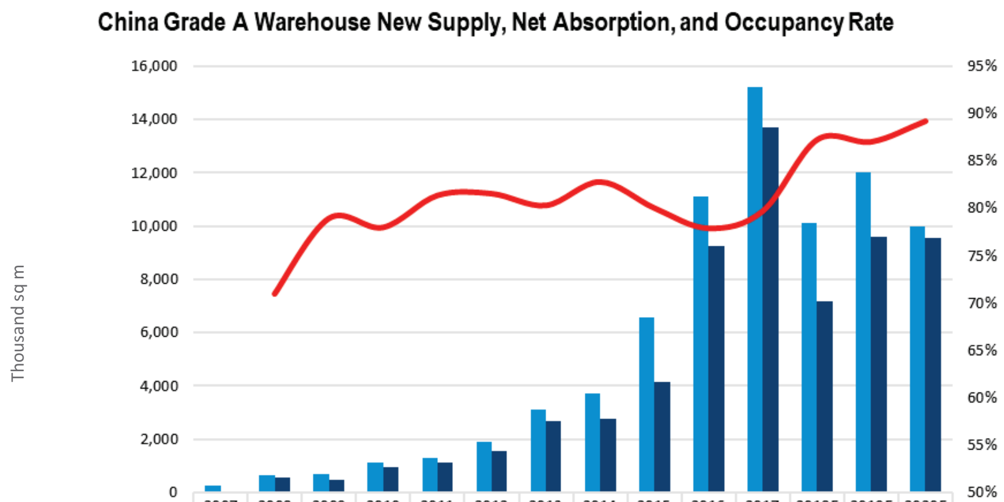
Source: Colliers International

In 2017, total GFA of projects under development in East China accounted for 44%, far less than the market share of completed projects. The Grade A warehouse market in East China is more developed than that of any other region in China. However, less logistics land supply has been provided to developers in recent years. Midwest China ranked second at 22%, with major space being in Chengdu, Wuhan, and Chongqing, and dozens of projects under development or in the pipeline in each city. It is expected that the market share of East China will decrease while Midwest China will increase in the coming several years.

2.3.3 Outlook

The central and city level governments have been extremely supportive of the logistics industry, introducing numerous policies and initiatives to encourage its growth. However, supply of logistics land with 50 years' usage term will become increasingly rare, as the Chinese government is expected to shorten the land tenure for new logistics land supply releases in some cities. Firstly, logistics warehouse does not generate much tax, thus local government is not willing to provide land to developers unless they have locked client with tax generation. Secondly, there is a trend towards shortened/elastic terms for industrial land (including logistics land), which means that the usage term of logistics land that a developer has would be capped to a range of 20-40 years. As a result of the limited source of logistics land and trend towards a shortened usage term, rental is expected to grow at an average of 4% in the whole of China in the following years. More cities are expected to witness occupancy rate exceeding 90%. Thus, capital values are expected to keep increasing as cap rate continues to decline due to the factors stated above.

Figure 26 China's Grade A Warehouse New Supply, Net Absorption and Occupancy Rate

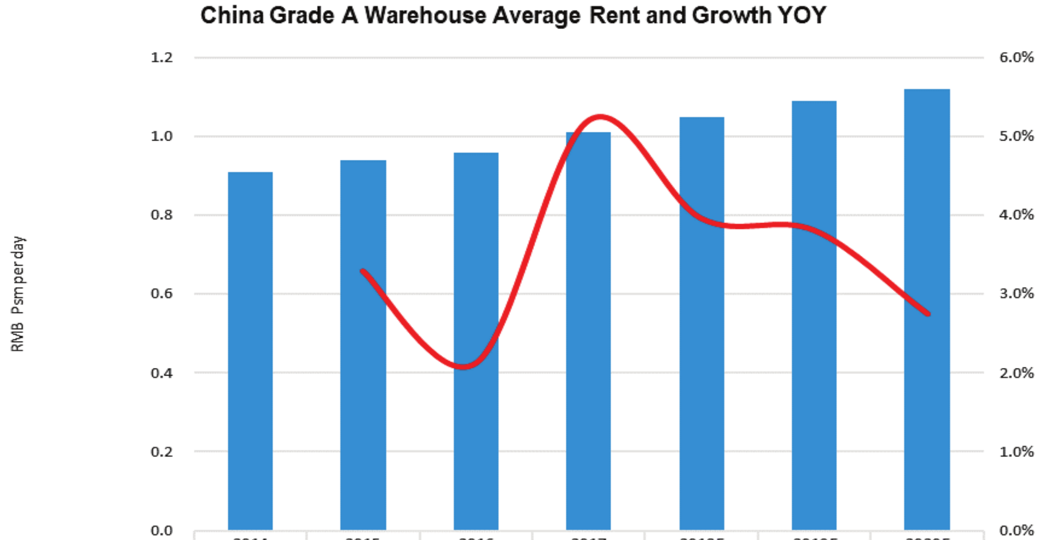


	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018F	2019F	2020F
New Supply	230	630	700	1,100	1,300	1,900	3,100	3,700	6,578	11,093	15,202	10,127	12,000	10,000
Net Absorption		564	460	937	1,134	1,552	2,685	2,779	4,133	9,240	13,693	7,184	9,600	9,560
Occupancy Rate		71%	79%	78%	81%	82%	80%	83%	80%	78%	80%	87%	87%	89%

Source: Colliers International

It is estimated that 10.1 million sq m of new supply will enter the market in 2018, pushing the total stock up to more than 56.0 million sq m. Average occupancy rate in China fluctuated at 80% in the past ten years, and this is projected to increase slowly in the next three years.

Figure 27 China's Grade A Warehouse Average Rent and Growth

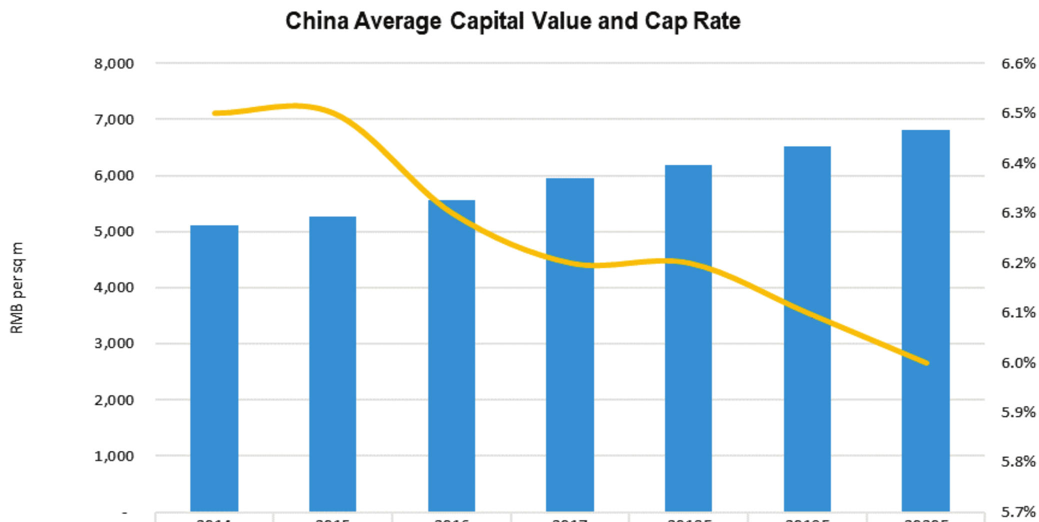


	2014	2015	2016	2017	2018F	2019F	2020F
Average Rental	0.91	0.94	0.96	1.01	1.05	1.09	1.12
Rental Growth		3.3%	2.1%	5.2%	4.0%	3.8%	2.8%

Source: Colliers International

The average rental in China has increased continuously to approximately RMB 1.12 per sq m per day as of end-2017. The rental growth was 5.21% in 2017 and rental rates are expected to continue growing over the coming three years, with the rental growth rate projected to be 3-4%.

Figure 28 China's Grade A Warehouse Average Capital Value and Cap Rate



	2014	2015	2016	2017	2018F	2019F	2020F
Cap Value	5,110	5,278	5,562	5,946	6,181	6,522	6,813
Cap Rate	6.5%	6.5%	6.3%	6.2%	6.2%	6.1%	6.0%

Source: Colliers International

Cap rate in of Grade A warehouses in China was estimated to be 6.2% as of end of 2017 and expended to decline to 6.0% in 2020. Average capital value was estimated to be about RMB 5,946 per sq m in 2017 and is expected to grow to RMB 6,813 per sq m respectively in 2020.

2.3.4 Key Providers & Players

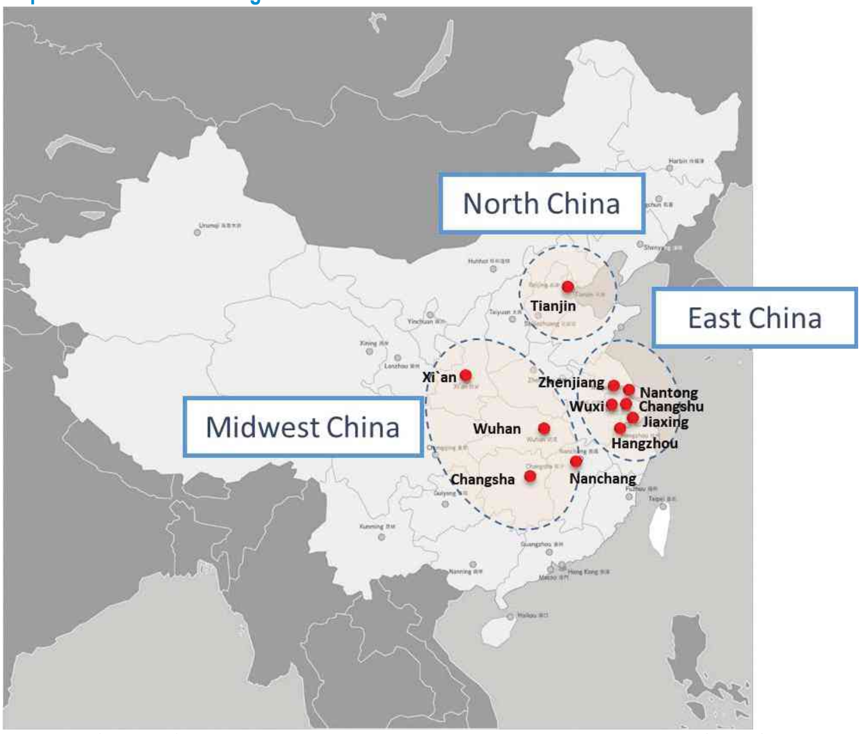
Main Grade A logistics warehouse players in China logistics market includes GLP, Goodman, Mapletree, Blogis, Ping'an, Prologis, VX(Vanke), LOGOS, ESR, Yupei, Stater Capital(Fosun), Shenzhen International, Vailog, LaSalle, Zenith, Gazeley.

In the 2000s, most of the players in the market were foreign companies. A greater number of domestic players started to enter the market around 2010, for example ESR (previously E-Shang), Stater Capital, VX, Ping'an, etc. The market share of domestic players has since been increasing and we expect this trend to continue.

2.3.5 Regional Macro trends that underpin the logistics market in China

China is a diverse country with cities of varying characteristics and levels of development. Despite the differing characteristics and geographic opportunities that exist in each city, certain common trends are present in certain city clusters, which we classify as North China, East China, and Central China, are applicable for the logistics industry.

Map 1 Location of Main Logistics Cities in China



Remarks: Satellite Clusters indicate the cities where Mapletree Logistics Trust's ("MLT") acquisition properties are located in

North China:

As one of the most densely populated regions in China, North China has an intensively developed transportation and logistics networks. Riding on the wave of coordinated developments of transportation in Beijing, Tianjin and Heibei, a comprehensive logistics network covering various means of transportation in these three places is rapidly taking shape, creating incremental leasing demand for quality warehouses in this region.

North China cities in which Mapletree Logistics Trust ("MLT") acquisition properties are located in include: Tianjin

East China:

East China is one of the most urbanized and economically developed regions in China, with well-established infrastructure of ports, terminals and roads. Its unique geographical location and economic strength has laid solid foundation for development of modern logistics 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 modern logistics and witnessed growing leasing demand for high-standard warehouses.

East China cities in which MLT acquisition properties are located in include: Zhenjiang, Wuxi, Changshu, Nantong, Jiaxing and Hangzhou

Midwest China:

Xi'an is the starting point of both the ancient Silk Road and the current Silk Road Economic Belt under the Belt and Road initiative. Driven by the implementation of this initiative, West and Central China will become a prominent economic, transportation and logistics centre for the hinterland.

Furthermore, China's national policy support, infrastructure development and economic rebalancing in favour of domestic demand have positioned the Midwest region at a sweet spot to benefit from the trends of rapid urbanization, improved connectivity and manufacturing expansion, leading to a sustainable growth. West and Central China have been the fastest growing of any region in China since 2011 and is expected to grow at a faster rate than the national average.

Midwest China cities in which MLT acquisition properties are located in include: Changsha, Nanchang, Xi'an and Wuhan

SECTION 3: CITY-LEVEL LOGISTICS MARKET OVERVIEW

3.1 WUXI LOGISTICS MARKET STUDY

3.1.1 Economic Overview

Map 2 Location of Wuxi

Source: Colliers International

Wuxi is located in East China, in the Yangtze River Delta southeast of Jiangsu Province and 120km northwest of Shanghai - the financial and commercial capital of China. Wuxi is ranked 10th in the 2016 National Urban Competitiveness Ranking published by the Chinese Academy of Social Sciences.

Wuxi is a regional node city in the 13th Five-Year Plan (2016-2020). As a transportation hub, there are 6 highways running through the city. Wuxi Sunan Shuofang International Airport is 14 kilometres from the city center, and services domestic and international routes to Hong Kong, Osaka, Tokyo and Taipei.

The secondary industry's value added was 496.44 billion yuan, an increase of 7.3% over the previous year. Wuxi focuses on heavy industry, including machinery, metallurgy, and petrochemicals, with the main light industries being electronic products and textiles. Tourism is also a very important revenue generator for the service industry, generating more than 7% GDP, with Wuxi Taihu National Tourist resorts being one of China's National tropical resort destination.

Table 1 Table of Macroeconomic Indicators

Units in RMB billion unless otherwise stated	2011	2012	2013	2014	2015	2016	2017
GDP	688	756	807	820	851	921	1051
GDP Growth Rate YOY (%)	12.0	10.0	9.3	8.2	7.1	7.5	7.4
GDP by Tertiary Industry	302	341	371	386	418	472	541
GDP by Secondary Industry	372	401	420	418	419	434	496
GDP by Primary Industry	12	13	14	15	13	13	13
Fixed Asset Investment	316	361	401	463	490	479	496
FAI Growth Rate YOY (%)	18.0	16.0	18.2	16.0	7.0	2.0	4.7
Real Estate Investment	87	97	112	126	99	103	120
REI Growth Rate YOY (%)	43.3	11.0	15.9	12.5	-21.9	4.2	16.3
FDI (USD in billion)	3.5	4.0	3.3	3.1	3.2	3.4	3.7
FDI Growth Rate YOY (%)	-	4.4	-16.7	-6.7	3.0	6.3	7.7
CPI (%)	5.1	2.5	2.1	2.2	1.8	2.3	1.9
Permanent Population (million)	6.43	6.46	6.48	6.50	6.51	6.52	6.55
Permanent Population Growth Rate YOY (%)	-	0.5	0.3	0.3	0.2	0.2	0.5
Urban Disposable Income Per Capital (RMB)	31,638	35,663	38,999	41,731	45,129	48,628	52,659
Urban Disposable Income Growth Rate YOY (%)	-	12.7	9.4	7.0	8.1	7.8	8.3
Consumption Expenditure Per Capita (RMB)	19,780	23,000	25,392	27,358	29,466	31,438	32,972
Consumption Expenditure Per Capita Growth Rate YOY (%)	-	16.3	10.4	7.7	7.7	6.7	4.9

Source: Wuxi Statistics Bureau, Colliers International

3.1.2 Government Planning and Policies

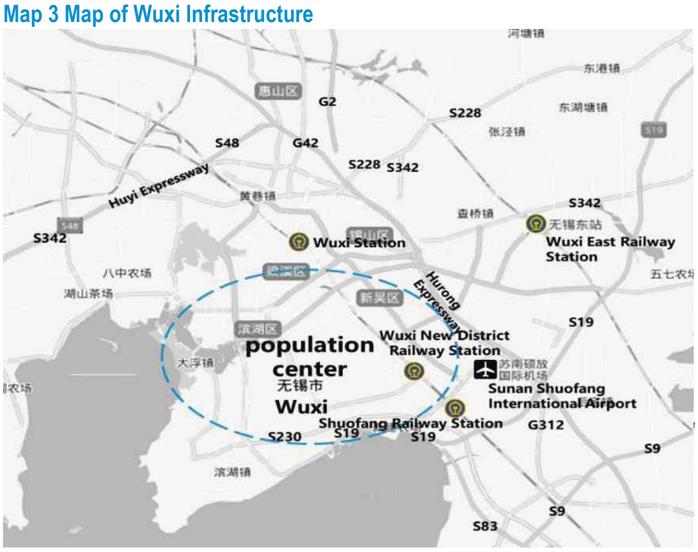
The 13th Five-Year Plan (2016-2020), released by the Chinese government outlined that the economy for Wuxi should show an upward trend during the 5 year projection period with regional GDP targeted to grow at an average annual rate of 7.5%, and expected to double by 2020 over 2015's GDP.

The government will focus on high-end manufacturing (new materials, electronic information, bio-medicine) and the modern service industries (port logistics, finance, tourism). In addition, the government will give priority to the development of advanced manufacturing industries (such as equipment manufacturing, electronic information, high-end textiles, energy conservation and environmental protection) and the producer services (new energy and new energy locomotives, and modern logistics, e-commerce).

For the modern logistics industry, the government will accelerate the development of the modern logistics industry, continue to promote logistics parks, and improve the functionality of the multimodal logistics parks such as the West Railway Logistics Park and the high-tech logistics Xin'an Park. Moreover, the government will promote the construction of airports, ports, and highways, so as to improve the logistics transportation networks.

3.1.3 Infrastructure Developments

Map 3 Map of Wuxi Infrastructure



Source: Colliers International

Railway
Wuxi is situated on the Shanghai–Nanjing Intercity High-Speed Railway, linking it directly with the provincial capital of Nanjing (1.5 hours), China's economic hub, Shanghai (45 minutes) and major economic hub and tourist destination Suzhou (25 minutes).

Airport
Sunan Shuofang International Airport opened in 2004 and serves the cities of Wuxi and Suzhou. It is situated 14 kilometres from the city centre and has direct flights to Beijing, Guangzhou, Shenzhen, Hong Kong, Taipei, Singapore, and Osaka.

Expressways and highways

Shanghai-Nanjing Expressway

Wuxi-Yixing Expressway

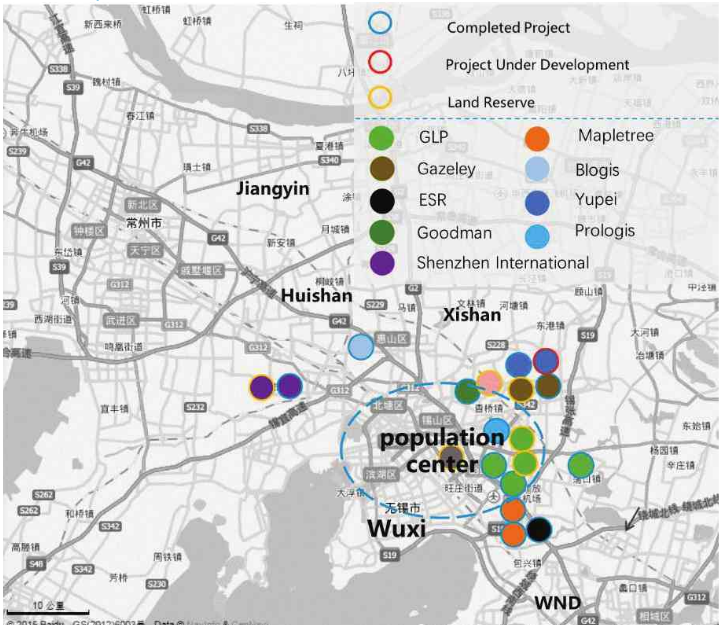
China National Highway 312

Provincial roads:

S342

3.1.4 Key Sub-markets

Map 4 Major Infrastructure in Wuxi



Source: Colliers International

There are currently four submarkets in Wuxi, which are WND ("Wuxi New District"), Xishan, Huishan, and Jiangyin, with the key players being GLP, Mapletree, Gazeley, Blogis, ESR, Yupei, Goodman, Prologis and Shenzhen International

WND

WND ("Wuxi New District") is the traditional logistics area in Wuxi, which also became a logistics hub for Grade A warehouse. It enjoys the best logistics location in Wuxi, with rental and occupancy being higher than in other submarkets and is expected to remain higher than other submarkets in the future. The first Grade A warehouse in Wuxi was built by Mapletree in 2008, with the second completed by GLP in the following year. Total supply in Wuxi remained at 85,000 sq m for 5 years from 2009 to 2013 without new supply coming into the market. There were some initiatives for the 3PL and courier industry then, and tenants of these two industries accounted for large proportion at that time. Post 2014, the new tenants in WND were mainly from 3PL, e-commerce and manufacturer industries. WND saw new supply again from 2014 when GLP's reconstruction project completed. ESR (previous

Redwood)'s project and Mapletree's were completed in the following two years. There is expected to be some future pipelines in WND.

Xishan

Xishan, located in the north part of Wuxi, is an emerging logistics market. There was no completed Grade A logistics project in Xishan until 2017, when GLP launched Xishan Ehu Phase I of 86,000 sq m. Peak of supply of 437,000 sq m was also seen in 2017 and new supply in Xishan is expected in the upcoming few years

Huishan

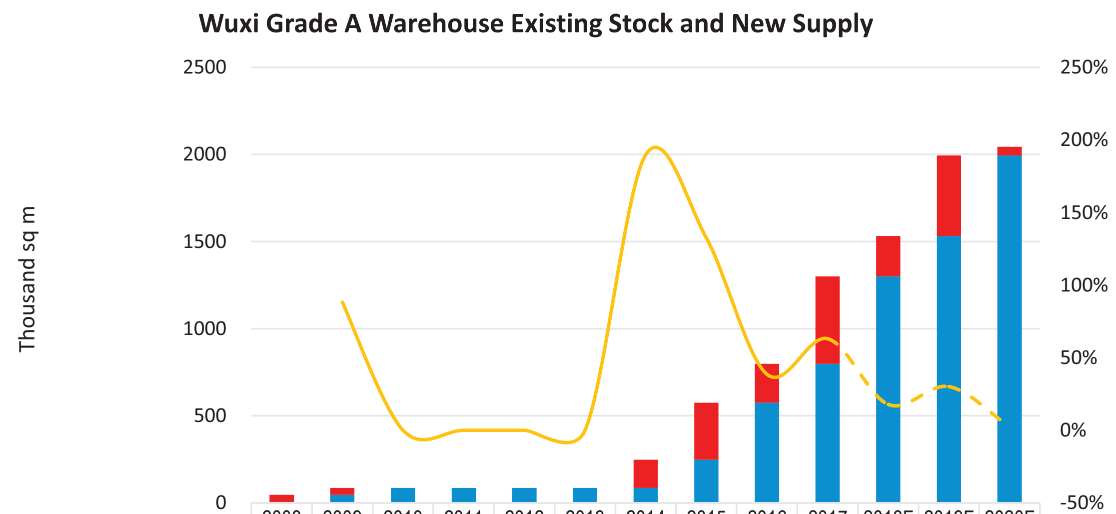
Huishan, located in northwest part of Wuxi, is another emerging logistics market. The first completed Grade A warehouse in the market was the Blogis Huishan EDZ project, which launched at the end of 2015. The location of Huishan is relatively inferior to WND and Xishan, and is regarded as an alternate choice if a developer is unable to obtain land in the former areas. Rental and occupancy rates in Huishan are lower in Huishan than in WND and Xishan.

Jiangyin

Jiangyin is located in northwest part of Huishan, 40 kilometres from Wuxi downtown. It is a county-level city in the administrative area of Wuxi city. There is to date only one completed Grade A warehouse and one project under development. Although Jiangyin is located a distance away from Wuxi, expected future spillover of demand in the Yangtze River Delta would lead to increased new supply in Jiangyin in the future.

3.1.5 Supply & Demand

Figure 29 Wuxi Grade A Warehouse Existing Stock and New Supply

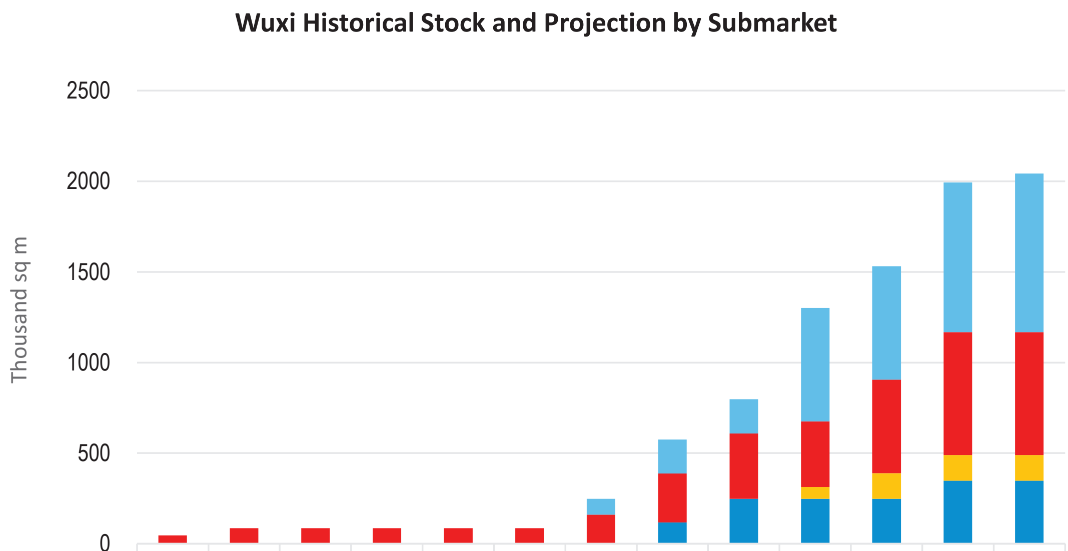


	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018F	2019F	2020F
New Supply	45	40	0	0	0	0	162	328	222	503	231	461	50
Existing Stock		45	85	85	85	85	85	248	576	798	1301	1532	1993
Total Stock Change YOY		88%	0%	0%	0%	0%	190%	133%	39%	63%	18%	30%	3%

Source: Colliers International

By the end of 2017, Wuxi had approximately 1.3 million sq m of Grade A warehouse stock in the leasing market, a 63% increase over 2016. Wuxi is estimated to see 231,000 sq m new supply in the market in 2018, pushing the total stock up to more than 1.5 million sq m. Expected total stock in Wuxi in 2020 is estimated to be more than 2 million sq m.

Figure 30 Wuxi Historical Stock and Projection by Submarket

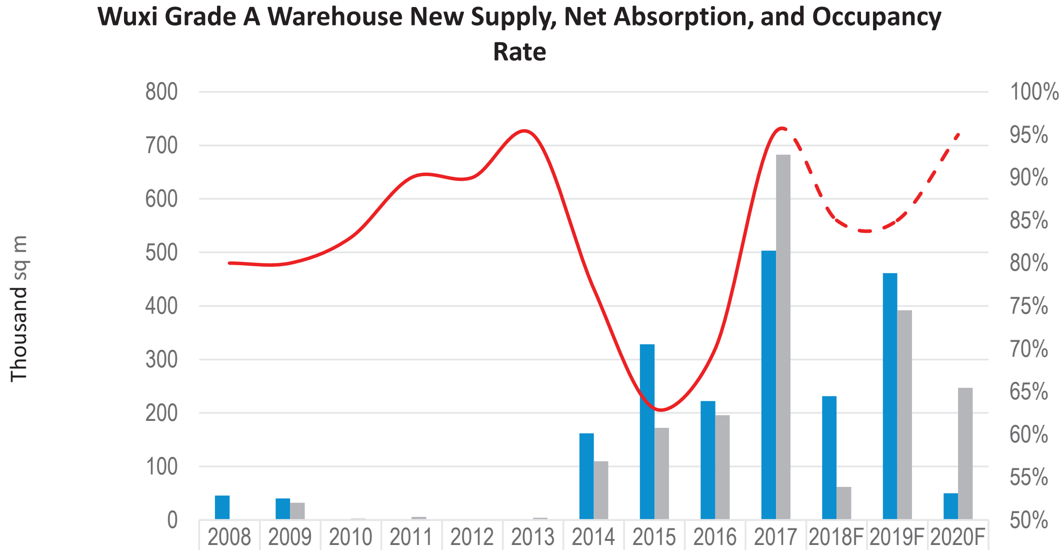


	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018F	2019F	2020F
Xishan	0	0	0	0	0	0	87	188	188	626	626	826	876
WND	45	85	85	85	85	85	161	270	362	362	517	678	678
Jiangyin	0	0	0	0	0	0	0	0	0	66	142	142	142
Huishan	0	0	0	0	0	0	0	118	248	248	248	348	348

Source: Colliers International

There are four main submarkets in Wuxi – WND, Xishan, Huishan, and Jiangyin. As can be seen from the chart above, WND was the first submarket which had Grade A warehouse properties in Wuxi. After 2009, there was no new supply in WND until 2014. In 2015 and 2017, Huishan and Jiangyin saw their first Grade A warehouse respectively. Most of the future supply is expected to be from WND and Xishan. For example, 200,000 sq m in Xishan developed by Yupei, 100,000 sq m in Huishan by Shenzhen International and 62,000 sq m in WND by GLP is expected to be completed and contribute to new supply in 2019.

Figure 31 **Wuxi Grade A Warehouse New Supply, Net Absorption, and Occupancy Rate**

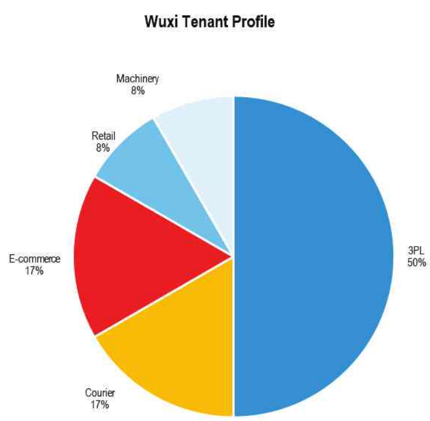


	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018F	2019F	2020F
New Supply	45	40	0	0	0	0	162	328	222	503	231	461	50
Net Absorption		32	3	6	0	4	109	172	196	682	61	392	247
Occupancy Rate	80%	80%	83%	90%	90%	95%	77%	63%	70%	95%	85%	85%	95%

Source: Colliers International

In the past decade, demand for Grade A warehouse space in Wuxi remained stable while supply has been relatively short. Average occupancy rate in Wuxi bottomed at 63% in 2015, due to an influx of new supply in the market. However, after 2015, the growth of demand gradually exceeded the growth of supply especially from e-commerce enterprises. By end-2017, occupancy rate in Wuxi reached 95% with nearly half of the tenants (in terms of leasing area) in Wuxi being e-commerce companies. Tenants either distribute to Wuxi city or the Yangtze River Delta. Occupancy rate in Wuxi is projected to decrease in short run but rebound after the 2018-2019 new supply wave.

Figure 32 **Wuxi Tenant Profile Wuxi Grade A**



Source: Colliers International Shanghai Industrial, 2017

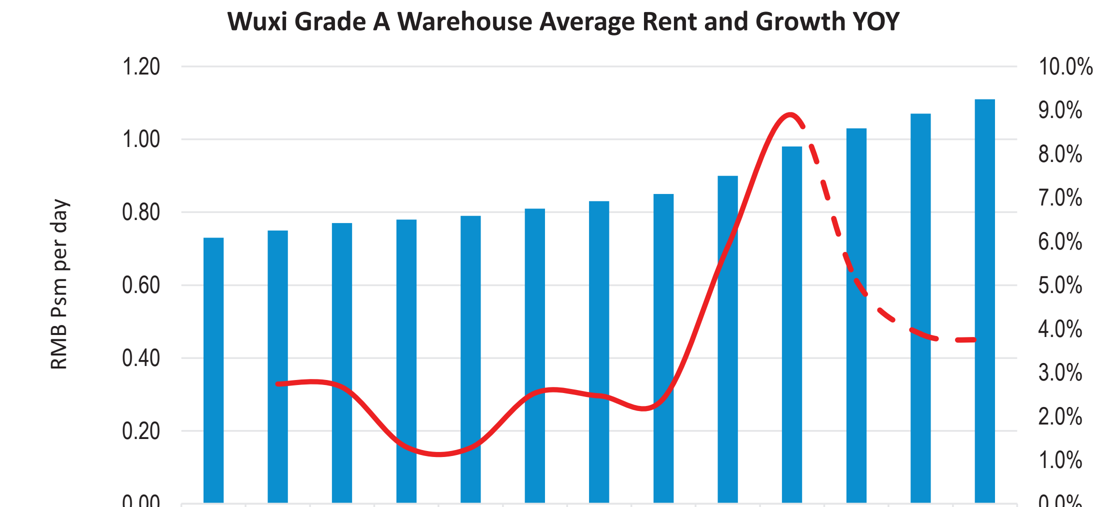
As can be seen from the chart above, 50% of the number of Grade A warehouse tenants in Wuxi were 3PL companies in 2017. E-commerce and courier ranked second, which accounted for 17% each, and although only 17% of the tenants were e-commerce companies, the leased area by these companies was nearly half the market stock. Meanwhile, several 3PL companies also provide outsourced logistics services to e-commerce companies. For example, JD took up the whole Yupei Xidong project Phase II of 120,000 sq m in 2017.

3.1.6 Investors & Investment Trends

Wuxi is a logistics market hotspot where demand exceeds supply. Investors not only seek for Build to Suit ("BTS") opportunities, but also engage in speculative opportunity as well depending on the submarket in consideration. Investors will obtain logistics land in WND if given the opportunity to do so regardless of whether there is a locked-in tenant. This is in contrast to the Xishan, Huishan, and Jiangyin market, where BTS opportunity will instead be investors' first choice.

3.1.7 Rents, Yields & Values

Figure 33 Wuxi Grade A Warehouse Average Rent and Growth YOY



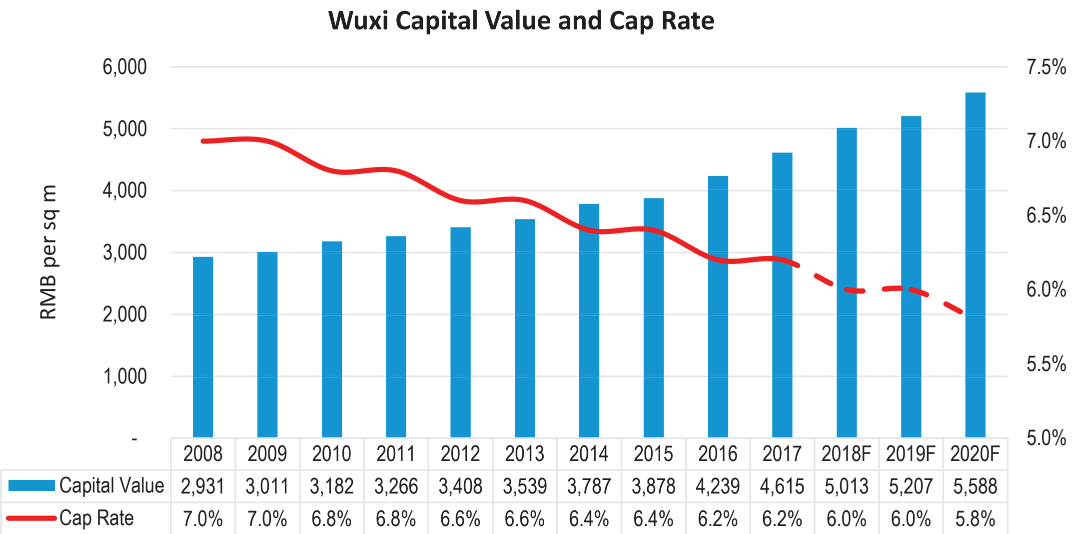
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018F	2019F	2020F
Asking Rental	0.73	0.75	0.77	0.78	0.79	0.81	0.83	0.85	0.90	0.98	1.03	1.07	1.11
Rental Growth		2.7%	2.7%	1.3%	1.3%	2.5%	2.5%	2.4%	5.9%	8.9%	5.1%	3.9%	3.7%

Source: Colliers International

Rental growth remained stable in the Wuxi market between 2008 and 2015, and occupancy rate bottomed in 2015. Thereafter, strong demand from e-commerce, especially in the second half of 2017, underpinned occupancy and rental rates which rocketed in Wuxi market. The average rental in Wuxi increased by 8.9% YOY to approximately RMB 0.98 per sq m per day as of end-2017. For example, RRS took up the whole logistics park of Goodman Xishan in 2017 for an effective rental of about RMB 0.90/sq m/day, which even though was more than a doubling of the 2015 rental rates, was lower than market average in 2017. This was because

RSS signed an entire tenancy deal taking nearly all of the 40,000 sq m's space. Rent is expected to continue growing over the coming three years, however, competitive pressure led by a large amount of new supply may dampen the growth rate. Rental growth rate is thus projected to be around 3-4% in the future three years.

Figure 34 Wuxi Capital Value and Cap Rate



	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018F	2019F	2020F
Capital Value	2,931	3,011	3,182	3,266	3,408	3,539	3,787	3,878	4,239	4,615	5,013	5,207	5,588
Cap Rate	7.0%	7.0%	6.8%	6.8%	6.6%	6.6%	6.4%	6.4%	6.2%	6.2%	6.0%	6.0%	5.8%

Source: Colliers International

Currently, there is an ongoing Grade A warehouse transaction in Wuxi – a foreign developer selling to a famous domestic developer, with the transaction expected to close in 2018. Cap rate in Wuxi was thus estimated to be 6.2% as of end of 2017, while capital value was estimated to be about RMB 4,615 per sq m. Cap rate and capital value in Wuxi is expected to be 5.8% and RMB 5,588 per sq m respectively in 2020.

3.1.8 Mapletree Wuxi New District Logistics Park

Mapletree Wuxi New District Logistics Park is located at No. 1 Qiangzhai Road in the Xinwu District, and was completed in 2015. The total site area is 51,885 sq m, and the GFA is 108,495 sq m. Mapletree Wuxi New project was designed as a Grade A double-storey warehouse with 9 metres of ceiling height and 3 tons of loading capacity of the first floor and 9 metres of ceiling height and 2.5 tons of loading capacity of the second floor.

Map 5 the Property and the Surrounding Major Infrastructure

Source: Colliers International

Table 2 Travel Timetable from Mapletree Wuxi New District Logistics Park

Destination (major infrastructure)	Estimated driving time
Sunan Shuofang International Airport	15 minutes
Nearest Highway Entrance	10 minutes
Wuxi Railway Station	30 minutes
Wuxi East Railway Station	20 minutes
Shuofang Railway Station	15 minutes
Wuxi New District Railway Station	20 minutes

Source: Colliers International

Mapletree Wuxi New District Logistics Park is located in Xinwu District, making it convenient for the tenants to access the major transportation facilities. Sunan Shuofang International airport is only 15 minutes away and the nearest highway entrance is only 10 minutes away. The nearest railway stations are Wuxi station, Wuxi East Station, Shuofang Station and Wuxi New District Station and are all less than 30 minutes away. The nearby surrounding transportation network provides great connectivity to the other cities for the tenants of Mapletree Wuxi New District Logistics Park.

The competitive advantage of Mapletree Wuxi New District Logistics Park lies in its great location. Compared to logistics properties in Xishan and Huishan, projects in WND all have higher occupancy rates. The main competitors, considering adjacent locations and similar building standards such as ceiling height and loading capacity, are GLP, Prologis, ESR and Gazeley.

Figure 35 SWOT analysis of Mapletree Wuxi New District Logistics Park

S – Strengths

- Superior transportation location - next to two national expressways, air, and railway transportation
- Double-storey warehouse with ramps - more efficient compared to those only with elevators

W – Weaknesses

- Generally, tenants prefer single-storey warehouse to double-storey warehouses
- Presence of competitors nearby

O – Opportunities

- Policies encourage logistics industry
- Increasing spill-over demand from Shanghai

T – Threats

- Potential new supply influx in the future

Source: Colliers International

Mapletree Wuxi New District Logistics Park's Performance Outlook

Considering above-mentioned factors, Mapletree Wuxi New District Logistics Park is competitive in Wuxi logistics market due to its superior geographical location. Occupancy rate of Mapletree Wuxi New District Logistics Park was 97.1% as of end of 2017, and is expected to reach and remain at 100% in the future.

3.2 CHANGSHU LOGISTICS MARKET STUDY

3.2.1 Economic Overview

Map 6 Location of Changshu

Source: Colliers International

Changshu is a county-level city under the jurisdiction of Suzhou, Jiangsu province, and is part of the Yangtze River Delta in East China. It borders the prefecture-level city of Nantong to the northeast across the Yangtze River and is one of the most well developed counties in China. In 2017, Changshu ranks fourth in the contribution towards Suzhou's GDP, generating 228 billion yuan of GDP for Suzhou - an increase of 7.3% YOY. Per capita disposable income of residents also reached 48,800 yuan, in 2017, an increase of 8.3% YOY.

The city's major industries include textiles, paper-making, fine chemicals, machinery, steel and forestry products. In 2017, foreign trade import and export volume was US$23.8 billion - an increase of 19.8% YOY. Changshu was also awarded the National Ecological Garden City and the Fifth National Civilized City in 2017.

Table 3 Table of Macroeconomic Indicators

Units in RMB billion unless otherwise stated	2011	2012	2013	2014	2015	2016	2017
GDP	171	187	198	200	204	211	228
GDP Growth Rate YOY (%)	12.0	10.0	9.0	7.5	7.2	7.5	7.3
GDP by Tertiary Industry	73	83	89	90	93	98	-
GDP by Secondary Industry	93	99	104	106	106	108	-
GDP by Primary Industry	3.36	3.70	4.05	4.32	4.10	4.27	-
Fixed Asset Investment	53.5	63.5	71.5	65.0	63.1	54.5	55.0
FAI Growth Rate YOY (%)	22.0	19.0	12.5	-9.1	-3.0	-13.7	0.9
Real Estate Investment	9.3	8.6	13.4	14.7	15.1	14.4	-
REI Growth Rate YOY (%)	-3.1	-7.0	55.3	10.1	1.9	-4.6	-
FDI (USD in billion)	0.90	0.95	1.02	1.05	0.80	0.63	-
FDI Growth Rate YOY (%)	3.5	6.0	7.1	2.7	-23.5	-21.7	-
CPI (%)	5.0	2.0	2.3	2.1	1.8	2.0	-
Permanent Population (million)	1.5	1.5	1.5	1.5	1.5	1.5	-
Permanent Population Growth Rate YOY (%)	-	-0.2	0.1	0.1	0.0	0.2	-
Urban Disposable Income Per Capital (RMB)	35,041	39,561	43,161	46,571	50,413	54,411	59,015
Urban Disposable Income Growth Rate YOY (%)	14	12.9	9.1	8.6	8.3	7.9	8.5
Consumption Expenditure Per Capita (RMB)	22,280	25,003	27,028	27,412	29,323	31,520	-
Consumption Expenditure Per Capita Growth Rate YOY (%)	24.9	12.2	8.1	7.7	7.0	7.5	-

Source: Changshu Statistics Bureau, Colliers International

3.2.2 Government Planning and Policies

According to the 13th Five-Year Plan (2016-2020), the government targets an average annual GDP growth rate of 7.5% throughout the 5 year projection period for Changshu. The value added of the service industry is targeted to account for 48% of GDP, with urban per capita disposable income and the rural per capita disposable income targeted to grow faster than GDP.

The Five-Year-Plan states that Changshu should focus on the development of producer services, and the government is expected to speed up the construction of the regional logistics system, actively creating a regional logistics public information platform and cultivating a number of exemplary third-party logistics companies. Moreover, the plan stresses the need to formulate the layout plan of the express delivery industry and promote the construction of the terminal delivery network.

3.2.3 Infrastructure Developments

Map 7 Major Infrastructure in Changshu

Source: Colliers International

The China National Highway 204 Yantai-Nantong-Changshu-Shanghai, Sujiahang Expressway and Suzhou-Jiaxing-Changshu all pass-through Changshu. Changshu also has one Yangtze River crossing, the Sutong Yangtze River Bridge, which is one of the longest cable-stayed bridges in the world. Changshu harbour is ranked sixth out of China's inland river ports and supports both the Shanghai port and the Suzhou Industrial Park. It currently has 12 docks, with another nine being constructed, and operating trading routes to 212 ports worldwide.

Railroad:

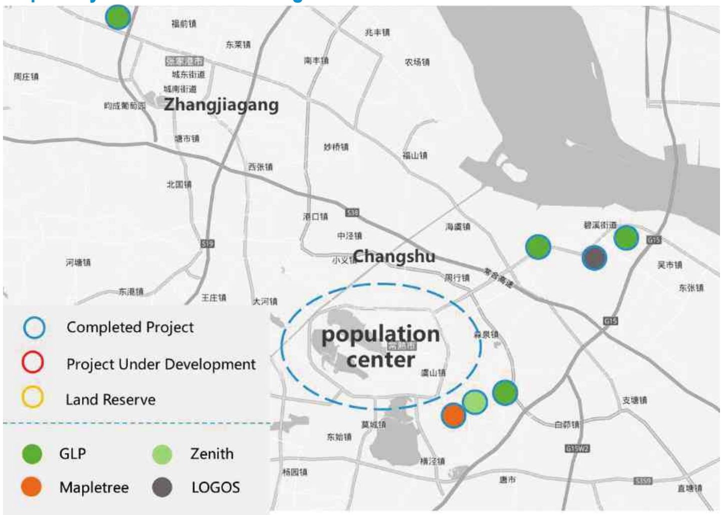
The Yangtze Riverine Railway (planning)

Highways:

The Yangtze Riverine Expressway, the Suzhou-Jiaxing-Changshu Expressway

3.2.4 Key Sub-markets

Map 8 Key Sub-market in Changshu



Source: Colliers International

There are currently two submarkets in Changshu, which are Changshu city and Zhangjiagang, with the key players being GLP, Zenith, Mapletree, and LOGOS. The occupancy rates of many projects in Changshu are 100% with the exception of those in Zhangjiagang being at 23%. The stark difference in occupancy rates reflects the transportation advantage logistics properties in Changshu have over those in Zhangjiagang.

Changshu City

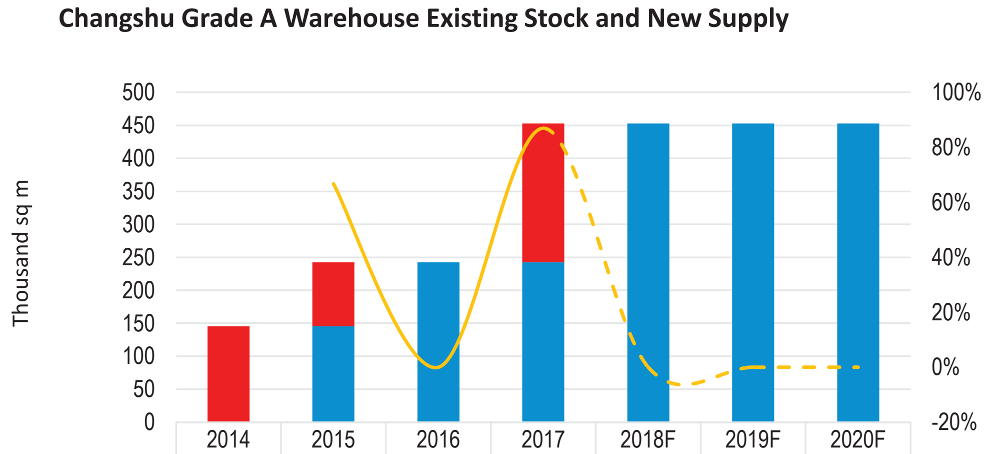
Changshu city is crossed by two expressways – G15 and G15W, and most of the Grade A warehouses were built near these two expressways. Changshu city saw the first Grade A warehouse in second half of 2014 - GLP Park Changshu CSNZ with 63,000 sq m. Several projects were completed in the following years by developers such as GLP, Mapletree, LOGOS, and Zenith. Tenants in Changshu City comprises of mainly 3PL companies.

Zhangjiagang

Zhangjiagang is located in northwest part of Changshu, 30 kilometres to Changshu city. There is only one completed Grade A warehouse project – GLP Zhangjiagang Park, and no further future supply is expected for the next three years.

3.2.5 Supply & Demand

Figure 36 Changshu Grade A Warehouse Existing Stock and New Supply

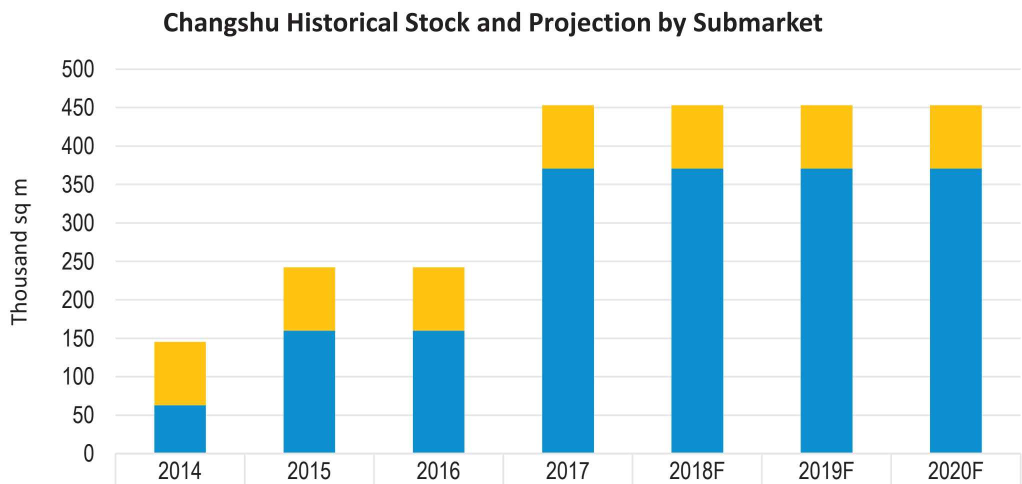


	2014	2015	2016	2017	2018F	2019F	2020F
New Supply	145	97	0	211	0	0	0
Existing Stock		145	242	242	453	453	453
Total Stock Change YOY		67%	0%	87%	0%	0%	0%

Source: Colliers International

By the end of 2017, Changshu had approximately 453,000 sq m of Grade A warehouse stock in the leasing market - a 87% increase over 2016. No new supply in the market is expected in the next three years.

Figure 37 Changshu Historical Stock and Projection by Submarket

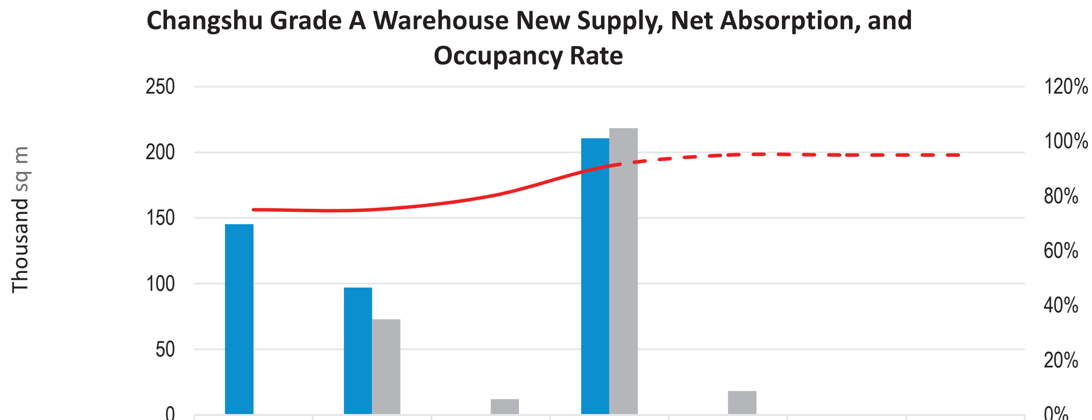


	2014	2015	2016	2017	2018F	2019F	2020F
Zhangjiagang	82	82	82	82	82	82	82
Changshu	63	160	160	371	371	371	371

Source: Colliers International

There are two submarkets in Changshu – Changshu city and Zhangjiagang, both of which saw their first Grade A warehouse properties in 2014. In the following years after 2014, all new completed supply was in Changshu city and by the end of 2017, there were 82,000 sq m of supply in Zhangjiagang and 371,000 sq m in Changshu. The supply in Changshu is expected to remain constant over the next two to three years due to the lack of new supply.

Figure 38 Changshu Grade A Warehouse New Supply, Net Absorption, and Occupancy Rate

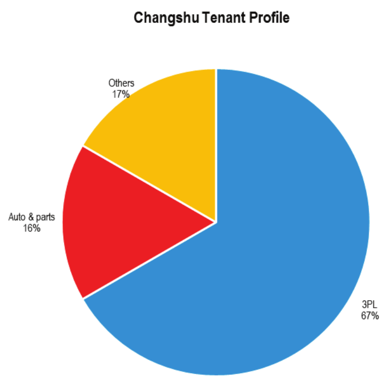


	2014	2015	2016	2017	2018F	2019F	2020F
New Supply	145	97	0	211	0	0	0
Net Absorption		73	12	218	18	0	0
Occupancy Rate	75%	75%	80%	91%	95%	95%	95%

Source: Colliers International

By end-2017, occupancy rate in Changshu reached 91%. This increase in occupancy rate was attributable to the rapid increase in demand from 3PL, e-commerce, and automobile manufacturing companies, and spillover demand from surrounding cities in 2017 such as Suzhou and Wuxi. Occupancy rate in Changshu is projected to be stable in the next two years at 95%, with no new supply in the coming three years.

Figure 39 Changshu Tenant Profile Changshu Grade A



Source: Colliers International Shanghai Industrial, 2017

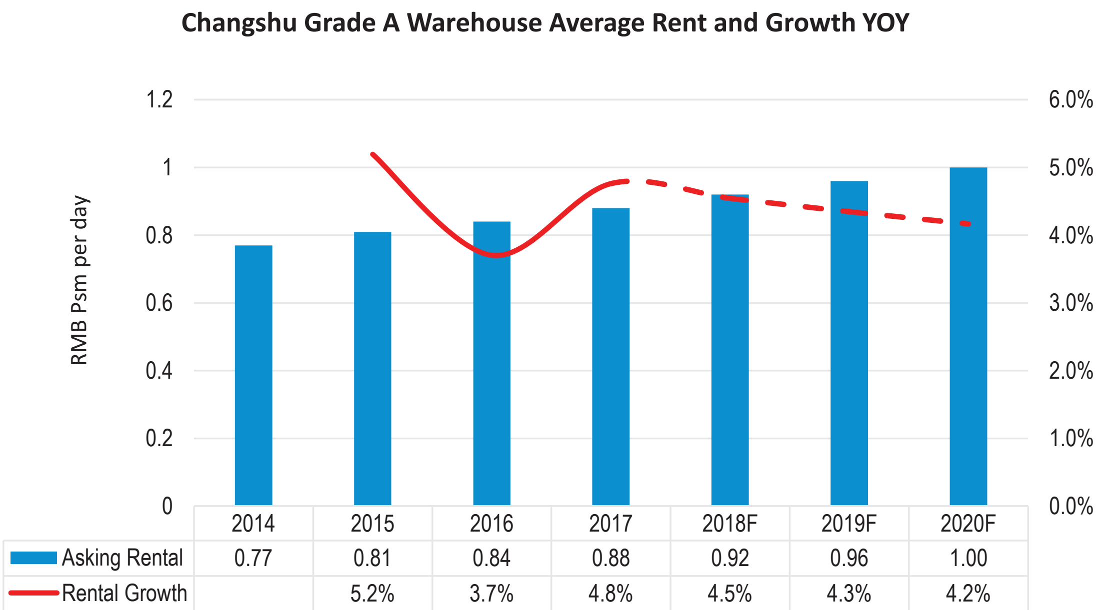
As can be seen from the chart above, 67% of the number of Grade A warehouse tenants in Changshu were 3PL companies in 2017. For example, Sumitomo who serves for Dunlop took up the whole logistics park of GLP Meili in 2017.

3.2.6 Investors & Investment Trends

In Changshu, investors not only seek for BTS opportunity but also engage in speculative opportunities as well. BTS is investors' first choice, but with the growing spillover demand from Shanghai and the increasing difficulty of obtaining land, investors would consider obtaining logistics land in Changshu as long as they are given the opportunity to do so.

3.2.7 Rents, Yields & Values

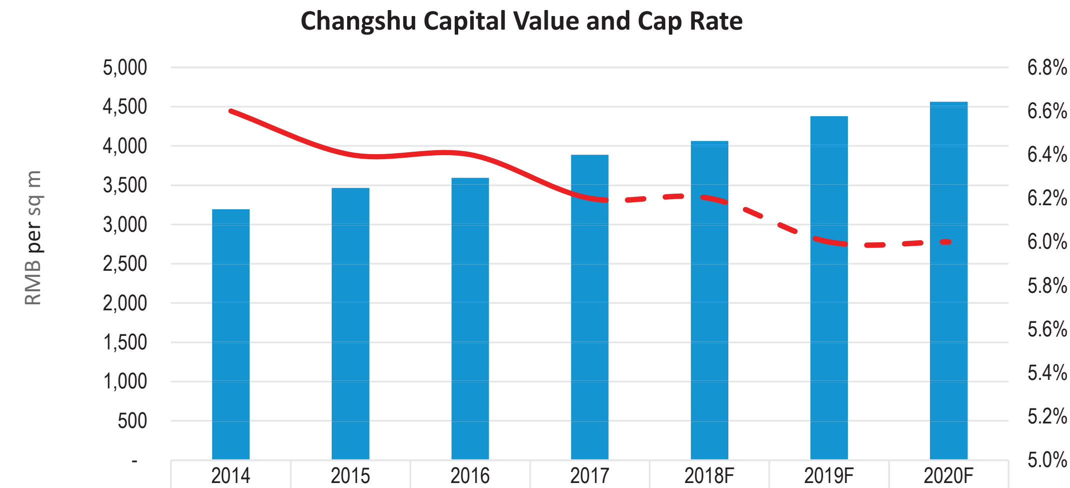
Figure 40 Changshu Grade A Warehouse Average Rent and Growth YOY



Source: Colliers International

The average rental in Changshu increased by 4.8% YOY to approximately RMB 0.88 per sq m per day as of end-2017. Rent is expected to continue growing over the coming three years due to growing demand and the lack of new supply. Rental growth rate in Changshu is projected to be around 4-5% in the next three years.

Figure 41 Changshu Capital Value and Cap Rate



	2014	2015	2016	2017	2018F	2019F	2020F
Capital Value	3,194	3,465	3,593	3,885	4,062	4,380	4,563
Cap Rate	6.6%	6.4%	6.4%	6.2%	6.2%	6.0%	6.0%

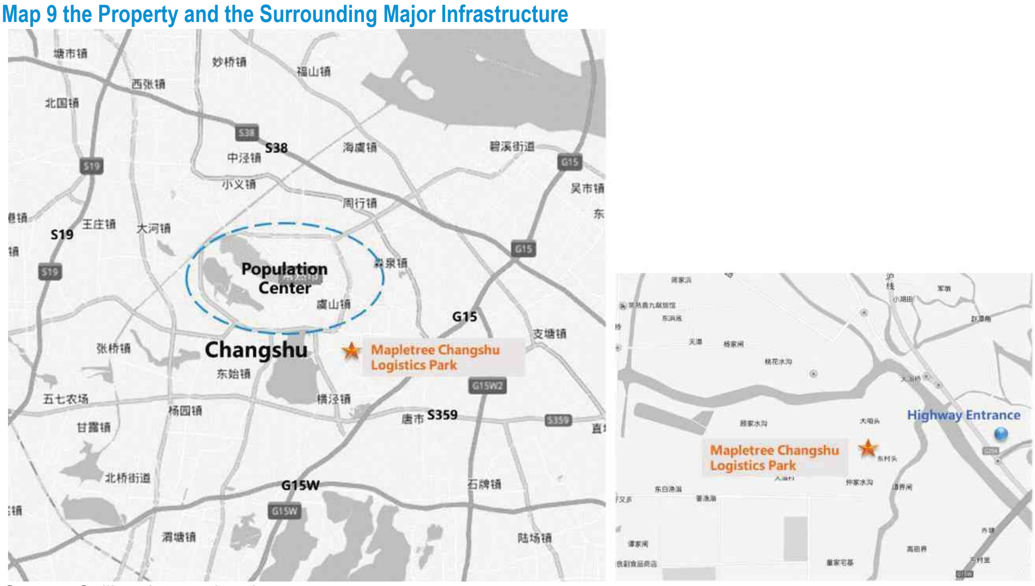
Source: Colliers International

So far, there has been no precedent Grade A warehouse transaction in the Changshu market. Cap rate in Changshu was estimated to be 6.2% as of end 2017, while capital value was estimated to be about RMB 3,885 per sq m as of end-2017. These estimates are based on precedent transactions from comparable cities and quotations of projects for sale. Cap rate and capital value in Changshu is expected to be 6.0% and RMB 4,563 per sq m in 2020. This projection is based off a linear prediction – an influx of more investors into the sector results in logistics properties having better liquidity, and better liquidity leads to a rise in quoted price as well as a decline in cap rate.

3.2.8 Mapletree Changshu Logistics Park

Mapletree Changshu Logistics Park is located at No. 37 Dongnan Avenue, the Southeast Economic Development Zone, and was completed in 2017. The total area site is 100,672 sq m, and the GFA is 62,215 sq m. Mapletree Changshu Logistics Park project was designed as a Grade A single-storey warehouse with 9 metres of ceiling height and 3 tons of loading capacity.

Map 9 the Property and the Surrounding Major Infrastructure



Source: Colliers International

Table 4 Travel Timetable from Mapletree Changshu Logistics Park

Destination (major infrastructure)	Estimated driving time
Nearest Highway Entrance	10 minutes

Source: Colliers International

Mapletree Changshu Logistics Park is located at Changshu Southeast Development Zone. It is convenient for the tenants of Mapletree Changshu Logistics Park to access the major transportation facilities, with the nearest highway entrance G15W/G204 (intersection), only 10 minutes away from Mapletree Changshu Logistics Park. The proximity to the road network makes it convenient for Mapletree Changshu Logistics Park's tenants to connect with the other cities.

The competitive advantage of Mapletree Changshu Logistics Park lies in its superior location. Compared to Zhangjiagang, Changshu has a transportation regional advantage with better connectivity to the expressways which are the most efficient transportation pathways in Changshu and Zhangjiagang. The main competitors Mapletree Changshu Logistics Park face are GLP and Zenith at present, considering the close proximity and similar warehouse standard such as ceiling height and loading capacity. However, despite the nearby competition, Mapletree Changshu Logistics Park was and remains fully leased, and is expected to be rather unaffected by these competitive threats.

Figure 42 SWOT analysis of Mapletree Changshu Logistics Park

S Strengths	• Good location - suitable for road transportation and close to downtown Changshu • Has one of the highest building specification (Grade A) in Changshu
W Weaknesses	• Absence of a railway station or airport in Changshu • Several competitors nearby
O Opportunities	• Future infrastructure planning of high-tech Park (transportation, policy and information platform supported by government) • No new supply in the near future
T Threats	• Investors are still interested in developing the logistics market in Changshu, potentially leading to new supply in the future

Source: Colliers International

Mapletree Changshu Logistics Park's Performance Outlook

Considering above-mentioned factors, Mapletree Changshu Logistics Park is competitive in the Changshu logistics market due to high building specification, and good geographical location for road transportation. As there is almost no logistics capacity left available in cities between Changshu and Shanghai, Mapletree Changshu Logistics Park will continue to absorb spill-over demand from Shanghai and enjoy high occupancy rates in the future.

3.3 ZHENJIANG LOGISTICS MARKET STUDY

3.3.1 Economic Overview

Map 10 Location of Zhenjiang

Source: Colliers International

Zhenjiang is located on the south bank of the Yangtze River, south of Jiangsu Province, and is an important urban city in the economic circle of the Yangtze River Delta ("Shanghai Economic Circle") in East China. It is 230 kilometres east of Shanghai, 80 kilometres west of Nanjing, 80 km from Nanjing Lukou International Airport and 50 km from Changzhou Benniu Airport. Zhenjiang is also a core city in the Nanjing metropolitan area. It is a famous port, commercial trade transit and re-export city at the confluence of the Yangtze River and the Beijing-Zhenjiang Grand Canal.

In 2017, the regional GDP grew 6.9% YOY and reached 410 billion yuan. The public budgetary revenue was 30.3 billion yuan, an increase of 9% YOY. Fixed assets investment was 250 billion yuan in 2017, an increase of 18% YOY. The total consumer retail sales was 111 billion yuan, with an increase of 11% YOY. Per capita disposable income of urban and rural residents reached 39,000 yuan and 19,000 yuan respectively, with an increase of 8.5% and 9.5% YOY.

Zhenjiang has 3 leading industries including machinery, chemicals, and papermaking and 5 major industries including electronic information, new materials, transportation equipment, foods, and electricity. Zhenjiang has important industrial bases for advanced manufacturing in the Yangtze River Delta, including ten major industrial clusters such as ships and marine equipment, engineering electrical appliances, hardware tools, glasses, and balsamic vinegar.

Table 5 Table of Macroeconomic Indicators

Units in RMB billion unless otherwise stated	2011	2012	2013	2014	2015	2016	2017
GDP	231	263	292	325	350	383	410
GDP Growth Rate YOY (%)	12.0	13.0	12.1	10.9	9.6	9.3	6.9
GDP by Tertiary Industry	93.5	109.3	124.8	146.8	164.3	182.6	-
GDP by Secondary Industry	127.4	141.9	154.9	166.3	172.7	187.6	-
GDP by Primary Industry	10.0	11.6	12.9	12.2	13.3	13.8	-
Fixed Asset Investment	122.3	150.7	175.3	214.2	254.1	287.3	-
FAI Growth Rate YOY (%)	22.0	22.0	22.1	22.2	18.6	15.1	-
Real Estate Investment	13.80	20.55	29.63	31.91	35.6	44.86	-
REI Growth Rate YOY (%)	20.1	45.0	45.7	7.7	11.5	26.1	-
FDI (USD in billion)	1.80	2.21	3.10	1.29	1.30	1.35	-
FDI Growth Rate YOY (%)	12.0	22.5	43.1	-57.9	0.8	3.5	-
CPI (%)	5.0	2.4	2.1	2.0	1.5	2.2	-
Permanent Population (million)		3.16	3.17	3.17	3.18	3.18	-
Permanent Population Growth Rate YOY (%)	-	-	0.3	0.2	0.2	0.2	-
Urban Disposable Income Per Capital (RMB)	26,637	30,045	32,977	35,752	38,666	41,794	-
Urban Disposable Income Growth Rate YOY (%)	-	12.8	9.8	8.4	8.2	8.1	-
Consumption Expenditure Per Capita (RMB)	15,513	17,897	19,795	21,310	22,859	24,388	-
Consumption Expenditure Per Capita Growth Rate YOY (%)	-	15.4	10.6	7.7	7.3	6.7	-

Source: Zhenjiang Statistics Bureau, Colliers International

3.3.2 Government Planning and Policies

According to the 13th Five-Year Plan (2016-2020), the government targets the average annual GDP growth of Zhenjiang to reach approximately 8.5% throughout the projection period. By 2020, GDP is thus projected to reach 530 billion yuan, and the average per capita GDP is projected to reach 160,000 yuan.

The plan also indicates that Zhenjiang should speed up its industrial transformation. By 2020, the service industry is targeted to account for more than 50% of the regional GDP, while the output value of the high-tech industry is to account for more than 50% of the industrial output value. In addition, the development level of modern agriculture is targeted to reach 91%. The government intends to make Zhenjiang a comprehensive transportation hub and regional logistics centre, making every effort to build waterways, railways, highways, and transhipment hubs to speed up the promotion of factor agglomeration capabilities and strengthen the leading industries with modern logistics characteristics.

3.3.3 Infrastructure Developments

Map 11 Map of Zhenjiang Infrastructure

Source: Colliers International

Zhenjiang is conveniently located in the Yangtze River Delta transport corridor, at the crossroads of the Grand Canal and the Yangtze, and between the Shanghai and Nanjing economic regions. The Port of Zhenjiang is the third largest port on the Yangtze. The city has two Yangtze River crossings - The Runyang Yangtze River Bridge complex, which has one of the longest suspension bridge spans in the world, connecting to Yangzhou and The Taizhou Yangtze River Bridge, one of the longest cable-stayed bridges in the world, connecting Yongzhong with Taizhou.

Rail

Zhenjiang has been connected by rail since the completion of the Nanjing-Shanghai Railway in 1906. The railway was further extended to Beijing in 1960 after the completion of the Nanjing Yangtze River Bridge, connecting Zhenjiang to China's political and commercial hubs. The primary railway station in Zhenjiang was Zhenjiang West Railway Station, which was demolished in 2004 due to the congestion it caused in the city centre. After it was demolished, Zhenjiang Railway Station served as the city's principal railway station instead. Since April 2010, Zhenjiang has been connected also by the Shanghai-Nanjing Intercity Rail - the first high-speed rail with a design speed of over 300 km/h (186 mph). In 2011, the Beijing–Shanghai High-Speed Railway was completed with trains stopping at Zhenjiang South Railway Station. These two high-speed lines have reduced travel time between Zhenjiang and Shanghai to under an hour, and travel time from Zhenjiang to Beijing to under five hours. Rail service to Shanghai is frequent - averaging one train in less than half an hour.

Air

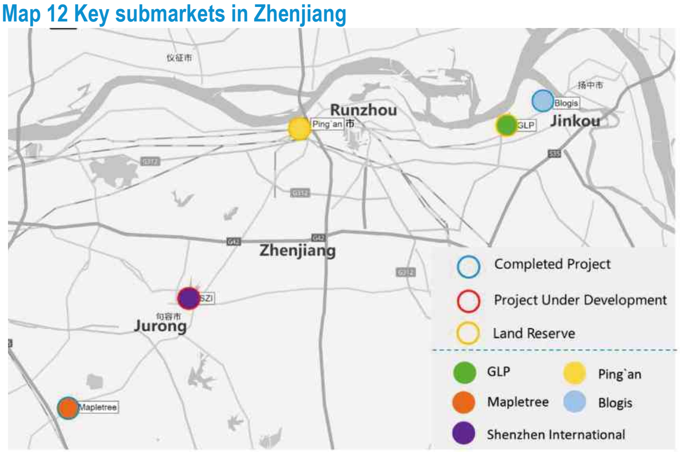
Zhenjiang does not have a commercial airport within its city limits, although there is a military airfield, Zhenjiang Dalu Airport, which may be opened for regional flights in the future. Zhenjiang city centre is 62 km away from Zhenjiang Benniu Airport, about one-hour drive (80 km) away from Nanjing Lukou International Airport via Nanjing Provincial Highway 243, and approximately two-hour (143 km) drive away from Sunan Shuofang International Airport. Check-in facilities are available for Lukou Airport in the New Zhenjiang Bus Station.

Roadways

Zhenjiang is on the route of Beijing-Shanghai Expressway, and China National Highway 312.

3.3.4 Key Sub-markets

Map 12 Key submarkets in Zhenjiang



Source: Colliers International

There are currently three submarkets in Zhenjiang, which are Jingkou and Jurong, and a potential future submarket - Runzhou. The key players in Zhenjiang are GLP, Ping'an, Mapletree, Blogis and Shenzhen International, and their comparative locations are presented in the map above.

Jingkou

Jingkou is located in east part of Zhenjiang. It is the first submarket that witnessed Grade A warehouse - Blogis Zhenjiang Logistics Park, which was also the only completed project in Zhenjiang as of end of 2017. Jingkou mainly serves downtown distribution to Zhenjiang.

Jurong

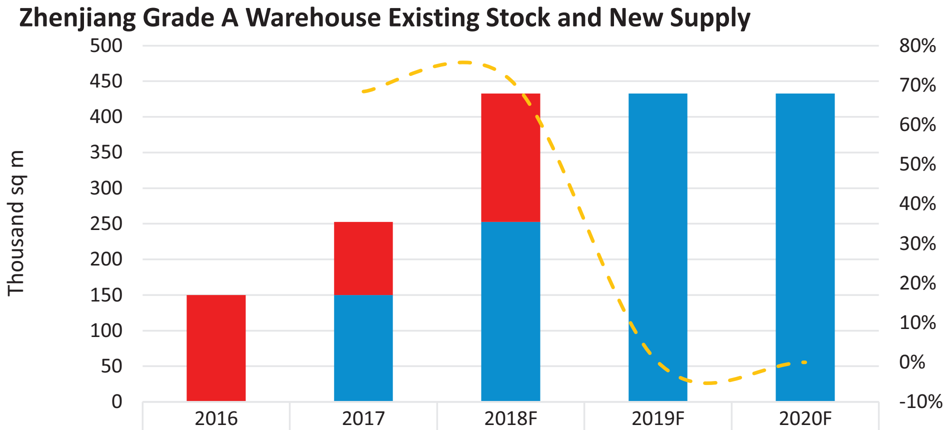
Jurong is located in the southwest part of Zhenjiang and is an emerging logistics market. There is currently no completed Grade A warehouse project to date, however, there is a supply pipeline of two new Grade A warehouses by Mapletree and Shenzhen International that are currently under construction and will be completed in 2018.

Runzhou

Runzhou is located near downtown Zhenjiang and is a future submarket. There is currently no completed Grade A warehouse projects to date, however Ping'an is contemplating developing a Grade A warehouse near downtown in High-tech.

3.3.5 Supply & Demand

Figure 43 Zhenjiang Grade A Warehouse Existing Stock and New Supply

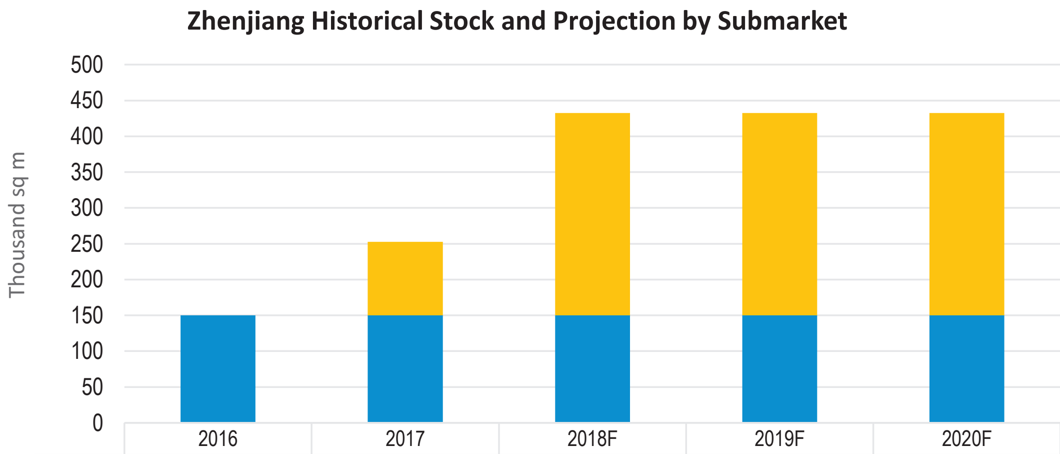


	2016	2017	2018F	2019F	2020F
New Supply	150	103	180	0	0
Existing Stock		150	253	433	433
Total Stock Change YOY		68%	71%	0%	0%

Source: Colliers International

By the end of 2017, Zhenjiang had approximately 150,000 sq m of Grade A warehouse stock in the leasing market. 283,000 sq m of new supply in the market is expected 2018, pushing the total stock up to over 400,000 sq m.

Figure 44 Zhenjiang Historical Stock and Projection by Submarket

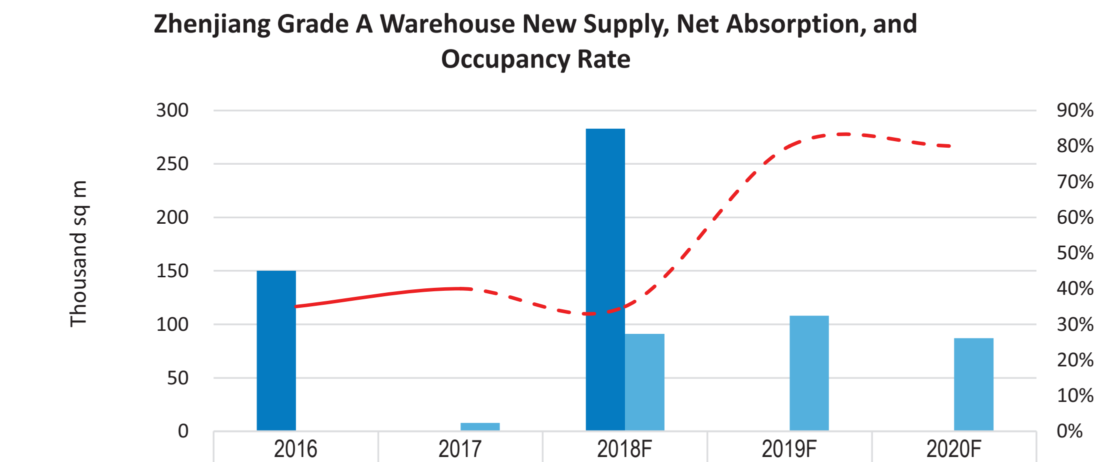


	2016	2017	2018F	2019F	2020F
Jurong	0	103	283	283	283
Jingkou	150	150	150	150	150

Source: Colliers International

There are two main submarkets in Zhenjiang – Jingkou and Jurong. Jingkou was the first submarket to have a Grade A warehouse property in Zhenjiang and this is reflected in the graph above, showing Blogis's project. Mapletree then developed a project located at Jurong in 2017 and supply in 2018 is expected to stem from Jurong through SZI's and Mapletree's Jurong project. Meanwhile, Ping'an and GLP has recently signed an investment agreement with Zhenjiang's government in Runzhou and Jingkou respectively, which may potentially contribute to future supply.

Figure 45 Zhenjiang Grade A Warehouse New Supply, Net Absorption, and Occupancy Rate

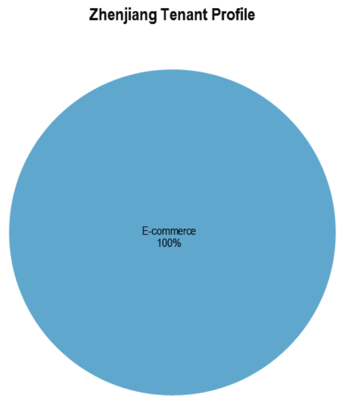


	2016	2017	2018F	2019F	2020F
New Supply	150	0	283	0	0
Net Absorption		8	91	108	87
Occupancy Rate	35%	40%	35%	80%	80%

Source: Colliers International

Historical demand for Grade A warehouse space in Zhenjiang has not been strong, with occupancy rates only at 40% in end-2017. The lacklustre demand could be perhaps partly attributable to Zhenjiang being a relatively emerging logistics market, as compared to other logistics cities in the Yangtze River Delta, and also the possibility that tenants have yet to be receptive towards Grade A warehouses which were first introduced at the end of 2016. Occupancy rate is thus expected to increase gradually as more tenants accept Grade A warehouses, not to mention the anticipated future spillover demand from neighbouring large cities like Nanjing.

Figure 46 Zhenjiang Tenant Profile



Source: Colliers International

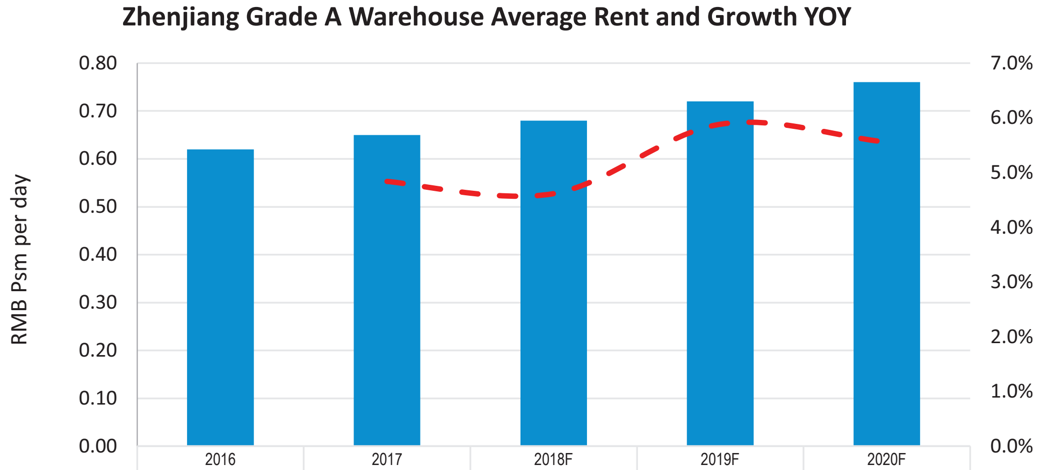
There are only two Grade A warehouse from Blogis and Mapletree in Zhenjiang, and almost all the tenants are E-commerce.

3.3.6 Investors & Investment Trends

BTS is investors' first choice although investors also engage in risky speculative building. As an emerging market, the demand of BTS will keep growing, and investors will obtain logistics land in Zhenjiang as long as they are given the opportunity to do so.

3.3.7 Rents, Yields & Values

Figure 47 Zhenjiang Grade A Warehouse Average Rent and Growth YOY

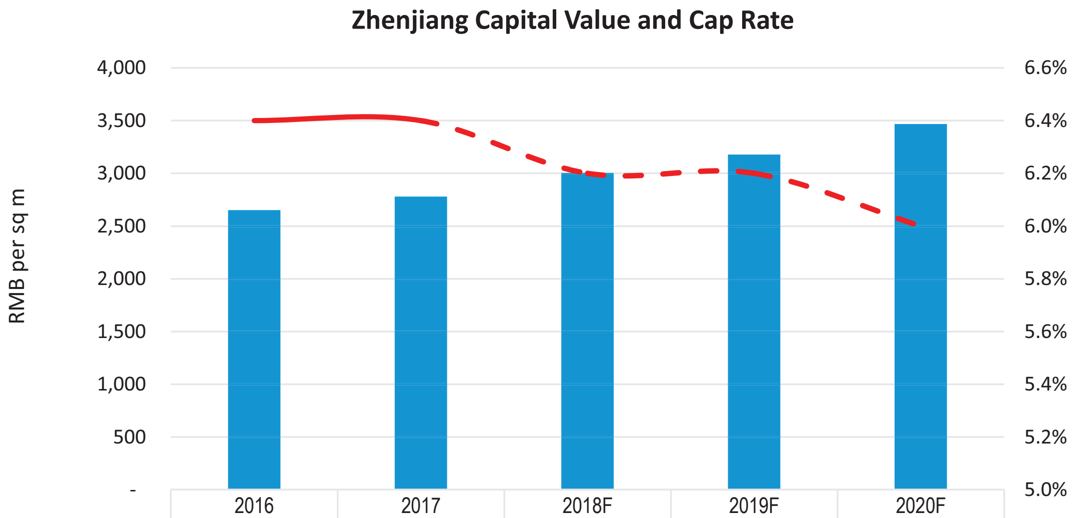


	2016	2017	2018F	2019F	2020F
Asking Rental	0.62	0.65	0.68	0.72	0.76
Rental Growth		4.8%	4.6%	5.9%	5.6%

Source: Colliers International

The average rental in Zhenjiang was approximately RMB 0.65 per sq m per day as of end-2017. Given the small starting base, limited new supply and strong demand, average rental is expected to increase around 4-6% YOY to 2020.

Figure 48 Zhenjiang Capital Value and Cap Rate



	2016	2017	2018F	2019F	2020F
Capital Value	2,652	2,780	3,002	3,179	3,468
Cap Rate	6.4%	6.4%	6.2%	6.2%	6.0%

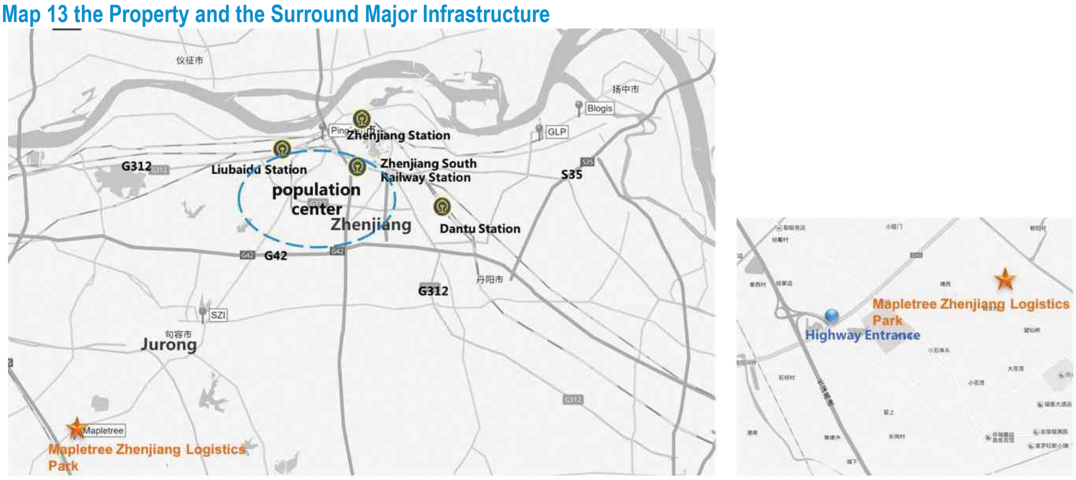
Source: Colliers International

So far, there has been no precedent Grade A warehouse transaction in the Zhenjiang market. Cap rate in Zhenjiang was estimated to be 6.4% as of end of 2017, with capital value estimated to be about RMB 2,780 per sq m at end-2017. These estimations are based precedent transactions from similar cities and quotations of projects for sale. Cap rate and capital value in Zhenjiang is expected to be 6.0% and RMB 3,468 per sq m in 2020 respectively, and are calculated through linear prediction - as more investors enter the sector, logistics properties will have better liquidity, and better liquidity will lead to a rise in quoted price as well as a decline in cap rate.

3.3.8 Mapletree Zhenjiang Logistics Park

Mapletree Zhenjiang Logistics Park is located in Jurong, east of Huamao Road and the west of Hengda Road, and is currently under construction. The total GFA is 102,610 sq m, and the project was designed as a Grade A single-storey warehouse with 9 metres of ceiling height and 3 tons of loading capacity.

Map 13 the Property and the Surround Major Infrastructure



Source: Colliers International

Table 6 Travel Timetable from Mapletree Zhenjiang Logistics Park

Destination (major infrastructure)	Estimated driving time
Zhenjiang South Railway Station	65 minutes
Dantu Railway Station	65 minutes
Zhenjiang Railway Station	70 minutes
Liubaidu Railway Station	60 minutes
Nearest Highway Entrance	5 minutes
Nanjing Lukou International Airport in Nanjing	20 minutes

Source: Colliers International

As we can see from the map above, Mapletree Zhenjiang Logistics Park is located in Jurong, southwest of Zhenjiang. There are four major railway stations around the Mapletree Zhenjiang Logistics Park, which can be accessed within slightly more than an hour, allowing tenants to transport their goods to the other cities. The nearest highway entrance is only 5 minutes away. Moreover, Mapletree Zhenjian Logistics Park is very near to the Nanjing Lukou Airport (20 minutes away), giving it an edge over its competitors.

Mapletree Zhenjiang Logistics Park's competitive advantage stems from its close proximity to Nanjing Lukou Airport, as there is currently no airport present in Zhenjiang. Logistics properties in Jurong thus have a transportation regional advantage due possibility of air freight, resulting in dramatically different occupancy rates between developers in Jurong and Jingkou. Furthermore the district is projected to build an intercity railway in Jurong district connecting Nanjing and Junrong. The development of the railway network between Zhenjiang and Dantu and the expansion of the 243 provincial road from Zhenjiang to Jurong are also in the pipeline. Shenzhen International, who is Mapletree's main competitor, is located in the northeast of Mapletree Zhenjiang Logistics Park and further away from airport. Tenants of Mapletree Zhenjiang Logistics Park thus will find it more convenient to transport goods to the airport as compared to the tenants of Shenzhen International. As of end of 2017, Mapletree Zhenjian Logistics Park project was completely preleased indicating stellar performance even before completion.

Figure 49 SWOT analysis of Mapletree Zhenjiang Logistics Park

S Strengths	• Good transportation location - suitable for road, air, and railway transportation • No airport in Zhenjiang and subject property is well connected to Nanjing Lukou Airport • One of the projects with the highest building specification (Grade A) in Zhenjiang
W Weaknesses	• Relatively far away from downtown Zhenjiang
O Opportunities	• Future infrastructure planning of Jurong (transportation, policy and information platform) • Supportive government policies bolstering the logistics industry • Not much new supply in Zhenjiang the future • Spill-over demand from Nanjing
T Threats	• Competition pressure from the adjacent Nanjing logistics market

Source: Colliers International

Mapletree Zhenjiang Logistics Park's Performance Outlook

Mapletree Zhenjiang Logistics Park has performed well with 100% preleasing before completion, and should expect such occupancy rates to persist in the future.

3.4 NANTONG LOGISTICS MARKET STUDY

3.4.1 Economic Overview

Map 14 Location of Nantong

Source: Colliers International

Nantong is a prefecture-level city in Jiangsu province, in East China, located on the northern bank of the Yangtze River, near the river mouth. Nantong is a vital river port bordering Yancheng to the north, Taizhou to the west, Suzhou and Shanghai to the south (across the river), and the East China Sea to the east.

In 2017, Nantong's GDP amounted to 775 billion yuan, ranking the 42st in the whole country.

The port industry of Nantong has always been and continues to be the main pillar industry in Nantong. The textile and processing industries are also important sources of GDP, with the shipbuilding industry developing rapidly in recent years.

Table 7 Table of Macroeconomic Indicator

Units in RMB billion unless otherwise stated	2011	2012	2013	2014	2015	2016	2017
GDP	408	455	503	565	614	676	775
GDP Growth Rate YOY (%)	12.0	12.0	11.8	10.5	9.6	9.3	14.5
GDP by Tertiary Industry	157	182	207	241	282	323	-
GDP by Secondary Industry	22	241	262	287	298	317	-
GDP by Primary Industry	28	31	35	37	36	37	-
Fixed Asset Investment	238	289	330	390	438	481	-
FAI Growth Rate YOY (%)	22.0	21.0	20.8	18.1	12.3	10.0	-
Real Estate Investment	38	48	60	68	69	58	-
REI Growth Rate YOY (%)	39.3	27.0	23.8	13.8	1.8	-15.5	-
FDI (USD in billion)	2.2	2.2	2.3	2.3	2.3	2.4	-
FDI Growth Rate YOY (%)	5.1	1.8	10.4	0.9	0.5	3.1	-
CPI (%)	5.0	2.5	2.2	2.1	1.8	2.3	-
Permanent Population (million)	7.3	7.3	7.3	7.3	7.3	7.3	-
Permanent Population Growth Rate YOY (%)	-	-	0.0	0.0	0.0	0.0	-
Urban Disposable Income Per Capital (RMB)	25,094	28,292	31,059	33,374	36,291	39,247	-
Urban Disposable Income Growth Rate YOY (%)	-	12.7	9.8	7.5	8.7	8.1	-
Consumption Expenditure Per Capita (RMB)	16,666	17,858	20,978	22,035	23,680	25,217	-
Consumption Expenditure Per Capita Growth Rate YOY (%)	-	7.2	17.5	5.0	7.5	6.5	-

Source: Nantong Statistics Bureau, Colliers International

3.4.2 Government Planning and Policies

According to the 13th Five-Year Plan (2016-2020), the government targeted a minimum total fixed assets investment of 70 billion yuan during the projected period. By 2020, the total state-owned assets is targeted to increase by more than 50%, exceeding RMB 600 billion.

The government aims to concentrate on the development of modern service industry, which involves promoting the construction of the modern logistics centre in the north wing of the Yangtze River Delta, accelerating the improvement of the conditions for logistics collection and distribution, and optimizing the distribution of logistics development. Moreover, the government has expressed the necessity of introducing and cultivating leading logistics companies, and will support the development of provincial-level logistics parks and state-level logistics enterprises so as to promote the growth of the logistics industry.

3.4.3 Infrastructure Developments

Map 15 Major Infrastructure in Nantong

Source: Colliers International

Air

Nantong Xingdong Airport, which serves Nantong and its neighbouring areas, is located in the town of Xingdong in Tongzhou District which is 9.8 kilometres northeast of city centre and 120 kilometres from Shanghai. The construction of terminal 2 was completed in 2014, marking an important step towards accommodating international flights.

Road

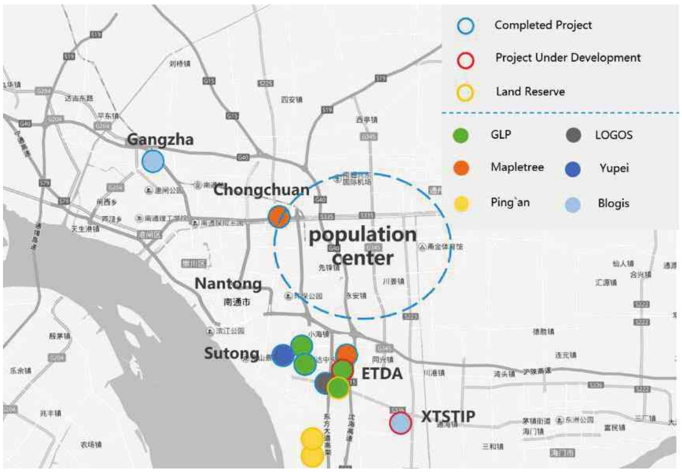
Nantong has two bridges across the Yangtze to the south. The Chongming–Qidong Yangtze River Bridge, completed in 2011, carries the G40 Shanghai–Xi'an Expressway from Qidong to Chongming Island. The Sutong Yangtze River Bridge, which carries the G15 Shenyang–Haikou Expressway from Nantong to Changshu, was completed in 2008 and is one of the longest cable-stayed bridges in the world.

Rail

The Nanjing-Qidong (Ningqi) and Xinyi-Changxing (Xinchang) Railways intersect at Hai'an in the northwestern part of Nantong Prefecture. Plans also exist for a cross-river connection from Nantong to the Shanghai metropolitan area (the Shanghai–Nantong Railway), which will connect to the Nanjing–Qidong Railway at Pingdong Station on the northwestern outskirts of Nantong's urban core. Construction work has started in 2013 and is expected to finish in 2019.

3.4.4 Key Sub-markets

Map 16 Key Sub-markets in Nantong

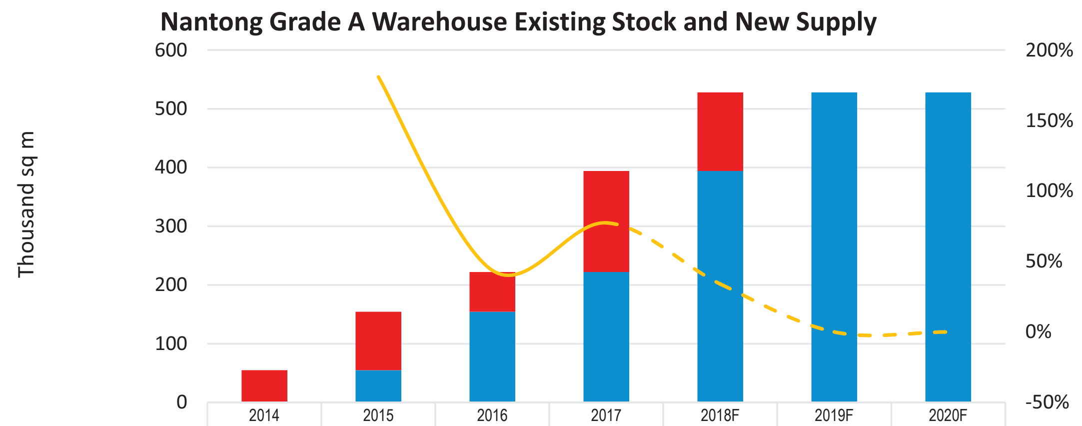


Source: Colliers International

There are currently five submarkets in Nantong, which are Sutong, Chongchuan, ETDA, Gangzha, and XTSTIP, among which Sutong is the best logistics location with geographical advantage, highest rental, as well as occupancy rate in Nantong market. However due to the spillover demand from Shanghai, almost all the submarkets in Nantong were almost fully leased in the second half of 2017. The key players in Nantong are GLP, LOGOS, Mapletree, Yupei, Ping’an, and Blogis, and their comparative locations are presented in the map above.

3.4.5 Supply & Demand

Figure 50 Nantong Grade A Warehouse Existing Stock and New Supply

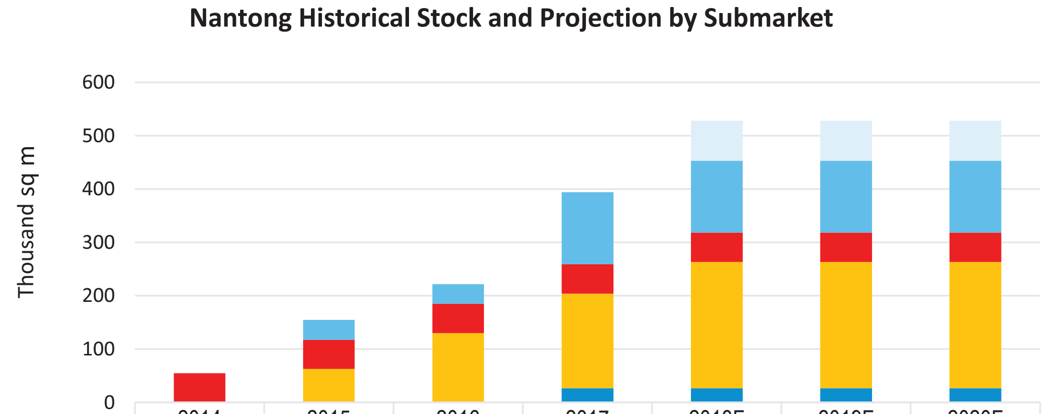


	2014	2015	2016	2017	2018F	2019F	2020F
New Supply	55	100	68	172	134	0	0
Existing Stock		55	155	222	394	528	528
Total Stock Change YOY		181%	44%	77%	34%	0%	0%

Source: Colliers International

By the end of 2017, Nantong had approximately 394,000 sq m of Grade A warehouse stock in the leasing market, a 77% increase over 2016. It is estimated to see 134,000 sq m new supply in the market in 2018, pushing the total stock up to more than 528,000 sq m.

Figure 51 Nantong Historical Stock and Projection by Submarket

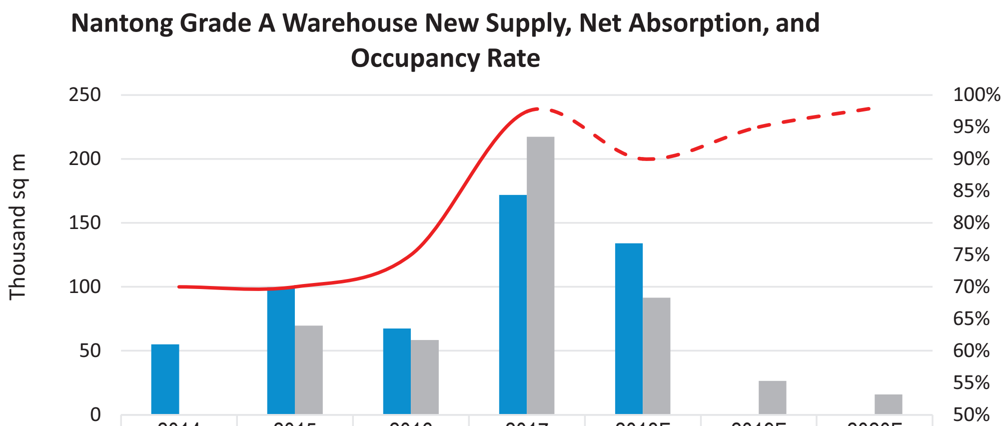


	2014	2015	2016	2017	2018F	2019F	2020F
XTSTIP	0	0	0	0	75	75	75
Sutong	0	37	37	135	135	135	135
Gangzha	55	55	55	55	55	55	55
ETDA	0	63	130	177	236	236	236
Chongchuan	0	0	0	27	27	27	27

Source: Colliers International

There are five main submarkets in Nantong – Sutong, Chongchuan, ETDA, Gangzha, and XTSTIP. As can be seen from the chart, Gangzha was the first submarket which had Grade A warehouse properties (built by Blogis) in Nantong. Sutong and ETDA both saw their first Grade A warehouse in 2015. Future new supply is expected to be seen in ETDA and XTSTIP in 2018 from developers such as Blogis, GLP, and Ping'an.

Figure 52 Nantong Grade A Warehouse New Supply, Net Absorption, and Occupancy Rate

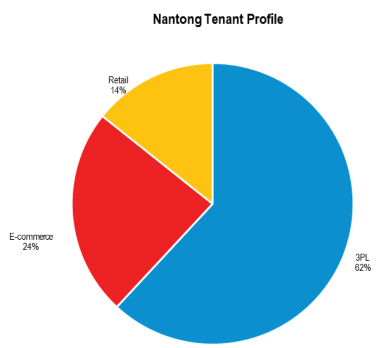


	2014	2015	2016	2017	2018F	2019F	2020F
New Supply	55	100	68	172	134	0	0
Net Absorption		70	58	217	91	26	16
Occupancy Rate	70%	70%	75%	97%	90%	95%	98%

Source: Colliers International

Grade A warehouse properties first entered the market in 2014.Before 2016, average occupancy rate in Nantong was below 80% due to muted demand. However, by end-2017, occupancy rate in Nantong spiked to 97%, reflecting strong spillover demand for large space rentals from Shanghai, Kunshan and Taicang. The majority of the spilllover demand originated from e-commerce companies who mainly distribute to the Shanghai market. It is expected that occupancy rate will decline in the short term to absorb new supply, falling to 90% but rebound to 98% by 2020.

Figure 53 Nantong Tenant Profile



Source: Colliers International Shanghai Industrial, 2017

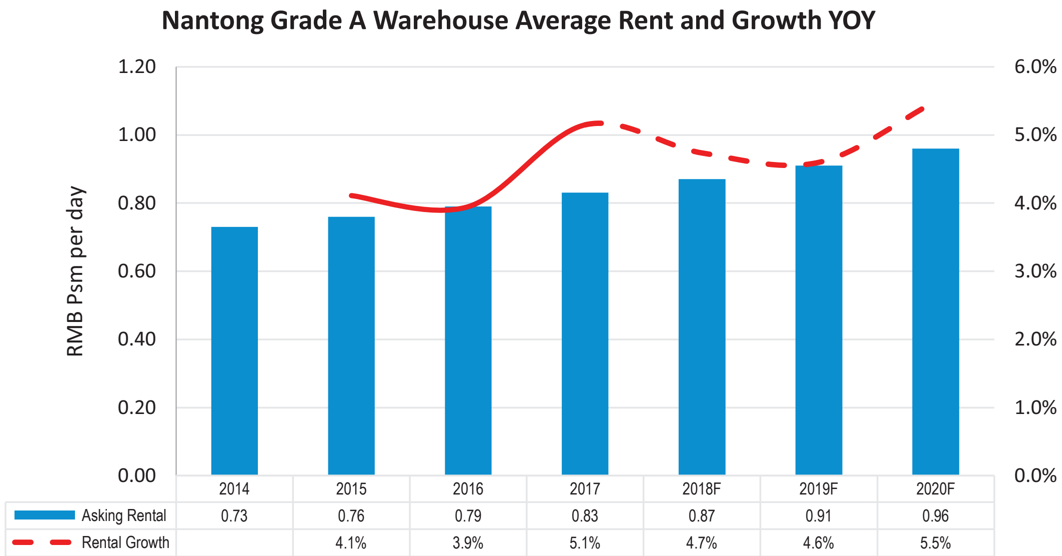
Currently, 3PL companies are the primary source of demand in Nantong in terms of the number of tenants. However, the number of e-commerce tenants is growing, as e-commerce companies seek distribution means for Shanghai or even the whole of the Yangtze River Delta. For example, YCLOSET (an e-commerce company women's retailer) took up more than 40,000 sq m in LOGOS project in 2017.

3.4.6 Investors & Investment Trends

Investors who engaged in speculative building was disappointed by the market in previous years. However, currently with the strong spillover effect from Shanghai, it is expected that more investors will engage in speculative building.

3.4.7 Rents, Yields & Values

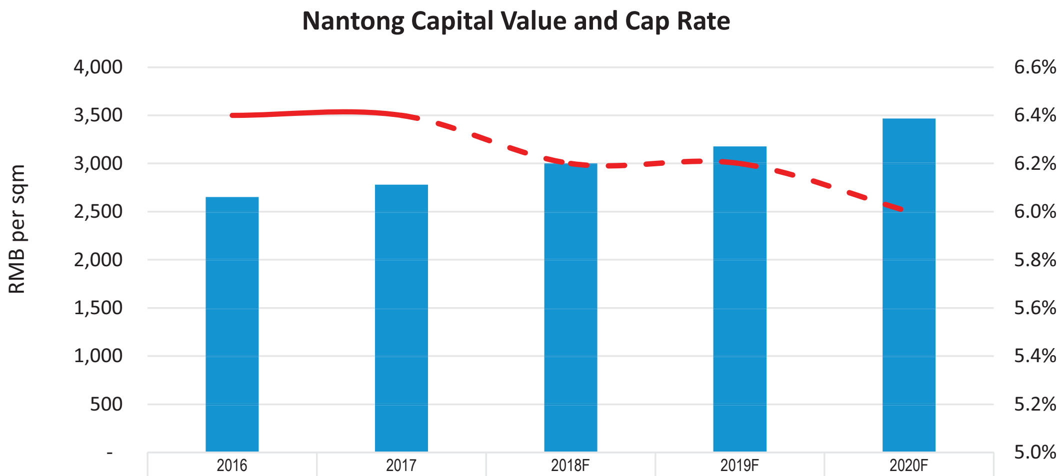
Figure 54 Nantong Grade A Warehouse Average Rent and Growth YOY



Source: Colliers International

Rental growth remained stable in the Nantong market in previous years. The average rental in Nantong increased by 5.1% YOY to approximately RMB 0.83 per sq m per day as of end-2017. JD and Deppon Logistics signed lease contracts with GLP's ETDA project in Nantong costing RMB 0.80 per sq m per day in mid-2017. Rent is expected to continue growing at an average growth rate of 5% over the coming three years due to growing demand.

Figure 55 Nantong Capital Value and Cap Rate



	2016	2017	2018F	2019F	2020F
Capital Value	2,652	2,780	3,002	3,179	3,468
Cap Rate	6.4%	6.4%	6.2%	6.2%	6.0%

Source: Colliers International

So far, there has been no precedent Grade A warehouse transaction in the Nantong market. Cap rate in Nantong was estimated to be 6.4% as of end of 2017, through taking precedence from similar cities, while capital value was estimated to be about RMB 2,780 per sq m as of end-2017. Cap rate and capital value in Nantong is expected to be 6.0% and RMB 3,468 per sq m in 2020.

3.4.8 Mapletree Nantong Chongchuan Logistics Park

Mapletree Nantong Chongchuan Logistics Park is located at Nantong Chongchuan Development zone, and was completed in March 2017 with a total site area of 135,735 sq m, and the GFA of 75,545 sq m. Mapletree Nantong Chongchuan Logistics Park was designed as a Grade A warehouse including 4 single-storey warehouses with 9 metres of ceiling height and 3 tons of loading capacity.

Map 17 the Property and the Surrounding Major Infrastructure

Source: Colliers International

Table 8 Travel Timetable from Mapletree Nantong Chongchuan Logistics Park

Destination (major infrastructure)	Estimated driving time
Nantong Xingdong International Airport	25 minutes
Nantong Railway Station	30 minutes
Nearest Highway Entrance	10 minutes

Source: Colliers International

Mapletree Nantong Chongchuan Logistics Park is located in Nantong Chongchuan Development Zone. It is convenient for the tenants of Mapletree Nantong Chongchuan to access the major transportation facilities such as Nantong Xingdong International airport (25 minutes away); Nantong station (30 minutes away); nearest highway entrance (10 minutes). The close proximity to these three major transportation facilities enable tenants of Mapletree Nantong Chongchuan to connect with the other cities easily.

Mapletree Nantong Chongchuan Logistics Park is located in Chongchuan District, while the other competitors' warehouses are mostly located at ETDA and Sutong. Compared to Sutong and ETDA, Chongchuan District has a regional transportation advantage with closer proximity to the railway and the airport. Mapletree Nantong Chongchuan Logistics Park is the nearest logistics property to the only airport, Nantong Xingdong Airport. This is in comparison to tenants of Blogis, Ping'an, GLP and LOGOS, which are all located at the south of Mapletree's Chongchuan Logistics Park and more than 40 minutes away from the airport and more than one hour away from Nantong Station.

Figure 56 SWOT analysis of Mapletree Nantong Chongchuan Logistics Park

S Strengths	• Good transportation location - convenient access to air, and railway transportation facilities • One of the projects with the highest building specification (Grade A) in Nantong
W Weaknesses	• Not the closest market to Shanghai to enjoy spill-over demand
O Opportunities	• Supportive policies encouraging the logistics industry • Increasing spill-over logistics demand from Shanghai despite not having the closest location to Shanghai
T Threats	• Competition from future new supply in locations closer to Shanghai

Source: Colliers International

Mapletree Nantong Chongchuan Logistics Park' Performance Outlook

Considering above-mentioned factors, Mapletree Nantong Chongchuan Logistics Park is competitive in the Nantong logistics market mainly due to its convenient transportation location. Supportive governmental policy that encourages future infrastructure planning in Chongchuan also provides potential upside to the property demand. Mapletree Nantong project was completed in March 2017 and was 88.5% leased less than a year after completion. In an emerging logistics city, this reflects good performance. Since Mapletree is the only Grade A warehouse in Chongchuan District, it is expected to be fully leased in the near future, as long as a tenant requires a small vacant space.

3.5 JIAXING LOGISTICS MARKET STUDY

3.5.1 Economic Overview

Map 18 Location of Jiaxing

Source: Colliers International

Jiaxing is a prefecture-level city in northern Zhejiang province, East China. Lying on the Grand Canal of China, Jiaxing borders to the southwest, Huzhou to the west, Shanghai to the northeast, and the province of Jiangsu to the north. Jiaxing's GDP was 435.5 billion yuan in 2017, an increase of 7.8% YOY.

Jiaxing is also well known as the 'hometown of silk', being renowned for producing of textiles and woollens. It is also one of the world's largest exporters of leather goods. In addition, Jiaxing has also mechanical, chemical and electronic industries.

Table 9 Table of Macroeconomic Indicators

Units in RMB billion unless otherwise stated	2011	2012	2013	2014	2015	2016	2017
GDP	266	288	314	335	351	376	435
GDP Growth Rate YOY (%)	11.0	9.0	9.3	7.5	7.0	7.0	7.8
GDP by Tertiary Industry	98	111	126	139	152	170	191
GDP by Secondary Industry	153	162	172	181	185	191	230
GDP by Primary Industry	14	15	15	14	14	14	13
Fixed Asset Investment	150	164	191	222	251	279	-
FAI Growth Rate YOY (%)	13.0	10.0	16.3	16.3	13.2	11.0	-
Real Estate Investment	38	41	51	53	46	48	-
REI Growth Rate YOY (%)	42.3	9.0	22.8	2.9	-12.8	4.4	-
FDI (USD in billion)	1.7	1.8	2.2	2.5	2.7	2.7	-
FDI Growth Rate YOY (%)	6.9	3.5	23.9	13.1	7.6	0.3	-
CPI (%)	5.5	2.2	1.7	2.0	1.0	1.8	2.2
Permanent Population (million)	-	4.54	4.56	4.57	4.59	4.61	4.66
Permanent Population Growth Rate YOY (%)	-	-	0.3	0.3	0.3	0.6	1.1
Urban Disposable Income Per Capital (RMB)	31,520	35,696	39,087	42,143	45,499	48,926	53,057
Urban Disposable Income Growth Rate YOY (%)	-	13.2	9.5	7.8	8.0	7.5	8.4
Consumption Expenditure Per Capita (RMB)	19,535	21,720	24,851	23,032	25,544	28,313	-
Consumption Expenditure Per Capita Growth Rate YOY (%)	-	11.2	14.4	-7.3	10.9	10.8	-

Source: Jiaxing Statistics Bureau, Colliers International

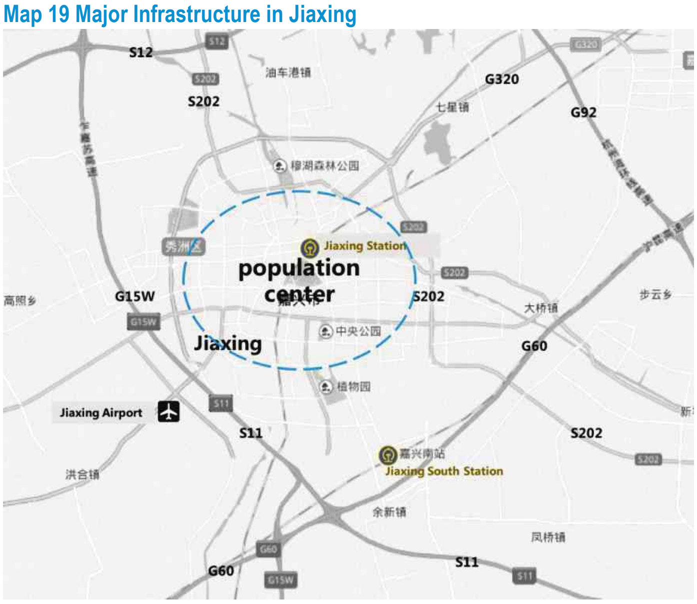
3.5.2 Government Planning and Policies

According to the 13th Five-Year Plan (2016-2020), the objective for economic and social development in Jiaxing is to maintain a medium-high rate of growth over the projection period. The average annual GDP is targeted to increase by more than 7% and thus by 2020, and the regional GDP, per capita GDP, and income of both urban and rural residents is expected to double as compared to 2010.

Jiaxing intends to vigorously develop the five major fields of modern logistics, science and technology information services, finance, cultural tourism, and health services so as to promote the further optimization of the service industry structure. The intent is to increase the contribution of producer services to the value added service industry by 3%, reaching over 56%. Jiaxing will also promote the construction of the modern logistics centre and accelerate the improvement of the conditions for logistics collection and distribution.

3.5.3 Infrastructure Developments

Map 19 Major Infrastructure in Jiaxing



Source: Colliers International

Rail

Jiaxing is served by two railway stations: Jiaxing Railway Station, located on the Shanghai–Kunming Railway and Jiaxing South Railway Station, located on the high speed Shanghai–Jiaxing Passenger Railway.

The city is served by two long-distance bus stations: Jiaxing North Bus Station and the new Jiaxing Transportation Centre.

Road

Jiaxing is on the G92 Jiaxing Bay Ring Expressway, G60 Shanghai–Kunming Expressway and China National Highway 320.

Air

Jiaxing's local air force base is being converted to a public-use airport. Jiaxing is an hour to Shanghai Hongqiao International Airport, Shanghai Pudong International Airport, Jiaxing Xiaoshan International Airport and other airports.

Port

Beijing-Jiaxing Grand Canal;

Hangshen Line;

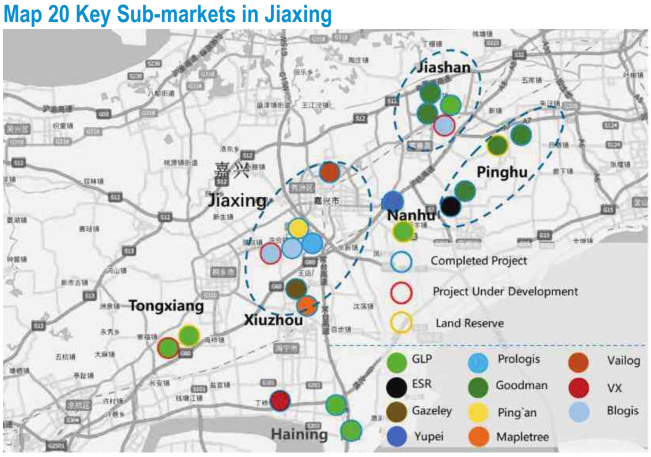
Liupingshen Line;

Zhaojiasu Line;

Hujiashen Line.

3.5.4 Key Sub-markets

Map 20 Key Sub-markets in Jiaxing



Source: Colliers International

There are currently six submarkets in Jiaxing, which are Jiashan, Xiuzhou, Nanhu, Haining, Tongxiang, and Pinghu. The key players include GLP, Goodman, ESR, Mapletree, Blogis, Ping'an, Vailog, Yupei and Gazeley.

Xiuzhou

Xiuzhou is the submarket that witnessed the first Grade A warehouse in Jiaxing in 2009 – the Prologis Wangdian Project. Xiuzhou also enjoys the advantage of being close to downtown Jiaxing. In 2013-2017, several developers, including Gazeley, Ping'an, Mapletree, Vailog, and Blogis, launched their projects in Xiuzhou. At the end of 2017, occupancy rates in Xiuzhou were nearly 100%, with the only exception being Prologis, which had 6,000 sq m vacant due to tenants requiring a larger space than the 6,000 sq m that was available.

Jiashan

There are only three completed Grade A warehouse projects and one project under development in Jiashan. However, Jiashan is adjacent to Shanghai and absorbs much spillover demand from Shanghai leading to rental and occupancy rates in Jiashan being the highest in Jiaxing.

Nanhu and Pinghu

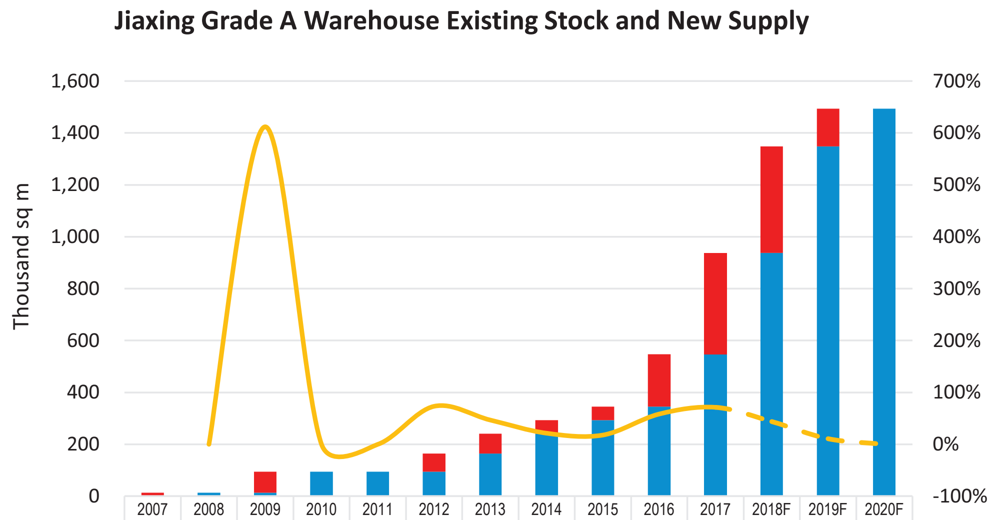
In previous years, Nanhu and Pinghu were not the hotspot logistics submarkets in Jiaxing. However, as demand soon exceeded supply due to spillover demand from Shanghai, (the growth of e-commerce and 3PL businesses) warehouses in these two submarkets are almost fully leased.

Haining and Tongxiang

In comparison to other submarkets, Haining and Tongxiang absorbs more spillover demand from Hangzhou, especially from e-commerce enterprises. Several projects are wholly leased by only one or two e-commerce related companies in this submarket.

3.5.5 Supply & Demand

Figure 57 Jiaxing Grade A Warehouse Existing Stock and New Supply

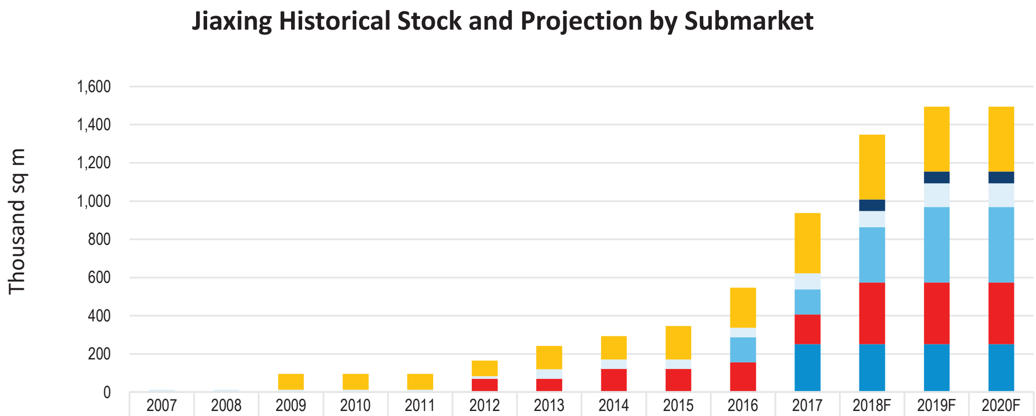


	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018F	2019F	2020F
New Supply	13	0	82	0	0	70	77	52	52	202	390	411	146	0
Existing Stock		13	13	95	95	95	165	241	293	346	547	938	1,348	1,494
Total Stock Change YOY		0%	612%	0%	0%	73%	47%	21%	18%	58%	71%	44%	11%	0%

Source: Colliers International

By the end of 2017, Jiaxing had approximately 938,000 sq m of Grade A warehouse stock in the leasing market, a 58% increase over 2016. It is estimated that 411,000 sq m of new supply will enter the market in 2018, pushing the total stock up to more than 1.3 million sq m.

Figure 58 Jiaxing Historical Stock and Projection by Submarket

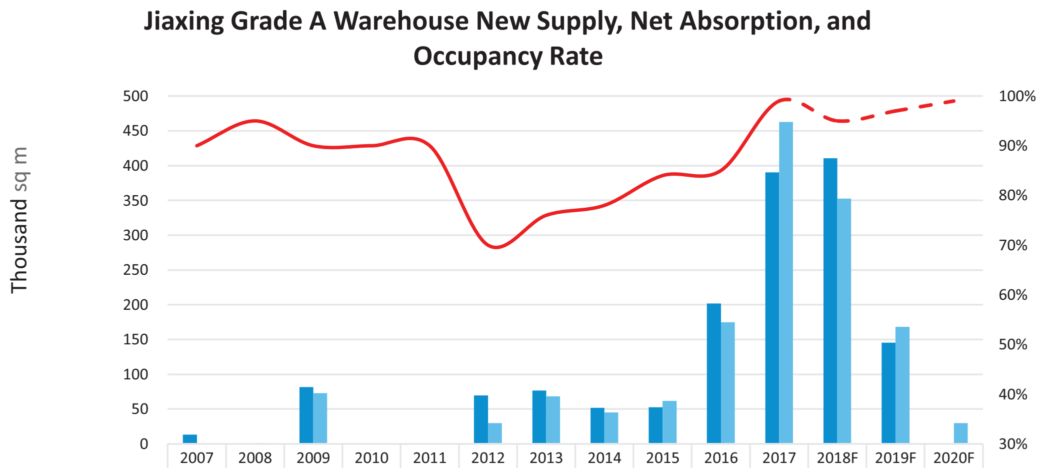


	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018F	2019F	2020F
Xiuzhou	0	0	82	82	82	82	122	122	174	210	315	339	339	339
Tongxiang	0	0	0	0	0	0	0	0	0	0	0	61	61	61
Pinghu	13	13	13	13	13	13	50	50	50	50	84	84	124	124
Nanhu	0	0	0	0	0	0	0	0	0	131	131	289	395	395
Jiashan	0	0	0	0	0	70	70	121	121	157	157	323	323	323
Haining	0	0	0	0	0	0	0	0	0	0	251	251	251	251

Source: Colliers International

There are six main submarkets in Jiaxing – Jiashan, Xiuzhou, Nanhu, Haining, Tongxiang, and Pinghu. As can be seen from the chart above, Pinghu witnessed the first Grade A warehouse property in Jiaxing in 2007 (which was purchased by Goodman in 2014). Xiuzhou, Jiashan, Nanhu, and Haining saw their first Grade A warehouse in 2009, 2012, 2016, and 2017 respectively. Tongxiang is expected to see its first Grade A project in 2018. Most of the submarkets will see new supply in the future three years.

Figure 59 Jiaxing Grade A Warehouse New Supply, Net Absorption, and Occupancy Rate

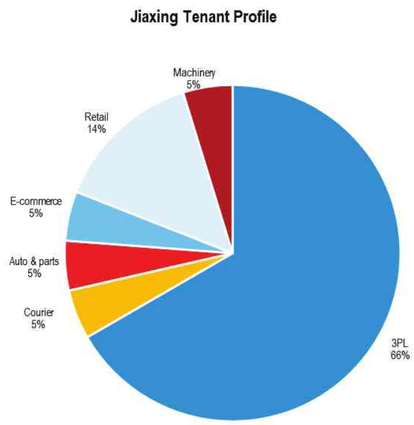


	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018F	2019F	2020F
New Supply	13	0	82	0	0	70	77	52	52	202	390	411	146	0
Net Absorption		1	73	0	0	30	68	45	62	175	463	353	168	30
Occupancy Rate	90%	95%	90%	90%	90%	70%	76%	78%	84%	85%	99%	95%	97%	99%

Source: Colliers International

Demand for Grade A warehouse space in Jiaxing remained stable from 2007 to 2015 and increased substantially post 2015, especially in the second half of 2017. By end-2017, occupancy rate in Jiaxing reached 99%. This is due to spillover demand from tenants who mainly distribute to Shanghai, Hangzhou, Jiaxing and also the rest of Yangtze River Delta cities. It is expected that a large amount of new supply will enter the market in the next three years especially in 2018, most of which will be partly or even wholly preleased before completion. Thus, occupancy rate in Jiaxing remain close to nearly 100% in the following years.

Figure 60 Jiaxing Tenant Profile



Source: Colliers International Shanghai Industrial, 2017

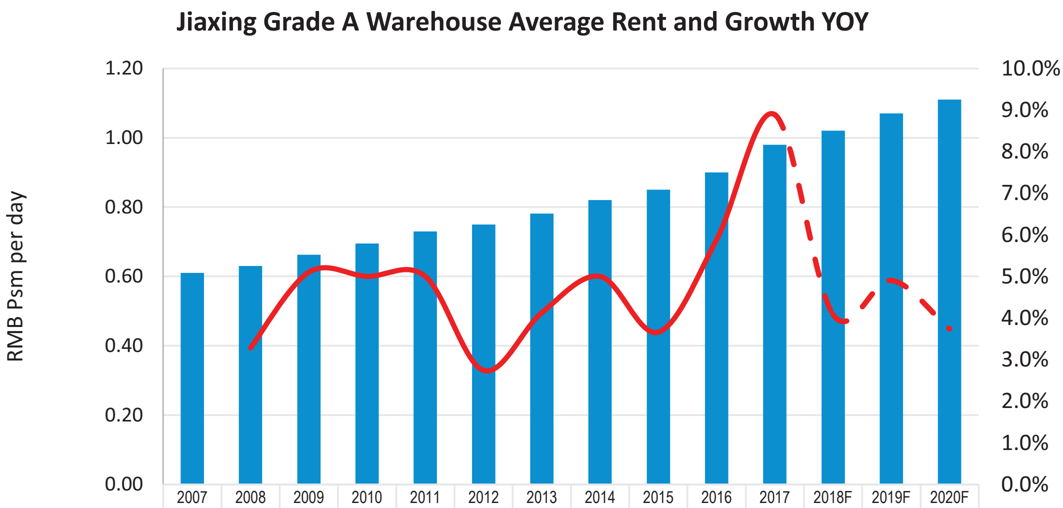
In terms of number of tenants, 3PL companies are the primary source of demand in Jiaxing, with 66% of the Grade A warehouse tenants in Nantong being 3PL companies as of end 2017. For example, Vailog JXED project was fully leased by four logistics companies, each of which takes 11,000-32,000 sq m space, while Nuoxuan took up the whole 34,000 of Goodman Pinghu North project in 2017. Retail tenants ranked second, which accounted for 14% while e-commerce, courier, machinery, and auto parts accounted for the remaining proportion of tenants in Jiaxing.

3.5.6 Investors & Investment Trends

Jiaxing is a hotspot logistics market where demand exceeds supply. Investors not only seek for BTS opportunity but also engage in speculative opportunity as well. Investors will obtain logistics land in Jiaxing as long as they given the opportunity to do so.

3.5.7 Rents, Yields & Values

Figure 61 Jiaxing Grade A Warehouse Average Rent and Growth YOY

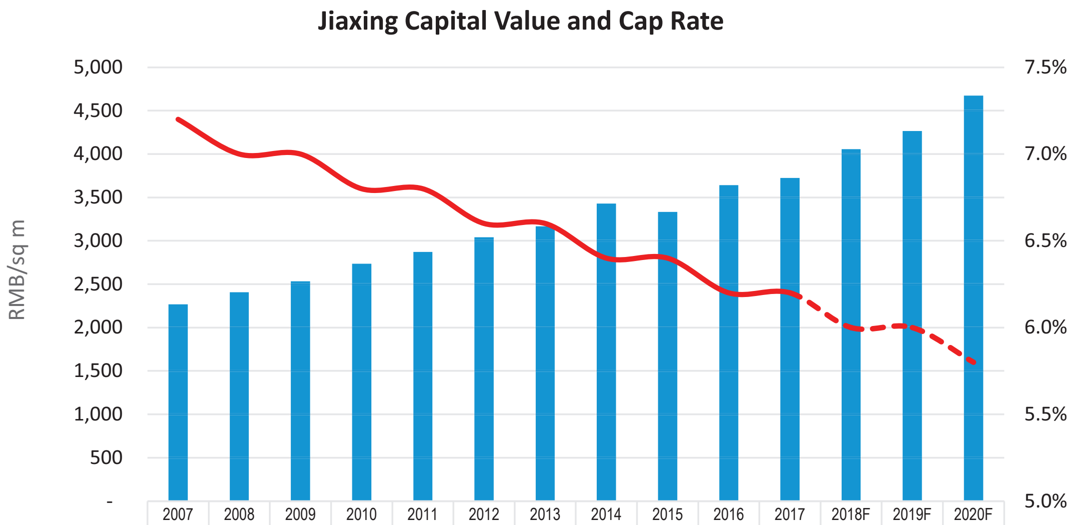


	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018F	2019F	2020F
Asking Rental	0.61	0.63	0.66	0.70	0.73	0.75	0.78	0.82	0.85	0.90	0.98	1.02	1.07	1.11
Rental Growth		3.3%	5.1%	5.0%	5.0%	2.7%	4.1%	5.0%	3.7%	5.9%	8.9%	4.1%	4.9%	3.7%

Source: Colliers International

Rental growth remained stable in the Jiaxing market over the last 10 years and rocketed in 2017. The average rental in Jiaxing increased by 8.9% YOY to approximately RMB 0.98 per sq m per day as of end-2017. This can be evidenced from the first half of 2017, when Colliers was negotiating on behalf of a tenant who wanted to lease a space in Jiaxing. Based on Colliers International's market knowledge, the lowest rental the landlord accepted was RMB 0.97 per sq m per day. Rent is expected to continue growing over the coming three years because of growing demand, especially demand from e-commerce enterprises. However, competition pressure led by a large amount of new supply may force developers to increase their rental at a slower rate. Thus, rental growth rate is projected to be around 3.5-5% in the future three years.

Figure 62 Jiaxing Capital Value and Cap Rate



	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018F	2019F	2020F
Capital Value	2,268	2,409	2,532	2,737	2,873	3,042	3,167	3,429	3,333	3,643	3,724	4,057	4,266	4,673
Cap Rate	7.2%	7.0%	7.0%	6.8%	6.8%	6.6%	6.6%	6.4%	6.4%	6.2%	6.2%	6.0%	6.0%	5.8%

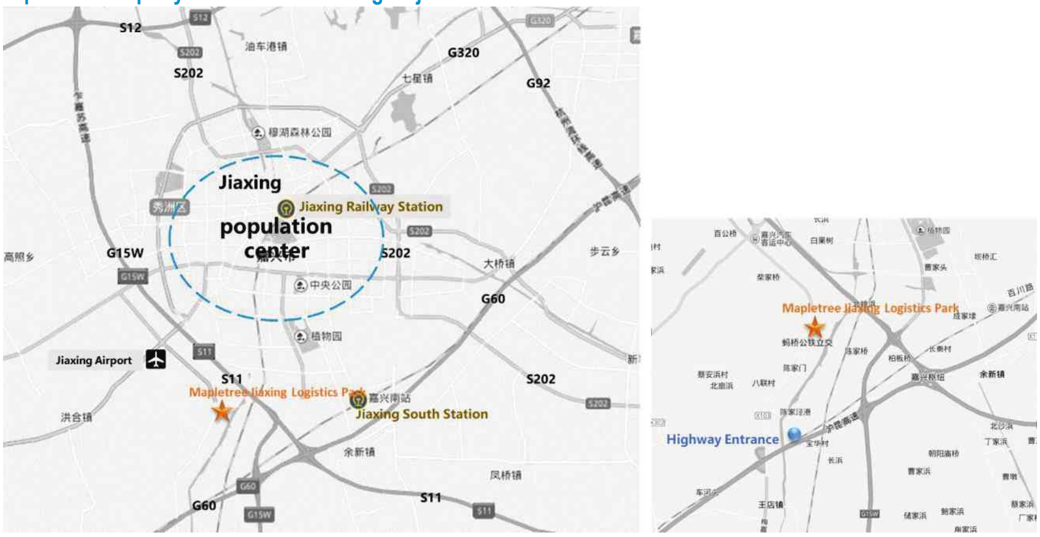
Source: Colliers International

Cap rate in Jiaxing was estimated to be 6.2% as of end of 2017 and 5.8% in 2020, while capital value was estimated to be about RMB 3,724 per sq m as of end-2017 and RMB 4,673 per sq m in 2020.

3.5.8 Mapletree Jiaxing Logistics Park

Mapletree Jiaxing Logistics Park is located in No. 618 Yantang Road, Xiuzhou District, and was completed in June 2017. It has a total area site of 62,346 sq m and GFA of 35,735 sq m. Mapletree Jiaxing Logistics Park was designed as a one-storey warehouse with 9 metres of ceiling height and 3 tons of loading capacity.

Map 21 the Property and the Surrounding Major Infrastructure



Source: Colliers International

Table 10 Travel Timetable from Mapletree Jiaxing Logistics Park

Destination	Estimated driving time
Jiaxing Airport	10 minutes
Jiaxing Railway Station	30 minutes
Jiaxing South Railway Station	30 minutes
Nearest Highway Entrance	10 minutes
Hangzhou Xiaoshan International Airport	60 minutes
Shanghai International Airport	90 minutes
Suzhou center	80 minutes

Source: Colliers International

As we can see from the map, Mapletree Jiaxing Logistics Park is located in Xiuzhou District. It is convenient for the tenants of Mapletree Jiaxing Logistics Park to access the major transportation facilities - Jiaxing Airport, which is under construction and will be completed at the end of 2018, is only 10 minutes away; Jiaxing Railway Station is 30 minutes away; Jiaxing South Station is 30 minutes away; the nearest highway entrance to reach nearby cities is only 10 minutes away. Other key points of interest are - Hangzhou Xiaoshan International Airport, which is 60 minutes away; Shanghai Pudong International Airport which is 90 minutes away; and Suzhou center which is 80 minutes away. The proximity of Mapletree Jiaxing Logistics Park to these key transportation network facilities allow efficient transportation of goods between Hangzhou and Shanghai.

The competitive advantage of Mapletree Jiaxing Logistics Park is reflected in the great geographical location. Jiaxing is adjacent to Shanghai and Hangzhou, and absorbs much spillover demand of the two cities. This translates to strong demand for high specification warehouse in Jiaxing. Xiuzhou District is close to the downtown Jiaxing, which is advantageous for the tenants to shorten shipping distance, reduce freight, and enables quick and efficient supply. In Xiuzhou, most of the projects, including Mapletree Jiaxing Logistics Park, were 100% leased as of end of 2017.

Figure 63 SWOT analysis of Mapletree Jiaxing Logistics Park

Source: Colliers International

Mapletree Jiaxing Logistics Park's Performance Outlook

Considering above-mentioned factors, Mapletree Jiaxing Logistics Park is competitive in the Jiaxing logistics market due to its great location. Mapletree Jiaxing project was completed in June 2017, and achieved an occupancy rate of 100% as of end of 2017. Demand is expected to remain strong for high standard warehouses in Jiaxing considering its geographical advantage. Mapletree Jiaxing Logistics Park has performed well in the market so far and the occupancy rate is expected to remain at 100% in the future.

3.6 HANGZHOU LOGISTICS MARKET STUDY

3.6.1 Economic Overview

Map 22 Location of Hangzhou

Source: Colliers International

Hangzhou is the capital of Zhejiang Province, known as the provincial centre of economy, culture, science and education. As one of the core cities belonging to Yangtze River Delta in East China, Hangzhou is a powerful driver development in the entire Yangtze River Delta region.

Hangzhou is located 170km southwest of the financial and commercial capital of China - Shanghai. In 2017, Hangzhou's GDP ranked 4th among the provincial capital cities in China (after Guangzhou, Wuhan and Chengdu) and 10th among all the Chinese cities. In 2015, Hangzhou set up China's first Cross-border E-commerce Comprehensive Experimental Area and National Independent Innovation Demonstration Area.

Hangzhou hosted the G20 Summit in September 2016 and will host the 19th Asian Games in 2022, both of which have spurred development of the city's infrastructure.

The city has nine urban districts, two county-level cities and two counties. Greater Hangzhou covers an area of 16,596 sq km; the urban area is 4,876 sq km.

Table 11 Table of Macroeconomic Indicators

Units in RMB billion unless otherwise stated	2011	2012	2013	2014	2015	2016	2017
GDP	704	783	840	921	1,005	1,105	1,256
GDP Growth Rate YOY (%)	18.0	11.0	7.2	9.6	9.2	9.5	8.0
GDP by Tertiary Industry	352	408	456	509	585	677	786
GDP by Secondary Industry	328	350	357	385	391	398	439
GDP by Primary Industry	24	26	26	27	29	31	31
Fixed Asset Investment	310	372	426	495	556	584	586
FAI Growth Rate YOY (%)	17.0	20.0	14.5	16.2	12.2	5.1	1.4
Real Estate Investment	130	160	185	230	247	261	273
REI Growth Rate YOY (%)	36.2	23.0	16.0	24.2	7.4	5.4	4.9
FDI (USD in billion)	4.7	5.0	5.3	6.3	7.1	7.2	6.6
FDI Growth Rate YOY (%)	8.4	5.1	6.4	20.1	12.3	1.4	-8.3
CPI (%)	4.7	2.5	2.5	2.0	1.8	2.6	2.5
Permanent Population (million)	8.7	8.8	8.8	8.9	9.0	9.2	9.5
Permanent Population Growth Rate YOY (%)	0.3	0.7	0.5	0.6	1.5	1.9	2.9
Urban Disposable Income Per Capital (RMB)	34,065	37,511	40,925	44,632	48,316	52,185	56,276
Urban Disposable Income Growth Rate YOY (%)	13.4	10.1	9.1	9.1	8.0	8.1	7.8
Consumption Expenditure Per Capita (RMB)	22,642	22,800	30,659	32,165	33,818	35,686	38,179
Consumption Expenditure Per Capita Growth Rate YOY (%)	12.0	0.7	34.5	4.9	0.5	8.6	4.4

Source: Hangzhou Statistics Bureau, Colliers International

Hangzhou's GDP growth rate peaked in 2011 at 18%. Since 2011, the city's GDP growth rate has been gently decelerating, and in 2017, Hangzhou's GDP grew at 8.0% YOY to RMB 1255.6 billion. In 2017, tertiary industry value add to GDP in Hangzhou increased by 1.5 percentage points YOY to 62.7%, while secondary industry value add to GDP decreased by 1 percentage point YOY to 34.9%. This shift indicates the potential increase of consumption logistics and the decrease of manufacturing logistics demand in Hangzhou.

Hangzhou's population grew from 8.74 million in 2011 to 9.46 million in 2017. 36.6% of residents (3.36 million) live in the city's core districts (Shangcheng, Xiacheng, Jianggan, Gongshu, Xihu and Binjiang). The remaining residents live in outer urban area, suburban area and the two county-level cities. In 2017, disposable income per capita increased by 7.8% YOY to RMB 56,276, while consumption expenditure increased by 4.4% YOY to RMB 38,179.0. Both figures are among the highest in Zhejiang Province. A large population and a high and growing urban disposable income per capita is expected to spur higher consumption demand, which will promote related logistics demand.

3.6.2 Government Planning and Policies

According to the Fifth Session of the 12th National People's Congress, delivered by Premier Li Keqiang on 5 March 2017, the government rolled out a set of goals and priorities, including major investment opportunities and effectiveness of growth. The government adopted "seeking progress while maintaining stability" as the core theme.

The Congress sets a target for economic growth stating that Hangzhou should achieve an average annual GDP growth rate of 7.5% between 2016 and 2020, aiming to account for more than half of Zhejiang Province's GDP. The government also highlighted ten key industries to develop: cultural and creative industry, tourism leisure industry, financial services industry, e-commerce industry, science and technology service industry, modern logistics industry, business exhibition industry, business service industry, health service industry, real estate industry.

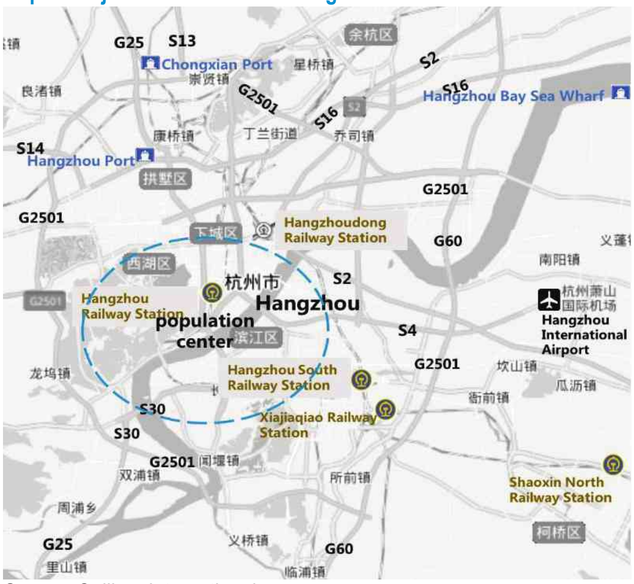
For modern logistics sector, the government intends to promote Hangzhou to become a national first-class logistics node city. By 2020, the added value of modern logistics industry in Hangzhou is predicted to reach RMB 840 billion, indicating an average 8% YOY growth. Meanwhile, Hangzhou will promote the construction of expressways, airport and cyber port, expand urban and rural logistics distribution networks, strengthen the application of smart logistics technology, build smart logistics public platforms and formulate a standard system of intelligent logistics.

China (Hangzhou) Cross-border E-commerce Comprehensive Pilot Area

Hangzhou officially launched the cross-border e-commerce comprehensive pilot area in 2015. The pilot area provides favourable policies in terms of e-business trading, logistics, customs clearance, tax refunding, etc. There are five business industrial parks in the pilot area: Xiacheng, Xiasha, Konggang, Lin'an and Jianggan. The five parks focus on different fields. Lin'an Park and Jianggan Park especially focuses on office property for e-business platform operators, with many e-business corporations settled inside, represented by Alibaba. Konggang Park and Xiacheng Park jointly concentrate on transport services due to good access to the significant transport hub of both parks. Xiasha Park is the warehousing centre as well as a significant manufacturing base. Total import and export volume reached RMB 508.5 billion, up 13.3%, 4.6% higher than last year's growth rate.

3.6.3 Infrastructure Developments

Map 23 Major Infrastructure in Hangzhou



Source: Colliers International

Railway

Hangzhou is a hub for high-speed rail with major rail lines, including Shanghai-Hangzhou and Nanjing-Hangzhou line which passes through the city. In the past five years, the increase of the number of high-speed rail routes has reduced travel time to regional and national cities. For example, it now takes one hour to Shanghai, five hours to Beijing, and seven hours to Guangzhou from Tianjin by railway. Several surrounding cities, including Taizhou, Ningbo and Suzhou can all be reached within two hours.

Airport

Hangzhou International Airport is one of the ten busiest airports in China, with a passenger throughput of more than 35 million by the end of 2017. The airport has over 100 airlines to both national and international destinations. After the completion of phase II in 2012, the airport has three terminals and two runways, covering an area of 10 sq km.

Expressway

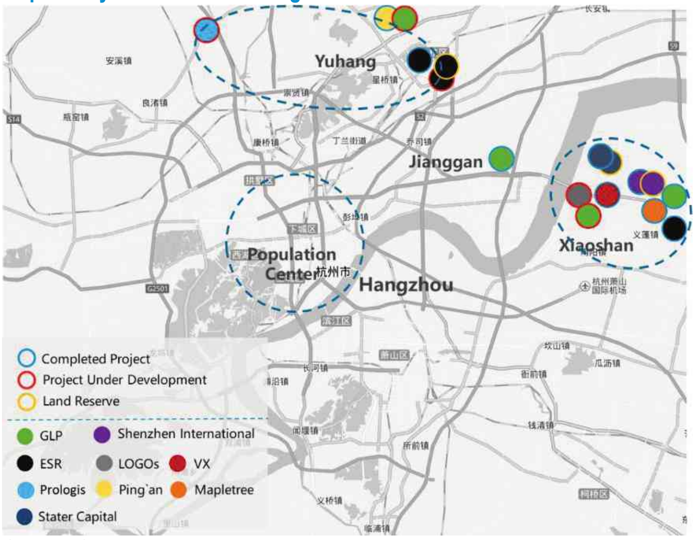
Hangzhou is a major hub of China's expressway network, especially in East China. Many national expressways (prefixed with G) pass through or terminate in Hangzhou, including the G56 Hangzhou-Ruili Expressway, the G25 Changchun-Shenzhen Expressway, the G60 Shanghai–Kunming Expressway, and the G92 Hangzhou-Zhapu Expressway. In addition, there are also numerous municipal expressways prefixed with S (S9, S13, S14, etc.). A developed road network greatly improves logistics efficiency, which allows goods be transported smoothly to anywhere in Hangzhou. Furthermore, the distance to an expressway is an important consideration for developers when selecting site of logistics project. Most of the existing Grade A logistics projects are situated near expressways.

Port

The Port of Hangzhou is a small river port with a cargo throughput that exceeds 100 million tons annually.

3.6.4 Key Sub-markets

Map 24 Key Sub-market in Hangzhou



Source: Colliers International

There are currently three submarkets in Hangzhou, which are Jianggan, Xiaoshan, and Yuhang, and key players include GLP, ESR, Mapletree, Ping'an, Shenzhen International, Stater Capital, VX and LOGOs, most of which are located at Xiaoshan and Yuhang District.

Jianggan

In the past year, the value added of "6+1" special industries accounted for 48.8% of the regional GDP. The information technology economy achieved a value add of 4.5 billion RMB, ranking second in growth rate in the main urban area. The financial services industry realized a value add of 7.5 billion RMB, accounting for 12.6% of the regional GDP. Cross-border e-commerce industry has accelerated growth, and Jianggan Park was rated as a benchmark for cross-border e-commerce in Hangzhou.

Jianggan is a traditional logistics submarket close to downtown Hangzhou, and is also the first submarket that witnessed a Grade A warehouse which was built by GLP in 2008. However, Jianggan government has stopped providing logistics land to developers ten years ago, thus there was no new supply since 2010. Jianggan mainly serves downtown distribution for Hangzhou with tenants including 3PLs, retail, and manufacturing industries.

Xiaoshan

Xiaoshan develops emerging industries and industrial manufacturing cloud platforms. Xiaoshan is currently constructing the universal innovation city of Convergence City and the intelligent network-linked automobile innovation zone, vigorously developing the new energy automotive industry, big data industry and the Internet of Things industry, as well as modern business services. This is evidenced through key commercial and trade projects such as CR Vantone, Tianrun Commercial Center, and Hui Delong Impression City which is currently underway. Xiaoshan also encourages the introduction of well-known domestic and foreign brands into the market, thereby promoting the development of the retail industry.

Xiaoshan as a logistics submarket was relatively quiet before 2015 due to the strictly restricted logistics land supply. However around 2015, the government provided a large amount of logistics land to developers, especially in the Dajiangdong industry cluster. As a result, stock of Grade A warehouse rocketed post 2015 and this trend is expected to persist into 2019. Xiaoshan expects approximately 10 Grade A warehouse projects by 2020, developers of which includes GLP, Mapletree, Fosun, Ping'an, Prologis, LOGOS, VX(Vanke), SZI (Shenzhen International), ESR(E-Shang Redwood), etc. Xiaoshan can serve for both downtown Hangzhou and East China distribution, especially towards Shanghai and Jiaxing.

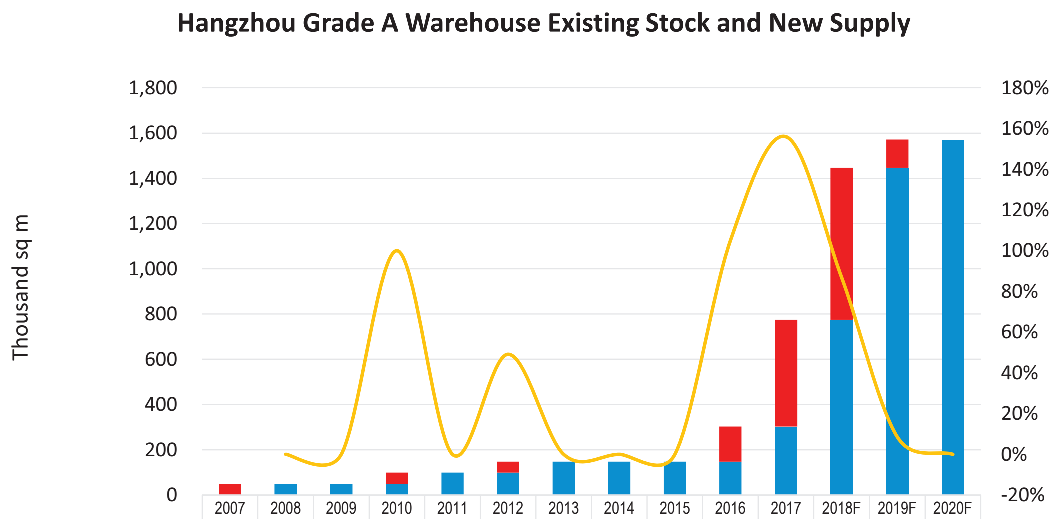
Yuhang

Yuhang develops high-end equipment manufacturing industries and bio-pharmaceutical industries. At the same time, Yuhang is vigorously developing strategic new industries such as new materials and new energy, artificial intelligence and quantum technology. To integrate the both the service industries and manufacturing industries, Yuhang is actively developing information services, R&D and design, and smart logistics.

Yuhang is located in north part of Hangzhou, which is an emerging logistics market. There is currently no completed Grade A warehouse project, with and expected pipeline of at least five Grade A warehouse in the future three years.

3.6.5 Supply & Demand

Figure 64 Hangzhou Grade A Warehouse Existing Stock and New Supply

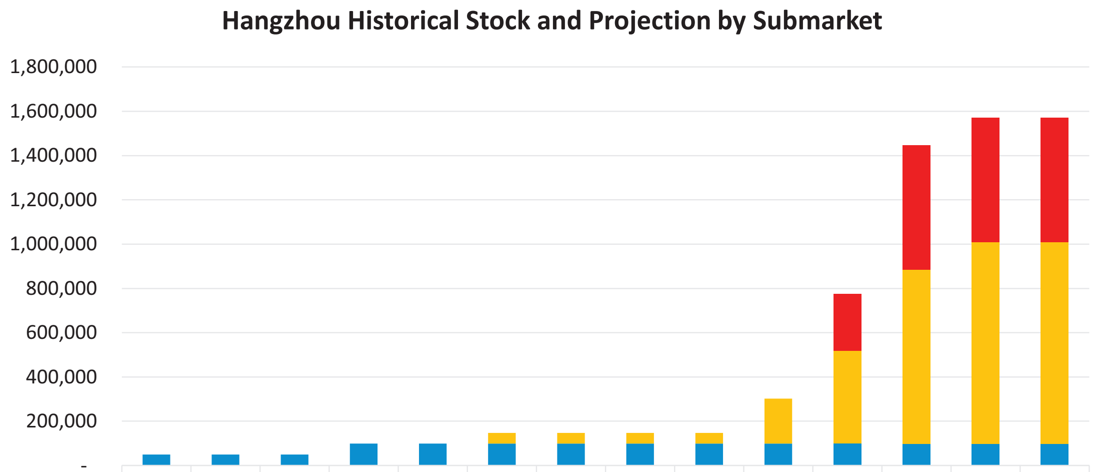


	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018F	2019F	2020F
New Supply	49	0	0	49	0	49	0	0	0	155	472	673	124	0
Existing Stock	0	49	49	49	99	99	148	148	148	148	303	775	1447	1571
Total Stock Change YOY		0%	0%	100%	0%	49%	0%	0%	0%	105%	156%	87%	9%	0%

Source: Colliers International

By the end of 2017, Hangzhou had approximately 775,000 sq m of Grade A warehouse stock in the leasing market, a 156% increase over 2016. It is estimated to see 673,000 sq m new supply in the market in 2018, pushing the total stock up to more than 1.4 million sq m.

Figure 65 Hangzhou Historical Stock and Projection by Submarket

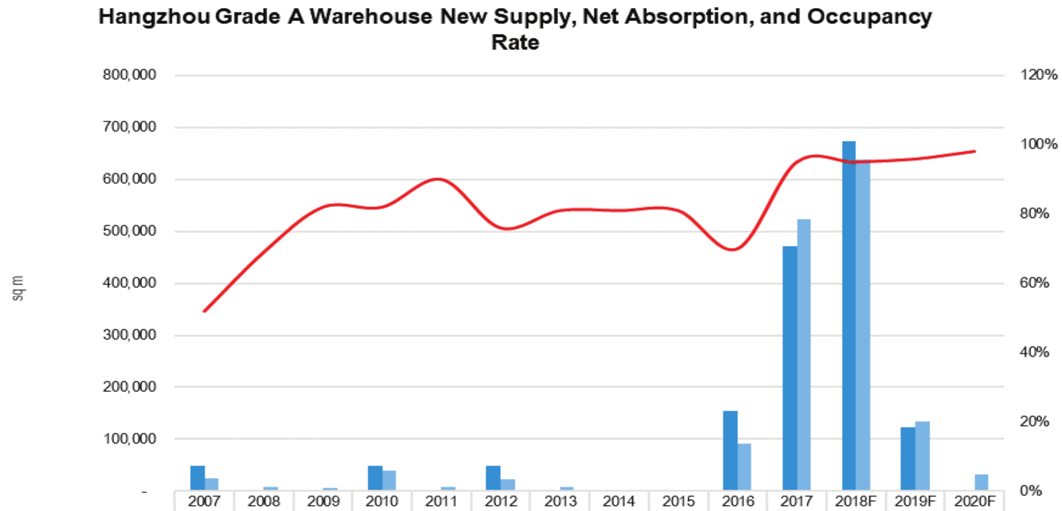


	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018F	2019F	2020F
Yuhang	0	0	0	0	0	0	0	0	0	0	255,819	561,051	561,051	561,051
Xiaoshan	0	0	0	0	0	48,621	48,621	48,621	48,621	203,687	419,888	787,157	911,157	911,157
Jianggan	49,477	49,477	49,477	98,954	98,954	98,954	98,954	98,954	98,954	98,954	98,954	98,954	98,954	98,954

Source: Colliers International

There are three main submarkets in Hangzhou – Xiaoshan, Yuhang, and Jianggan. As can be seen from the chart above, Jianggan witnessed the first Grade A warehouse property in Hangzhou. However, supply plateaued in 2011 due lack of logistics land supply being released for developers. Xiaoshan saw its first Grade A warehouse in 2012, which was built by GLP, after which, there was no new supply until 2016. It is expected that a relatively large amount of supply will be released in Xiaoshan and Yuhang from 2016 to the end of 2018 – more than 500,000 sq m stock in Yuhang and 900,000 sq m stock in Xiaoshan. For example, 62,000 sq m of warehouse developed by ESR is expected to be completed in 2018 in Yuhang, and 14,000 sq m warehouse by Stater Capital and 110,000 sq m warehouse by Shenzhen International are expected to be completed in 2019 in Xiaoshan.

Figure 66 Hangzhou Grade A Warehouse New Supply, Net Absorption, and Occupancy Rate



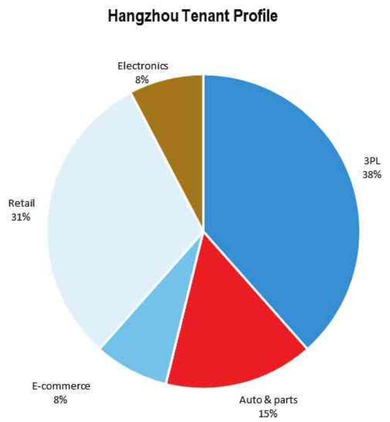
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018F	2019F	2020F
New Supply	49,477	0	0	49,477	0	48,621	0	0	0	155,066	472,020	672,501	124,000	0
Net Absorption	25,728	8,411	6,432	40,571	7,916	23,098	7,379	0	0	92,313	524,079	638,876	133,512	31,423
Occupancy Rate	52%	69%	82%	82%	90%	76%	81%	81%	81%	70%	95%	95%	96%	98%

Source: Colliers International

Demand for Grade A warehouse space in Hangzhou remained stable, while supply has been relatively short in the past decade. Average occupancy rate in Hangzhou was only about 76% since Grade A warehouse properties first entered the market in 2007. However, by end-2017, occupancy rate in Hangzhou reached 95% as from 2015 onwards, demand mainly from 3PL, e-commerce, courier, and local manufacturing (especially light industry) has risen rapidly. Tenants either distribute to Hangzhou city or the Yangtze River Delta.

Based on the current market situation, a newly completed warehouse in Xiaoshan is estimated to be fully leased within one year, while a newly completed warehouse in in Yuhang will take just half a year. It is expected that a large amount of new supply will enter the market in the next three years especially in 2018, most of which will be partly or even wholly preleased before completion. Thus, occupancy rate in Hangzhou is projected to be stable in the next two years and nearly 100% after 2020.

Figure 67 Hangzhou Tenant Profile



Source: Colliers International Shanghai Industrial, 2017

3PL companies are the primary source of demand in Hangzhou in terms of number of tenants, with the proportion of e-commerce tenants growing as e-commerce companies seek a distribution platform for Hangzhou, and even the whole Yangtze River Delta. Generally, tenants prefer 6,000-20,000 sq m Grade A warehouse spaces in Hangzhou.

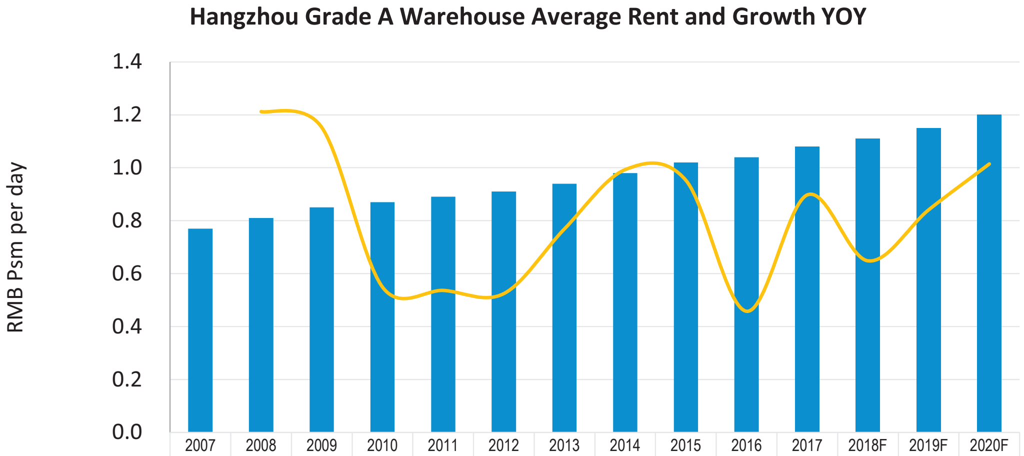
As can be seen from the chart above, 38% of the number Grade A warehouse tenants in Hangzhou were 3PL companies. Retail tenants rank second which accounted for 31% and the auto & parts component rank third, which accounted for 15%. Although only 8% of the tenants are e-commerce companies, the area they lease is disproportionately larger. Meanwhile, several 3PL companies also provide outsourced logistics services to e-commerce companies. For example, ALOG and Ferrero took up the entire 50,000 sq m in Stater Capital (Fosun)'s project in 2016. JD took up nearly 100,000 sq m in Hangzhou Dajiangdong in 2017. For Ping'an Yuhang project, more than 50,000 sq m has been preleased before it was completed, showing the strong demand of the market.

3.6.6 Investors & Investment Trends

Hangzhou is a hotspot logistics market where demand exceeds supply. Investors not only seek for BTS opportunity but also engage in speculative opportunity as well. Investors will obtain logistics land in Hangzhou as long as they given the opportunity to do so.

3.6.7 Rents, Yields & Values

Figure 68 Hangzhou Grade A Warehouse Average Rent and Growth YOY

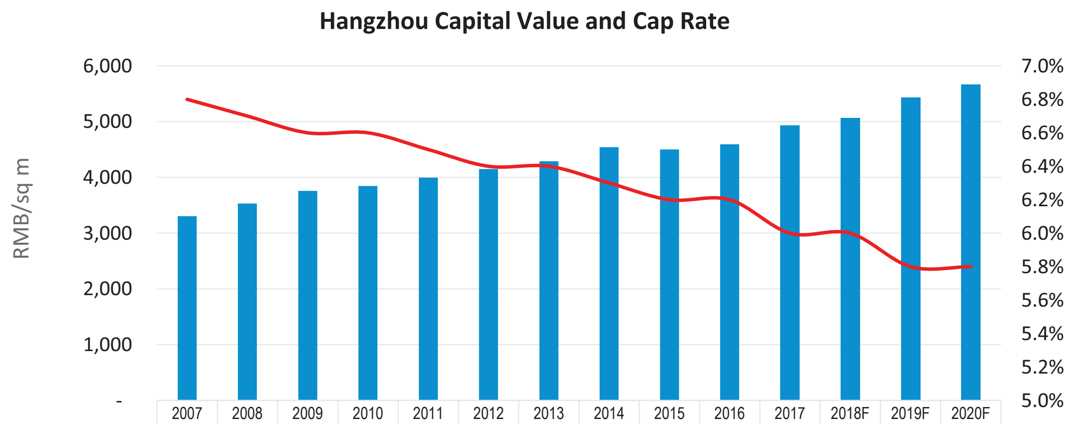


	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018F	2019F	2020F
Average Rental	0.77	0.81	0.85	0.87	0.89	0.91	0.94	0.98	1.02	1.04	1.08	1.11	1.15	1.20
Rental Growth		5%	5%	2%	2%	2%	3%	4%	4%	2%	4%	3%	4%	4%

Source: Colliers International

Rental growth remained stable in the Hangzhou market over the last 10 years, with the average rental in Hangzhou increasing 4% YOY to approximately RMB 1.08 per sq m per day as of end-2017. Rent is expected to continue growing over the coming three years because of growing demand - especially demand from e-commerce enterprises. For example, JD which is one of the largest e-commerce company in China, took up the entire logistics park of VX Dajiangdong in 2017 and paid about RMB 1.00-1.05/sq m/day for rental. Furthermore, this was lower than market average because it was an entire tenancy deal taking over the 90,000 sqm space. Competition pressure however, led by a large amount of new supply, may force developers to slow down the increase in rental to an average level. Rental growth rate is thus projected to be around 3-4% in the future three years.

Figure 69 Hangzhou Capital Value and Cap Rate



	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018F	2019F	2020F
Capital Value	3,306	3,530	3,761	3,849	3,998	4,152	4,289	4,542	4,504	4,592	4,928	5,064	5,428	5,664
Cap Rate	6.8%	6.7%	6.6%	6.6%	6.5%	6.4%	6.4%	6.3%	6.2%	6.2%	6.0%	6.0%	5.8%	5.8%

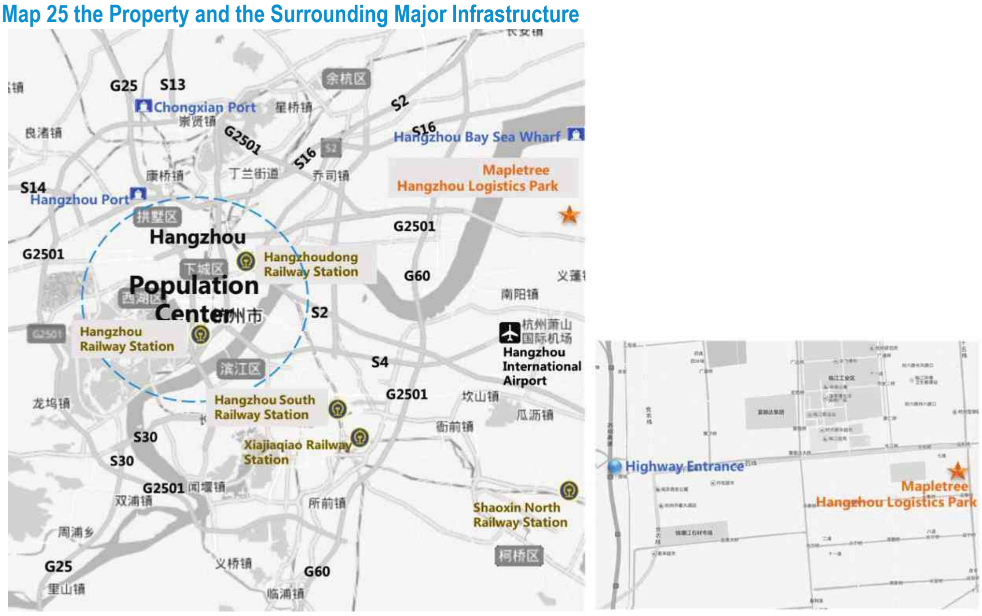
Source: Colliers International

So far, there has been no Grade A warehouse transaction in the Hangzhou market. Cap rate in Hangzhou was estimated to be 6.0% as of end 2017, while capital value was estimated to be about RMB 4,928 per sq m as of end-2017. These estimates are based on precedent transactions in similar cities and quotations of projects for sale. Cap rate and capital value in Hangzhou is expected to be 5.8% and RMB 5,664 per sq m in 2020，which are calculated by linear prediction - as more investors enter the sector, logistics properties will have better liquidity and better liquidity will lead to a rise in quoted price as well as a decline in cap rate.

3.6.8 Mapletree Hangzhou Logistics Park

Mapletree Hangzhou Logistics Park is located in No.1717 Weiqi road, Dajiangdong Industry Area, Xiaoshan District, and was completed in June 2016. The total area site occupies 114,465 sqm while the GFA occupies 95,887 sq m. Mapletree Hangzhou Logistics Park was designed as a two-storey warehouse with 9.12 metres of ceiling height, 3 tons of loading capacity in the first floor, and 9 metres of ceiling height and 2.5 tons of loading capacity in the second floor.

Map 25 the Property and the Surrounding Major Infrastructure



Source: Colliers International

Table 12 Travel Timetable from Mapletree Hangzhou Logistics Park

Destination (major infrastructure)	Estimated time
Hangzhou International Airport	40 minutes
Hangzhoudong Railway Station	70 minutes
Hangzhou Railway Station	70 minutes
Hangzhou South Railway Station	60 minutes
Xiajiaqiao Railway Station	60 minutes
Shaoxin North Railway Station	45 minutes
Hangzhou Bay Sea Wharf	20 minutes
Chongxian Port	60 minutes
Hangzhou Port	60 minutes
Nearest Highway Entrance	15 minutes

Source: Colliers International

As we can see from the map and timetable above, Mapletree Hangzhou Logistics Park is located in Xiaoshan District, east of Hangzhou. It is convenient for the tenants of this logistics property to access major transportation facilities - Hangzhou International Airport is 40 minutes away with the only sea wharf in Hangzhou just 20 minutes away. The nearest transportation network is the highway, which takes only 15 minutes to get to the nearest highway entrance. Hangzhou railway stations are all more than 60 minutes away, while Shaoxin North Railway Station, which belongs to Shaoxin city, is 45 minutes away.

The competitive advantage of Mapletree Hangzhou Logistics Park stems from the superior geographical location. Mapletree Hanzhou Logistics Park is near the only airport (Hangzhou Xiaoshan International Airport) and sea wharf (Hangzhou Bay Sea Wharf) in Hangzhou. The close proximity to the sea wharf allows the tenants of Mapletree Hangzhou Logistics Park to transport goods to East China and/or the whole world through the waterway. Due to the rapid development of e-commerce in Hangzhou and related strong demand, Mapletree Hangzhou Logistics Park has had very good performance and was 100% leased within one year after completion.

Figure 70 SWOT Analysis of Mapletree Hangzhou Logistics Park

S Strengths	• Good transportation location - suitable for road, air, and water transportation • High building specification with ramps as compared to two-storey buildings with lift
W Weaknesses	• Two-storey warehouse are less attractive than single-storey warehouse
O Opportunities	• Hangzhou houses the headquarter of Alibaba and expects stronger demand from the e-commerce industry in the future • Government policies are supportive of the logistics industry
T Threats	• Several competitors nearby • Plenty of new supply in Hangzhou in the near future

Source: Colliers International

Mapletree Hangzhou Logistics Park's Performance Outlook

Considering above-mentioned factors, Mapletree Hangzhou Logistics Park is competitive in the Hangzhou logistics market due to its high building specification and good transportation location. This was evidenced through the 100% occupancy rate as of end 2017. As a core logistics city in East China, Hangzhou is expected to have an even stronger demand for Grade A warehouses in the future. The occupancy rate Mapletree Hangzhou Logistics Park is thus expected to remain at 100% in the future.

3.7 XI'AN LOGISTICS MARKET STUDY

3.7.1 Economic Overview

Map 26 Location of Xi'an

Source: Colliers International

Xi'an, situated in central China, is the capital city of the Shaanxi province and the center of the province's politics, economy and culture. Xi'an is ranked the 33rd most competitive city in China in 2016 according to the Chinese Academy of Social Sciences and is the oldest of the Four Great Ancient Capitals, having held the position under several of the most important dynasties in Chinese history, Xi'an is also designated as a national hub in MOFCOM's development plan (2015-2020) of distributive trade and logistics. Xi'an's railway station is one of the eight major national railway stations and Xi'an's Xianyang International Airport offers domestic and international flights routes to Nagoya, Moscow, Seoul and Paris etc.

As part of the China Western Development policy, Xi'an is a major target for accelerated attention. Xi'an is also part of the West Triangle Economic Zone, along with Chengdu and Chongqing. Important industries in Xi'an include equipment manufacturing, tourism, and service outsourcing. Furthermore, as one of China's four ancient capitals, Xi'an's many cultural sites, including the Terracotta Army, the City Wall of Xi'an, and the Famen Temple, attracts a large amount of tourism.

Table 13 Table of Macroeconomic Indicators

Units in RMB billion unless otherwise stated	2011	2012	2013	2014	2015	2016	2017
GDP (RMB in billion)	387	439	492	549	580	628	747
GDP Growth Rate YOY (%)	13.8	11.8	11.1	9.9	8.2	8.5	7.7
GDP by Tertiary Industry (RMB in billion)	199	228	255	305	342	383	459
GDP by Secondary Industry (RMB in billion)	170	189	212	221	217	220	260
GDP by Primary Industry (RMB in billion)	17	20	22	21	22	23	28
Fixed Asset Investment (RMB in billion)	335	424	513	590	517	519	756
FAI Growth Rate YOY (%)	30.2	26.6	21.0	15.0	-12.5	2.0	12.9
Real Estate Investment (RMB in billion)	100	128	160	176	183	196	233
REI Growth Rate YOY (%)	19.0	28.6	24.5	10.4	4.0	6.8	15.0
FDI (USD in billion)	2.0	2.5	3.1	3.7	4.0	4.5	5.3
FDI Growth Rate YOY (%)	28.0	23.6	26.3	18.3	8.2	12.4	17.8
CPI (%)	5.6%	2.8%	2.7%	1.4%	0.7%	0.9%	2.0%
Permanent Population (million)	8.5	8.6	8.6	8.6	8.7	8.8	9.5
Permanent Population Growth Rate YOY (%)	-	0.5%	0.4%	0.5%	0.9%	1.5%	7.9%
Urban Disposable Income Per Capital (RMB)	25,981	29,982	33,100	36,100	33,188	35,630	38,536
Urban Disposable Income Growth Rate YOY (%)	12.0%	12.0%	10.0%	9.0%	7.0%	7.0%	8.0%
Consumption Expenditure Per Capita (RMB)	-	21,434	23,848	-	-	-	-
Consumption Expenditure Per Capita Growth Rate YOY (%)	-	11.0%	11.3%	-	-	-	-

Source: Xi'an Statistics Bureau, Colliers International

The GDP of Xi'an increased by 7.7% to RMB747 billion, which accounts for 34.1% of the total provincial GDP in 2017. This reflects the leading role Xi'an has in the region and its relatively strong economic strength.

In 2017, Tertiary industry to GDP in Xi'an increased by 9.2% YOY to 61.5%, while secondary industry to GDP increased by 5.5% YOY to 34.7%. The development of the logistics industry can drive the development of many other industries and it is necessary to strive and promote the joint development of the logistics industry and other industries.

The city's FAI increased by 12.9% YOY to RMB74.6 billion, while REI increased by 15.0% YOY to RMB23.3 billion. Both FAI and REI growth rate fell to its lowest point at 2015. Foreign Direct Investment has expanded rapidly and reached RMB5.3 billion in 2017, accounting for 90.0% of the provincial total and posting an increase of 17.8% YOY. CPI has been stable at around 2.0% in Xi'an since 2012. Xi'an's population grew slowly from 8.5 million in 2011 to 9.1 million in 2017 and urban Disposable Income per capital increased by 8.2% YOY to RMB38, 536.

3.7.2 Government Planning and Policies

According to the 13th Five-Year Plan (2016 to 2020) for Xi'an's economic and development, Xi'an should achieve an average annual GDP growth rate of 8% throughout the 5 year projection period and total GDP should exceed RMB900 billion by 2020. The government also highlighted seven key industries to develop: Auto industrial, electronic information, high-end equipment manufacturing, aerospace industrial, medicine, food processing industrial, new materials and new energy.

In May 2016, Xi'an was designated by the National Development and Reform Commission as a pilot city for the innovation and development of modern logistics. Xi'an is thus going to promote the development of modern logistics through planning, innovation and fund support to build as International Logistics Land Hub and Aeronautical Logistics. At the end of 2016, Xi'an Airport is linked through a total of 311 routes, of which 45 are international routes and 9 are full cargo routes, thereby achieving air cargo and postal throughput of 233,700 tons.

The Silk Road Economic Belt and The 21st-Century Maritime Silk Road initiatives was put forward by President Xi Jinping in September 2013, aims to jointly create an open, inclusive and balanced regional economic cooperation architecture that benefit all.

According to the Vision and Actions on Jointly Building Silk Road Economic Belt and 21st-Century Maritime Silk Road, Shaanxi needs to accelerate the construction of the Silk Road Economic Belt Aviation City and Railway Logistics Distribution Centre, set up energy trading platforms for the five Central Asian countries, and open more international routes and cargo flights. Officially launched on 1 April 2017, Shaanxi became a Free Trade Zone and will form an institutional innovation system that is in line with international investment and trade practices. Xi'an will strive to complete the building of high-standard free trade parks with investment and trade facilitation measures, to enable the clustering of high-end industries, good financial services, and allow in-depth people-to-people exchanges, through efficient and convenient supervision and a well-regulated, rules-based business environment. Through these measures stated above, Xi'an intends to push forward the deep implementation of the strategies of "Belt and Road" and western region development.

The Road and Belt initiatives also provide new opportunities for the development of Xi'an, which was the historical starting point of the ancient Silk Road. As the largest western central city along the Longhai Lanxin Railway, Xi'an is strategically located in the middle, connecting the east to the west and the north to the south. The Belt and Road is expected to increase the transnational capital, enterprises and people flow into Xi'an, which will rapidly enhance Xi'an economy.

3.7.3 Infrastructure Developments

Map 27 Main Infrastructure in Xi'an

Source: Colliers International

Railway

There are 6 passenger transport railway stations in Xi'an. Xi'an Railway Station, located just north of Xi'an walled city, is one of the eight major national railway stations, and the main railway transportation hub of Shaanxi Province. The new Xi'an North Railway Station, situated a few miles to the north, has 34 platforms and is the largest railway station in Northwest China. The station tracks the high-speed trains of the Zhengzhou–Xi'an High-Speed Railway. Xi'an North Station is served only by the fast (G-series and D-series) trains running on the Zhengzhou–Xi'an High-Speed Railway; one of them continues south to Hankou. The city's other stations include Xi'an West, Xi'an East, Xi'an South, and Fangzhicheng railway stations.

Airport

Xi'an Xianyang International Airport is the major airport serving the city and is the largest airport in the northwestern part of China. It is 41 kilometres northwest of Xi'an city centre, and 13 kilometres northeast of the centre of Xianyang. China Eastern Airlines, Hainan Airlines and China Southern Airlines are the main carriers, and there are direct flights from Xi'an to many major cities in Asia, including Bangkok, Busan, Fukuoka, Hong Kong, Kuala Lumpur, Manila, Osaka, Sapporo, Singapore and Seoul and Taipei.

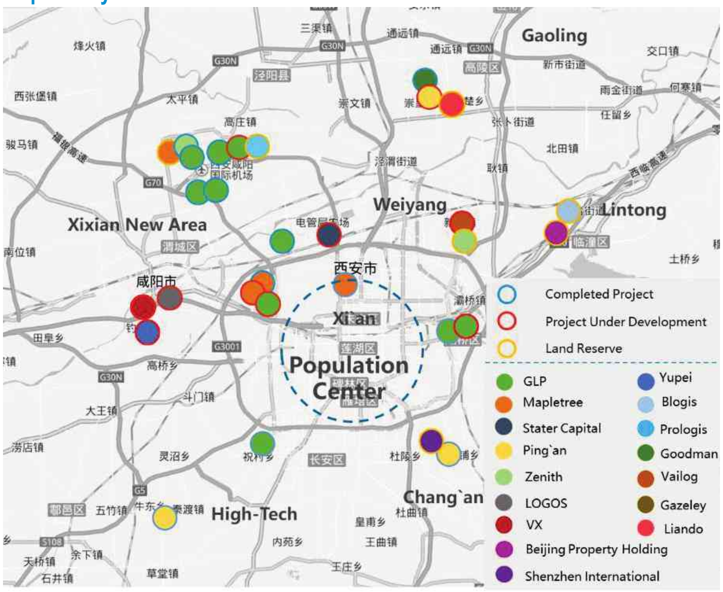
Expressway

Xi'an currently has three ring road systems. These ring roads are similar to freeways, except that there are traffic signals on the Second Ring road.

As a tourist city, Xi'an has built expressways to Lintong, Tongchuan and Baoji, with well-maintained roads to famous scenic spots in suburban counties, and to the north slope of the Qin Mountains. Since its completion in September 2017, the Xi'an–Hanzhong Expressway connects Hanzhong and Xi'an through the Qinling.

3.7.4 Key Sub-markets

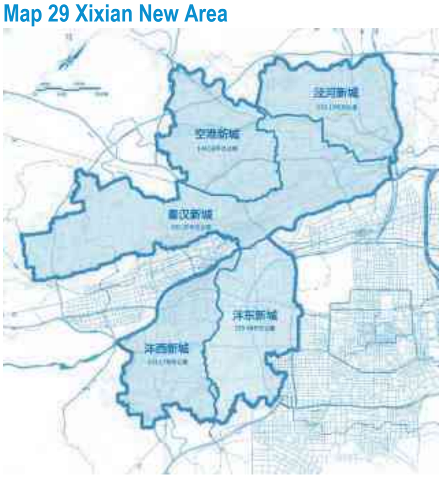
Map 28 Key Sub-markets in Xi'an



Source: Colliers International

There are currently six submarkets in Xi'an, which are Xixian New Area, Weiyang, High-tech, Chang'an, Lintong and Gaoling. The key players present in the market include GLP, Mapletree, Ping'an, Zenith and Goodman, with their comparative locations presented in the map above.

Map 29 Xixian New Area



Source: Colliers International

Xixian New Area, which is a nation-level new area, was officially established at the beginning of 2014 and includes Airport New Town, Qinhan New Town, Jinghe New Area, Fengxi New Town and Fengdong New Town. Industries targeted to be developed in Xixian New Area includes airport logistics; aircraft maintenance; international trade; modern service industry; high technology and new technology research and development; financial and commercial and headquarters economy; urban agriculture, surveying and mapping; energy conservation; environmental protection; high-end manufacturing, and new energy.

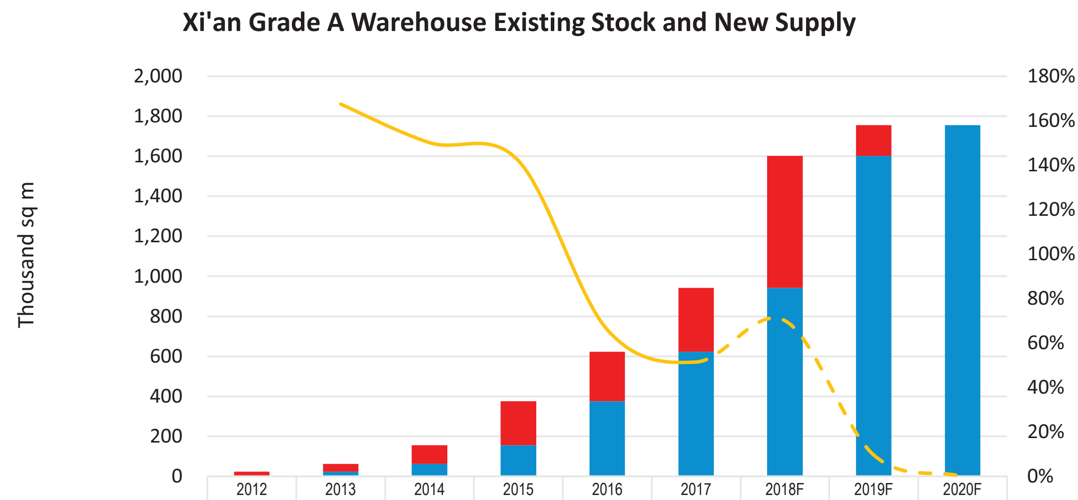
Xixian New Area is a relatively new submarket, which is also an emerging market. Nearly half of the Grade A logistics warehouses in Xi'an market are located in Xixian New Area, providing 393,928 sq m warehouse supply and accounting for over 40% of the market total supply in Xi'an in the end 2017. Xian New Area. is expected to be a logistics hotspot in Xi'an.

Other Submarkets

Other submarkets are relatively small compared to Xian New Area, including High-tech, Lintong, Chang'an, Weiyang, Gaoling. There are no more than four projects in each submarket, most of which is future supply.

3.7.5 Supply & Demand

Figure 71 Xi'an Grade A Warehouse Existing Stock and New Supply

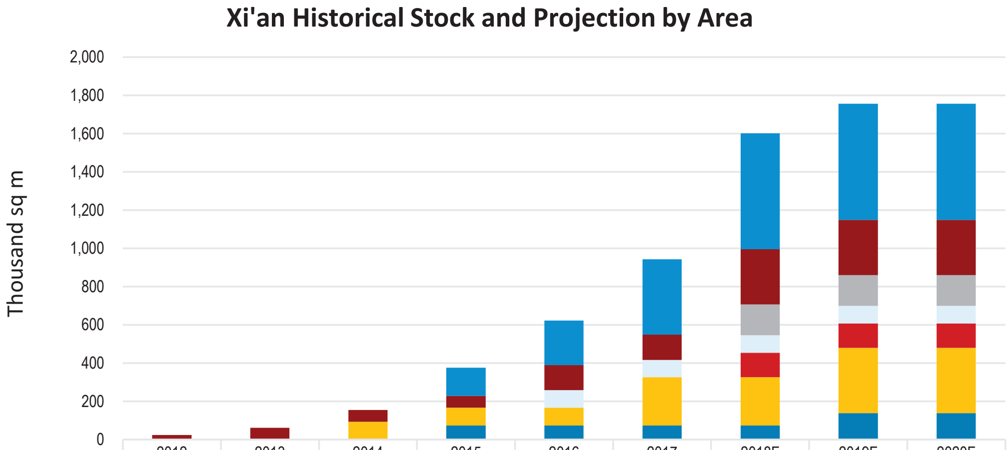


	2012	2013	2014	2015	2016	2017	2018F	2019F	2020F
New Supply	23	39	93	220	247	320	660	154	0
Existing Stock		23	62	155	375	622	942	1,602	1,755
Total Stock Change YOY		167%	150%	142%	66%	51%	70%	10%	0%

Source: Colliers International

By the end of 2017, Xi'an had approximately 320,000 sq m of Grade A warehouse stock in the leasing market - a 51% increase over 2016. Xi'an is anticipating approximately 660,000 sq m new supply in the market in 2018, quickly pushing the total stock up to more than 1.6 million sq m.

Figure 72 Xi'an Historical Stock and Projection by Area

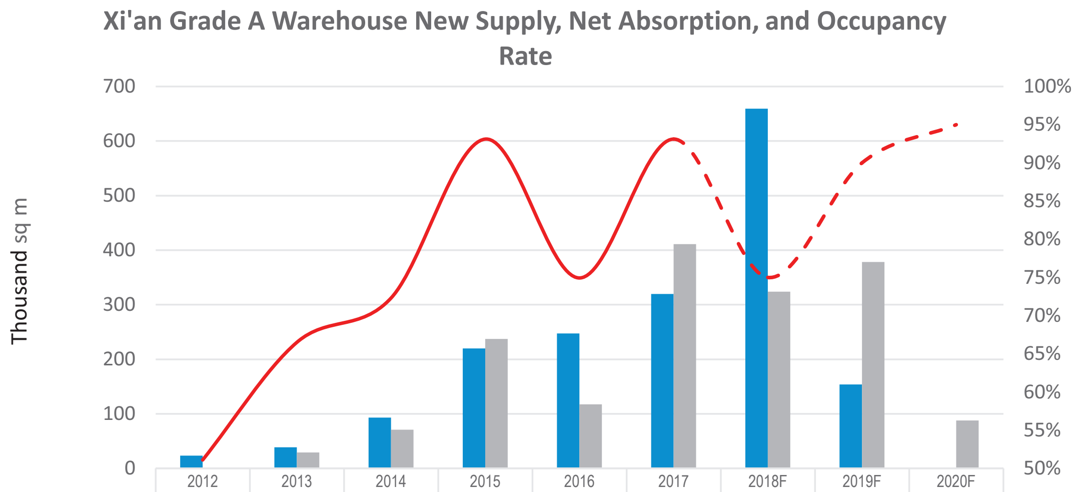


	2012	2013	2014	2015	2016	2017	2018F	2019F	2020F
Xianyang	0	0	0	146	233	394	607	607	607
Weiyang	23	62	62	62	132	132	289	289	289
Qinhan	0	0	0	0	0	0	161	161	161
Gaoling	0	0	0	0	91	91	91	91	91
Fengxi	0	0	0	0	0	0	129	129	129
Chang'an	0	0	93	93	93	252	252	341	341
Baqiao	0	0	0	74	74	74	74	139	139

Source: Colliers International

There are seven logistics areas in Xi'an, including Xianyang, Qinhan, Fengxi which are in Xixian New Area, and Weiyang, Gaoling, Chang'an, and Baqiao. Caotan area in Weiyang was the first submarket of Grade A warehouse properties in Xi'an in 2012. Chang'an saw its first Grade A warehouse in 2014, which was GLP High-tech. In the following year, future supply in the pipeline just rocketed, and several other districts saw new supply. As of end of 2017, Xianyang was the biggest logistics area in terms of GFA.

Figure 73 Xi'an Grade A Warehouse New Supply, Net Absorption, and Occupancy Rate

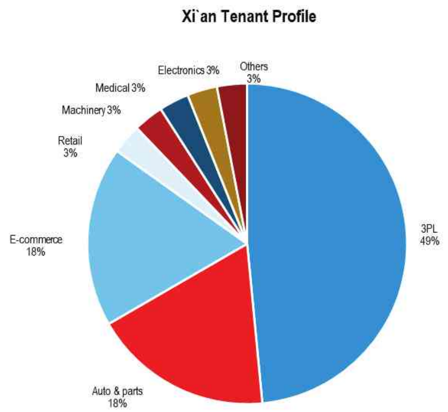


	2012	2013	2014	2015	2016	2017	2018F	2019F	2020F
New Supply	23	39	93	220	247	320	660	154	0
Net Absorption		29	71	237	117	411	324	379	88
Occupancy Rate	51%	67%	72%	93%	75%	93%	75%	90%	95%

Source: Colliers International

Demand for Grade A warehouse space in Xi'an remained stable and in an upward trend, and despite plenty of supply in recent years, average occupancy rate in Xi'an reached 93% in 2017, and increase of 18% YOY. A large amount of new supply is expected to enter the market in the next three years, especially in 2018. Although we estimate that occupancy rate will decrease in the short time, occupancy rate is expected to rebound and increase in 2019-2010 due to the limited new supply.

Figure 74 Xi'an Tenant Profile



Source: Colliers International Shanghai Industrial, 2017

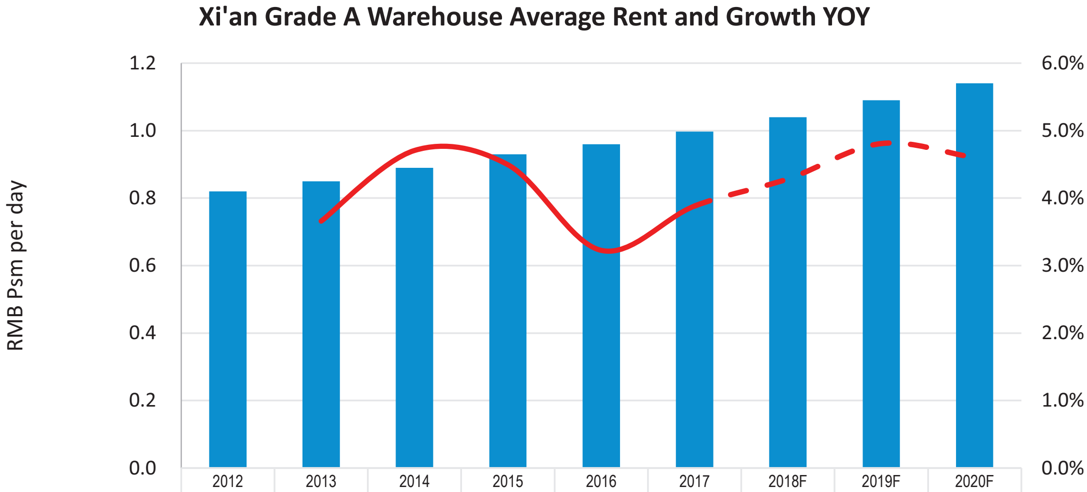
46% of the total number of Grade A warehouse tenants in Xi'an were 3PL companies in 2017. Auto & parts and e-commerce both come in second, accounting 18% respectively. There are more 4S stores and automotive repair shops in Xi'an than any other city. In terms of e-commerce, JD took up the entire 30,000 sq m in GLP Airport North project in 2017, and the asking rental was RMB 1.02 per day per sq m. For logistics and courier Yunda Express took up 25,000 sq m in GLP Airport South project in 2017.

3.7.6 Investors & Investment Trends

Xi'an is a hotspot logistics market. However in consideration of the large amount of new supply in the near-future, it will be recommended for an investor to lock in potential tenants through BTS developments instead of engaging in speculative development. However, in the long-run, investors are likely to want to obtain logistics land given current trend towards increasing difficulty of obtaining logistics land.

3.7.7 Rents, Yields & Values

Figure 75 Xi'an Grade A Warehouse Average Rent and Growth YOY

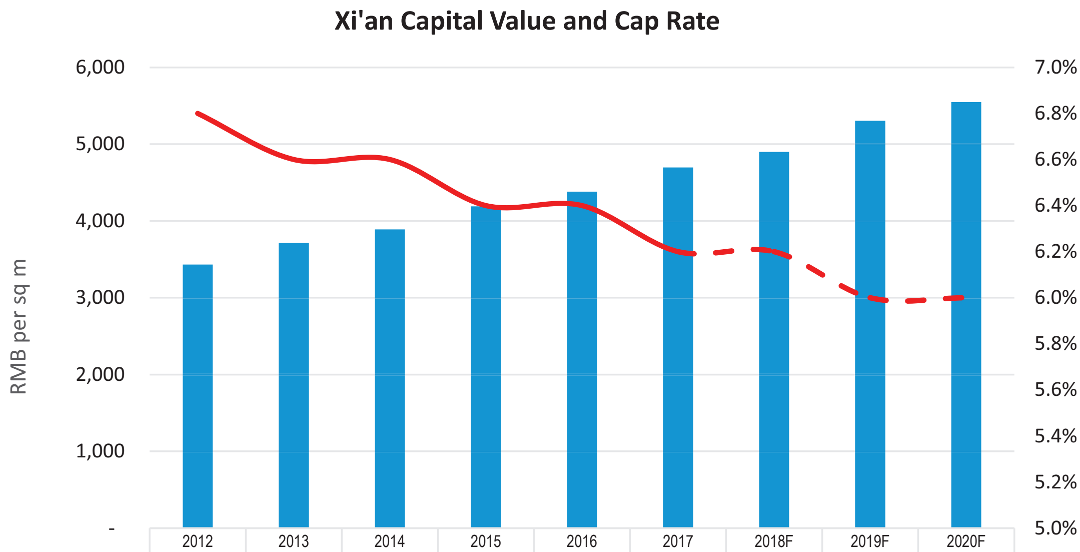


	2012	2013	2014	2015	2016	2017	2018F	2019F	2020F
Asking Rental	0.82	0.85	0.89	0.93	0.96	1.00	1.04	1.09	1.14
Rental Growth		3.7%	4.7%	4.5%	3.2%	3.9%	4.3%	4.8%	4.6%

Source: Colliers International

Rental growth remained stable in the Xi'an market over the last 5 years. The average rental in Xi'an increased by 3.9% YOY to approximately RMB 1.00 per sq m per day as of end-2017. Rent is expected to continue growing over the coming three years because of growing demand, especially from e-commerce enterprises given that Xi'an ideal location for many companies' north-west China distribution center. Rental growth rate is projected to be around 4-5% in the future three years.

Figure 76 Xi'an Capital Value and Cap Rate



	2012	2013	2014	2015	2016	2017	2018F	2019F	2020F
Capital Value	3,433	3,714	3,888	4,190	4,380	4,697	4,898	5,305	5,548
Cap Rate	6.8%	6.6%	6.6%	6.4%	6.4%	6.2%	6.2%	6.0%	6.0%

Source: Colliers International

Average cap rate in Xi'an was estimated to be 6.2% as of end of 2017, while capital value was estimated to be RMB 4,697 per sq m. Projected forward to 2020, cap rate and capital value in Xi'an is expected to be 6.0% and RMB 5,548 per sq m respectively.

3.7.8 Mapletree Fengdong (Xi'an) Industrial Park

Mapletree Fengdong (Xi'an) Industrial Park, completed in March 2016, is located in Weiyang District, north of Fengchan 2nd road and east of Jianchang 3rd road. The total area site covers 119,422 sq m and the GFA is 62,860 sq m. Mapletree Xi'an project was designed as a single-storey warehouse with 9 metres of ceiling height and 2 tons of loading capacity.

Map 30 the Property and the Surrounding Major Infrastructure

Source: Colliers International

Table 14 Travel Timetable from Mapletree Fengdong (Xi'an) Industrial Park

Destination (major infrastructure)	Estimated driving time
Xi'an Xianyang International Airport	40 minutes
Xi'an West Railway Station	30 minutes
Xi'an North Railway Station	30 minutes
Xi'an Railway Station	30 minutes
Xi'an East Railway Station	40 minutes
Xi'an South Railway Station	50 minutes
Nearest Highway Entrance	10 minutes

Source: Colliers International

Mapletree Fengdong(Xi'an) Industrial Park is located at the Weiyang District, West of Xi'an downtown. It is convenient for the tenants of Mapletree Fengdong (Xi'an) to access the major transportation facilities. Xi'an Xianyang International Airport is 40 minutes away and the railway stations - Xi'an West Railway Station, Xi'an Railway Station and North Railway Station are all 30 minutes away. The nearest highway entrance to Lianhuo Highway is only 10 minutes away, which connects Jiangsu Province with Xinjiang Province. Mapletree Fengdong (Xi'an's) tenants can thus transport their goods conveniently transported to cities all over China through the surrounding transportation networks.

Occupancy rate of Mapletree Fengdong (Xi'an) Industrial Park in Weiyang District is currently 100%. Compared to the other submarkets in Xi'an, Weiyang District is close to the industrial and commercial areas and has better access to consumer markets as compared to its peers. This is advantageous for the tenants, as tenants are able to shorten shipping distance, reduce freight, and ensure the quick and efficient supply to their customers. Besides Mapletree, GLP has also developed a logistics park in the north of Shangyuan road and west of 7th Caotan road, which is located in the north-west of Mapletree, 9 kilometers away. The occupancy rate of GLP was however only 79% as of end of 2017, showcasing the better performance of Mapletree Fengdong (Xi'an) Industrial Park

Figure 77 SWOT Analysis of Mapletree Fengdong (Xi'an) Industrial Park

S Strengths	• Good location between Xi'an and Xianyang airport and close to downtown Xi'an • Good transportation location - just beside the Xi'an Belt Expressway and close to railway stations
W Weaknesses	• Relatively far away from the airport as compared to the other logistics parks located in the Xixian New Area
O Opportunities	• Policies encourage the logistics industry • Limited new supply in Weiyang District in the future
T Threats	• Expected large amount of potential new supply in other submarkets in Xi'an in the upcoming three years

Source: Colliers International

Mapletree Fengdong (Xi'an) Industrial Park's Performance Outlook

Considering the above-mentioned factors, Mapletree Fengdong (Xi'an) Industrial Park is competitive in the Xi'an logistics market mainly due to its superior geographical location which enables tenants to easily reach downtown Xi'an, Xi'an Belt Expressway, railway stations, and Xianyang Airport. Due to the growing demand for the Grade A warehouse in Xi'an, Mapletree Fengdong (Xi'an) Industrial Park is expected to remain at 100% occupancy rate in the future, with rentals also estimated to growth at 3-5% each year.

3.8 TIANJIN LOGISTICS MARKET STUDY

3.8.1 Economic Overview

Map 31 Location of Tianjin

Source: Colliers International

Tianjin has a total area of 11,917 sq kilometres and it is one of the four municipalities in China directly under the central government. Together with a number of cities, including Beijing, Shenyang and Dalian, Tianjin forms the Bohai Rim Economic Circle, which is one of the three biggest economic regions in China which drives the development of the neighbouring areas.

With a view to strengthen Tianjin's position as the economic centre of the Bohai Rim Economic Circle, priority has been given to the development of the Binhai New Area, and as such, preferential policies have been given by the State Council to support the development of the Binhai New Area. In 2017, Tanjin's GDP was RMB1,859.5 billion, registering a real growth of 3.6% over the previous year.

Tianjin port is the largest comprehensive and integrated port in northern China, providing transport services to 400 ports in more than 200 countries and regions all over the world. The city is the maritime gateway of Beijing as well as an important foreign trading hub in northern China.

Table 15 Table of Macroeconomic Indicators

Units in RMB billion unless otherwise stated	2011	2012	2013	2014	2015	2016	2017
GDP	1,119	1,289	1,437	1,572	1,654	1,789	1,860
GDP Growth Rate YOY (%)	16.0	14.0	12.5	10.0	9.3	9.0	3.6
GDP by Tertiary Industry	515	605	691	776	860	966	1,079
GDP by Secondary Industry	588	666	728	777	772	800	759
GDP by Primary Industry	16	17	19	20	21	22	22
Fixed Asset Investment	751	887	1,012	1,165	1,307	1,463	1,127
FAI Growth Rate YOY (%)	31.1	18.1	14.1	15.1	12.1	12.0	0.5
Real Estate Investment	108	126	148	170	187	230	223
REI Growth Rate YOY (%)	25.0	17.0	18.0	15.0	10.0	23.0	-2.9
FDI (USD in billion)	13.1	15.0	16.8	18.9	21.1	10.1	10.6
FDI Growth Rate YOY (%)	20.0	15.0	12.0	12.0	12.0	12.0	5.0
CPI (%)	4.9	2.7	3.1	1.9	1.7	2.1	2.1
Permanent Population (million)	13.5	14.1	14.7	15.2	15.5	15.6	15.6
Permanent Population Growth Rate YOY (%)	4.5	4.3	4.2	3.0	2.0	1.0	-0.3
Urban Disposable Income Per Capital (RMB)	26,921	29,626	32,658	31,506	34,101	34,047	37,022
Urban Disposable Income Growth Rate YOY (%)	-	10.0	10.2	8.7	8.2	8.9	9.0
Consumption Expenditure Per Capita (RMB)	18,424	20,024	-	-	26,230	26,129	27,841
Consumption Expenditure Per Capita Growth Rate YOY (%)	-	8.7	-	-	8.0	8.9	6.6

Source: Tianjin Statistics Bureau, Colliers International

Between 2011 to 2017, Tianjin's GDP growth rate fell remarkably from 16.0% to 3.6%. Tianjin's GDP grew steadily to RMB1,860 million in 2017, and ranked sixth in China after Shanghai, Beijing, Shenzhen, Guangzhou, and Chongqing. Tianjin's government explained that the decrease in the growth rate was caused by the adjustment of the industrial classification and the statistic scope of each industry, which aims to help Tianjin develop in a more sustainable way.

In 2017, added value of the tertiary industry to GDP in Tianjin increased by 6 percentage points YOY to 58.0%, while the added value of secondary industry to GDP increased by 1 percentage point YOY to 40.8%. As an important contributor to the tertiary industry, the development of the logistics industry can drive the development of other industries. It is therefore necessary to strive for and promote the joint development of industries.

Tianjin's FAI increased by 5.0% YOY to RMB 1127 billion in 2017, while REI kept a high growth rate between 2011 to 2016, but decreased sharply to -2.9% in 2017. Tianjin's FDI increased by 5.0% YOY to USD 10.6 billion in 2017. Tianjin's CPI has been stable at around 2.0% in the past 5 years. These data indicate that the investment growth from both domestic and foreign capital fell into a downturn in 2017. This shows that Tianjin is in a transition period where the driving force for development is shifting from investment to innovation.

Tianjin's population grew from 13.5 million in 2011 to 15.6 million in 2017. The growth rate of the permanent population was slowing down in the past 6 years and finally dipped negative in 2017. The adjustment in Tianjin's industry structure has led to fewer jobs, and this decline is projected to continue in the next 3 years until Tianjin finds competitive advantages for its development. Tianjin's urban disposable income and consumption expenditure per capita has experienced stable growth rate in the past years, and in 2017, disposable income per capita increased by 8.7% YOY to RMB 37,022, while consumption expenditure increased by 6.6% YOY to RMB 27,841.

3.8.2 Government Planning and Policies

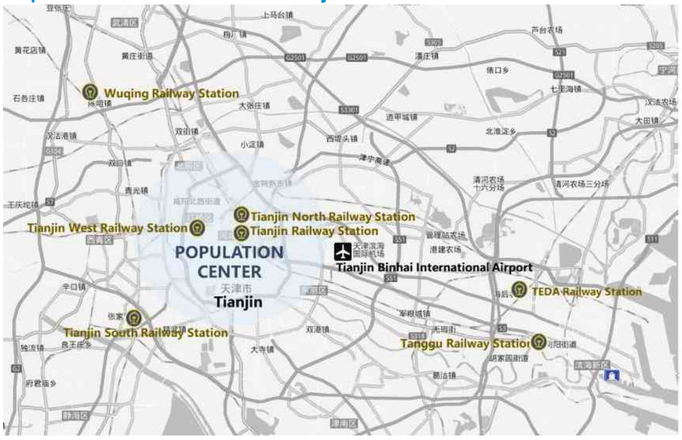
According to Tianjin Overall Urban Planning (2005-2020), the city is the designated economic hub of the Bohai Rim region, performing the functions of a modern manufacturing and R&D base. It has also been positioned as northern China's international shipping centre, international logistics centre, regional integrated transport hub and modern services centre. Tianjin is entrusted with the task of optimising the layout of its logistics base and nurturing a modern logistics industry embracing warehousing, processing, transportation, information and services.

According to the 13th Five-Year Plan (2016-2020), Tianjin has three missions to achieve in the next five years for the development of its logistics industry. The first is to construct an allocation carrier of the global logistics resource for the linkage of sea, land and air, while the second is to build a logistics network in order to connect hinterlands to the country. The third mission, which is the top priority of the modern logistics sector, is to integrate the logistics network into the global value chain.

The Belt and Road initiatives also provide new opportunities for the development of Tianjin. According to the Vision and Actions on Jointly Building Silk Road Economic Belt and 21st-Century Maritime Silk Road, Tianjin will focus on the development of ports and logistics to promote facilitation of international transportation. As mentioned, in the 13th Five-Year Plan for Tianjin's modern logistics development, Tianjin will make full use of the Arctic Northeast Passage, Northwest Channel Golden Waterway to actively open up The Belt and Road international routes. Meanwhile, Tianjin will continue expanding its international airline network cover key regions in Asia and as well as direct flights to Europe and to The United States.

3.8.3 Infrastructure Developments

Map 32 Main Infrastructure in Tianjin



Source: Colliers International

Railway

Tianjin is an important railway hub for Beijing to connect to the northeast and to the east. Tianjin is located at the junction of many railway lines – the Beijing-Shanghai Railway lines and the Jinshan Railway lines, the interchange of the Beijing-Shanghai high-speed railway, the Beijing-Tianjin inter-city railway, the Tianjin-Qin passenger dedicated line, the Tianjin-Baoshan passenger dedicated line, etc.

There are hence several railway stations in the city - Tianjin Railway Station, Tianjin West Railway Station and Tianjin North Railway Station, Tanggu Railway Station (located in the important port area of Tanggu District), and TEDA Railway being key railway stations.

Airport

Tianjin Binhai International Airport, established in 2004, located in Dongli District, is 13 kilometres away from the city center and is a 4F civil international airport. Tianjin Binhai international airport is one of the first-class airports and major air cargo centers in China. In 2017, Tianjin Airport's passenger throughput increased by 24.5% to approximately 21 million and cargo throughput exceeded 268,300 tons, increasing 13.2% YOY. Transportation sorties also increased 18.5% YOY to 165,000, over the same period.

Expressway

Tianjin highway network comprises of the national highway, some municipal trunk lines and a radial highway linked together by various other radiative highways. There are four vertical national highways and three ring roads in Tianjin. A developed road network greatly improves logistics efficiency, which enables goods to be transported smoothly throughout Tianjin.

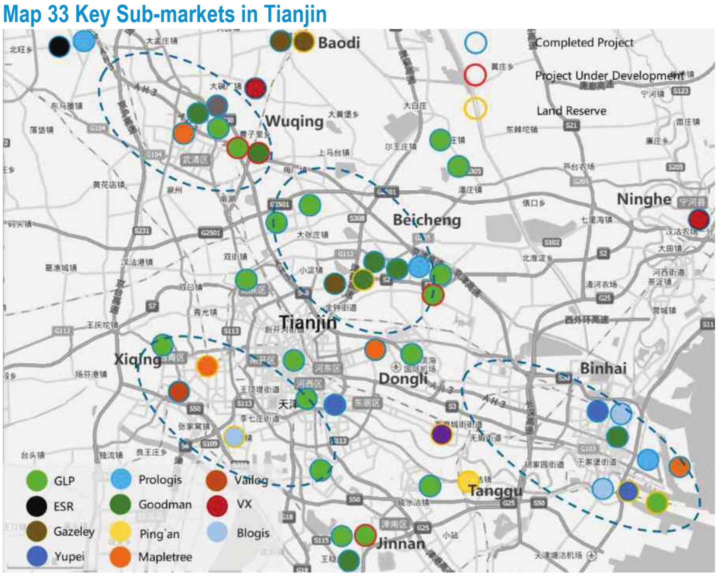
Port

Tianjin port is the largest artificial deep water harbour in China, with throughput capacity ranking fifth in the world. Located in Binhai Economic Zone, a national new economic zone of China, Tianjin harbor is the port for international cruises visiting the Beijing-Tianjin-Hebei Region. At present, the depth of the main channel of Tianjin port is 21 meters, which can accommodate a 300-thousand-ton crude oil ship - the most advanced container ship out of the port. Tianjin Port handled 502 million tonnes of cargo in 2017.

The port is part of the Binhai New Area district of Tianjin Municipality, the main special economic zone of northern China, and it lies directly east of the TEDA. The Port of Tianjin is at the core of the ambitious development program of the BNA and, as part of that plan, the port aims to become the primary logistics and shipping hub of North China.

3.8.4 Key Sub-markets

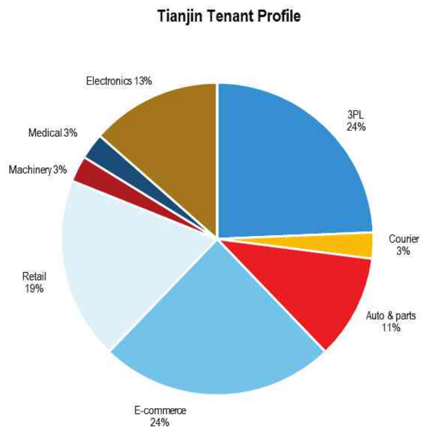
Map 33 Key Sub-markets in Tianjin



Source: Colliers International

There are currently ten submarkets in Tianjin, which are Baodi, Beichen, Binhai, Dongli, Heping, Jinnan, Ninghe, Tanggu, Wuqing, and Xiqing. The submarkets between Tianjin and Beijing, like Beichen, Wuqing, and Xiqing, are regarded as prime logistics markets due to convenience for tenants to distribute goods to both Tianjin and Beijing. The key players in Tianjin include GLP, Goodman, Mapletree, Prologis, Gazeley, Blogis, Yuepei and VX.

Figure 78 Tianjin Tenant Profile

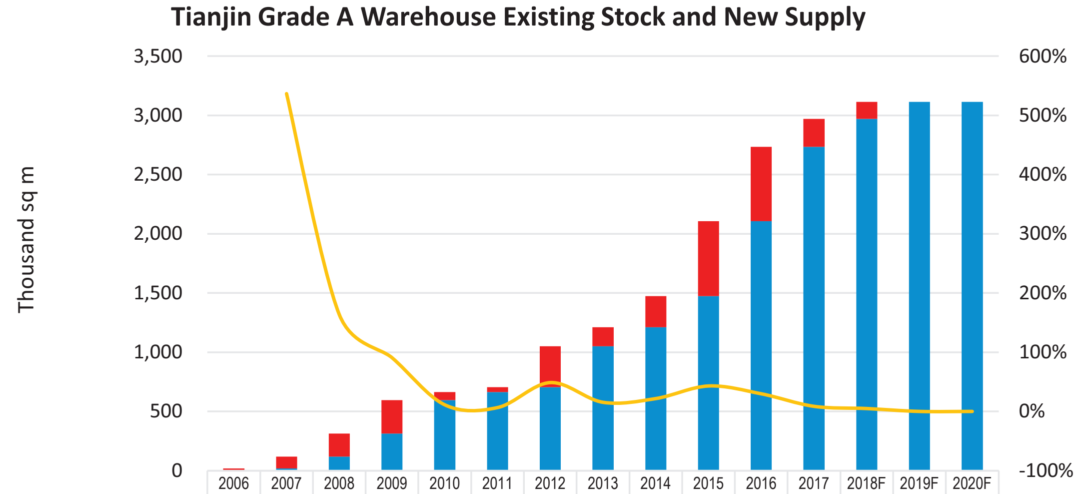


Source: Colliers International Shanghai Industrial, 2017

3PL companies and e-commerce enterprises are the primary source of demand in Tianjin in terms of number of tenants. As can be seen from the chart above, both of these two sectors accounted for 24% respectively. Retail ranked second, which accounted for 19%. The auto & parts rank third, which accounted for 15%. Other tenant industries were electronics, auto & parts, machinery, courier, and medical. For example, Toread took up the entire 40,000 sq m in Goodman Xiqing project at the beginning of 2017 for its north China distribution center. Tenants either distribute to Tianjin city or the whole of the Beijing-Tianjin-Hebei Region.

3.8.5 Supply & Demand

Figure 79 Tianjin Grade A Warehouse Existing Stock and New Supply

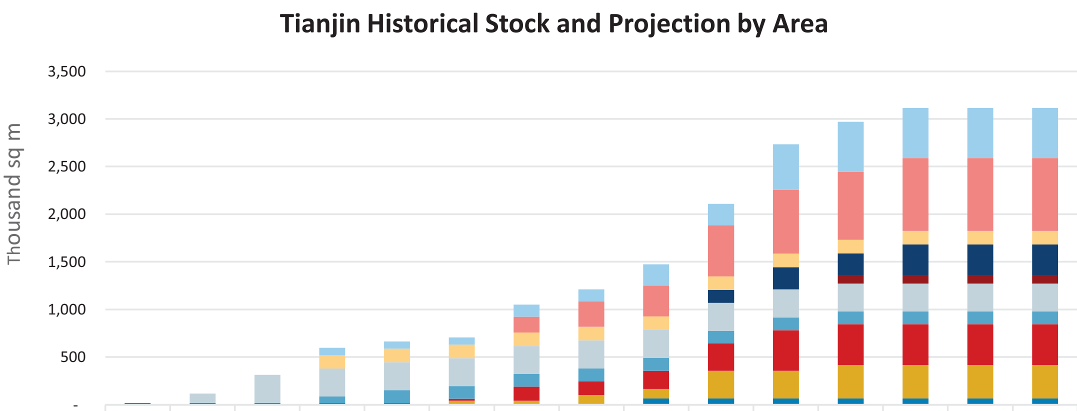


	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018F	2019F	2020F
New Supply	19	100	194	284	66	43	344	162	263	634	628	235	144	0	0
Existing Stock		19	119	313	596	663	706	1,049	1,211	1,474	2,108	2,735	2,971	3,115	3,115
Total Stock Change YOY		537%	164%	91%	11%	6%	49%	15%	22%	43%	30%	9%	5%	0%	0%

Source: Colliers International

By the end of 2017, Tianjin had approximately 2.9 million sq m of Grade A warehouse stock in the leasing market, a 9% increase over 2016. It is estimated to see 144,000 sq m new supply in the market in 2018, pushing the total stock up to more than 3.1 million sq m. New supply includes GLP Tianjin Ninghe Phase II with 93,533 sq m and GLP Tianjin Wuqing Sicundian with 10,190 sq m.

Figure 80 **Tianjin Historical Stock and Projection by Submarket**

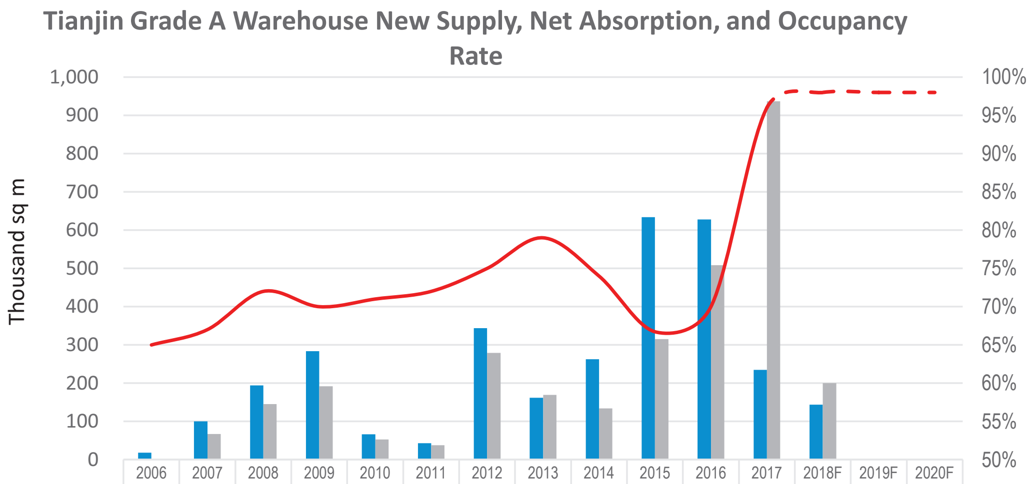


	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018F	2019F	2020F
Xiqing	0	0	0	74	74	74	126	126	224	224	479	526	526	526	526
Wuqing	0	0	0	0	0	0	165	267	324	538	671	714	764	764	764
Tanggu	0	0	0	142	142	142	142	142	142	142	142	142	142	142	142
Ninghe	0	0	0	0	0	0	0	0	0	135	234	234	328	328	328
Jinnan	0	0	0	0	0	0	0	0	0	0	0	82	82	82	82
Heping	0	100	294	294	294	294	294	294	294	294	294	294	294	294	294
Dongli	0	0	0	68	134	134	134	134	134	134	134	134	134	134	134
Binhai	19	19	19	19	19	19	145	145	190	287	427	427	427	427	427
Beichen	0	0	0	0	0	43	43	102	102	290	290	353	353	353	353
Baodi	0	0	0	0	0	0	0	0	65	65	65	65	65	65	65

Source: Colliers International

There are currently ten submarkets in Tianjin, which are Baodi, Beichen, Binhai, Dongli, Heping, Jinnan, Ninghe, Tanggu, Wuqing, and Xiqing. As can be seen from the chart, Binhai was the first submarket of Grade A warehouse properties in Tianjin. Heping saw its first project in 2012, which was built by Mapletree. In the following years other submarkets appeared successively. No new submarket is expected from 2018 to 2020 in Tianjin.

Figure 81 Tianjin Grade A Warehouse New Supply, Net Absorption, and Occupancy Rate



	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018F	2019F	2020F
New Supply	19	100	194	284	66	43	344	162	263	634	628	235	144	0	0
Net Absorption		67	146	192	53	38	279	170	134	316	508	937	201	0	0
Occupancy Rate	65%	67%	72%	70%	71%	72%	75%	79%	74%	67%	70%	96%	98%	98%	98%

Source: Colliers International

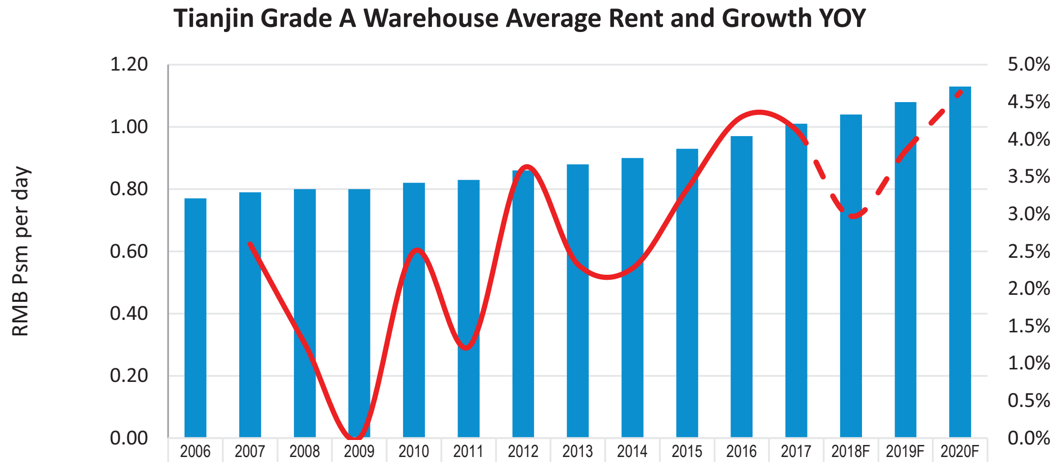
Demand for Grade A warehouse space in Tianjin remained stable and but dipped decreased slightly due to of the influence of the 2015 Tianjin container storage explosion. However, demand in Tianjin has since similarly rocketed as with other markets in China, by end-2017, and occupancy rate in reached 96%. Occupancy rate in Tianjin is projected to be stable in the next three years at about 98%.

3.8.6 Investors & Investment Trends

Tianjin is a hotspot logistics market where demand exceeds supply. Investors not only seek for BTS opportunity but also engage in speculative opportunity as well. Investors will obtain logistics land in Tianjin as long as they get the opportunity to do so.

3.8.7 Rents, Yields & Values

Figure 82 Tianjin Grade A Warehouse Average Rent and Growth YOY

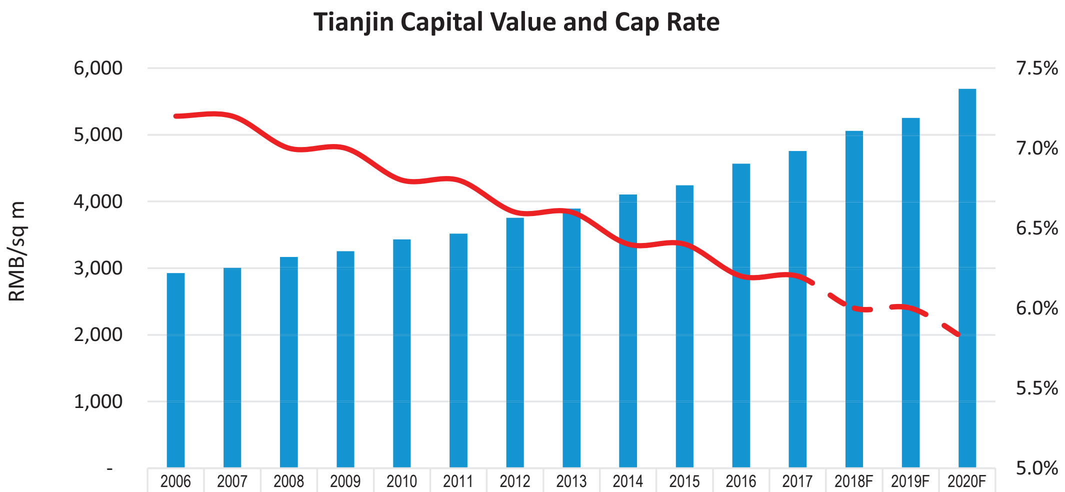


	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018F	2019F	2020F
Asking Rental	0.77	0.79	0.80	0.80	0.82	0.83	0.86	0.88	0.90	0.93	0.97	1.01	1.04	1.08	1.13
Rental Growth		2.6%	1.3%	0.0%	2.5%	1.2%	3.6%	2.3%	2.3%	3.3%	4.3%	4.1%	3.0%	3.8%	4.6%

Source: Colliers International

The average rental in Tianjin increased by 4.1% YOY to approximately RMB 1.01 per sq m per day as of end-2017. Rent is expected to continue growing over the coming three years because of growing demand. Rental growth rate is projected to be around 3-5% in the future three years.

Figure 83 Tianjin Capital Value and Cap Rate



	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018F	2019F	2020F
Capital Value	2,928	3,004	3,170	3,254	3,433	3,520	3,757	3,893	4,106	4,243	4,568	4,757	5,061	5,256	5,689
Cap Rate	7.2%	7.2%	7.0%	7.0%	6.8%	6.8%	6.6%	6.6%	6.4%	6.4%	6.2%	6.2%	6.0%	6.0%	5.8%

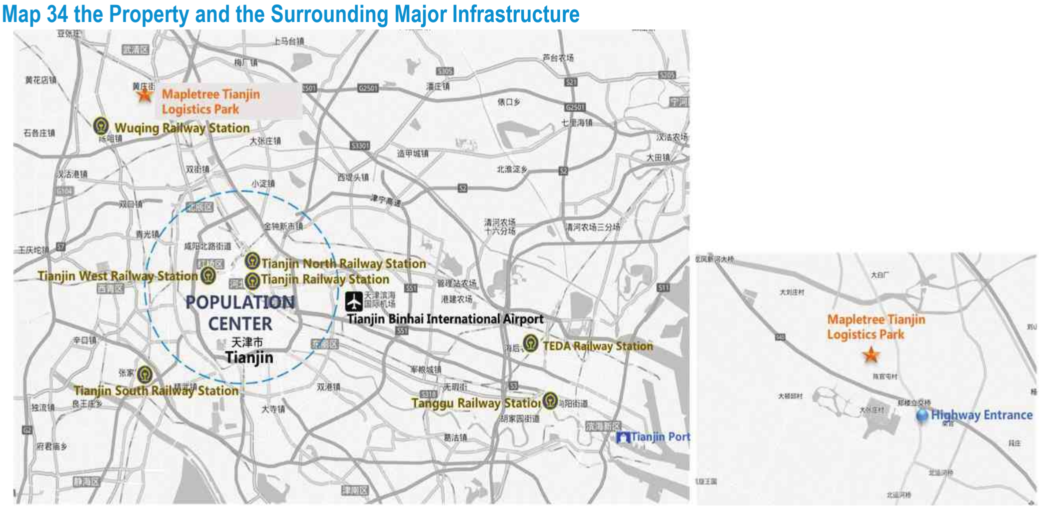
Source: Colliers International

Average cap rate in Tianjin was estimated to be 6.2% at the end of 2017, while capital value was estimated to be RMB 4,757 per sq m as of end-2017. Cap rate and capital value in Tianjin is expected to reach 5.8% and RMB 5,689 per sq m in 2020.

3.8.8 Mapletree Tianjin Logistics Park

Mapletree Tianjin Logistics Park, completed in September 2016, is located at No.20 Quanxiu Road, Wuqing District, and north-west of Tianjin. It the third logistics park developed by Mapletree in Tianjin. The total area site is 47,100 sq m, and the GFA is 29,057 sq m. Mapletree Tianjin Logistics Park was designed as a Grade A single-storey warehouse with 9 metres of ceiling height and 3 tons of loading capacity.

Map 34 the Property and the Surrounding Major Infrastructure



Source: Colliers International

Table 16 Travel Timetable from Mapletree Tianjin Logistics Park

Destination (major infrastructure)	Estimated driving time
Tianjin Binhai International Airport	50 minutes
Wuqing Railway Station	15 minutes
Tianjin West Railway Station	45 minutes
Tianjin North Railway Station	40 minutes
Tianjin Railway Station	50 minutes
Tianjin South Railway Station	55 minutes
Tanggu Railway Station	60 minutes
TEDA Railway Station	60 minutes
Nearest Highway Entrance	10 minutes
Tianjin port	70 minutes
Beijing Downtown	80 minutes

Source: Colliers International

As we can see from the map, Mapletree Tianjin Logistics Park is located in the Wuqing economic development District north of Tianjin. The tenants of Mapletree Tianjin Logistics Park have easy access Wuqing Railway Station which is only 15 minutes away. Relatively further railway stations include Tianjin West Railway Station which is 45 minutes Away; Tianjin North Railway Station which is 40 minutes away; and Tianjin Railway Station which is 50 minutes away. The airport and waterway too are relatively further away from Mapletree Tianjin Logistics Park with Tianjin Binhai International Airport being 48 minutes away and Tianjin Port being approximately 1h away. However, the nearest Highway Entrance is only 10 minutes away; and it is very convenient for the tenants of Mapletree to deliver goods to Beijing which is only 1h 25 minutes to Beijing downtown.

The competitive advantage of Mapletree Tianjin Logistics Park is stems from its close proximity to Beijing, allowing Mapletree Tianjin Logistics Park to serve both Beijing and Tianjin markets, as compared to the other submarkets in Tianjin. Furthermore, the close proximity to the railway transportation network allows tenants to connect with the other cities in China. Considering the logistics market Wuqing as a whole, most of the projects, including Mapletree Tianjin Logistics Park, has had good performance as of end of 2017 and were 100% leased.

Figure 84 SWOT Analysis of Mapletree Tianjin Logistics Park

S Strengths	• Good location between Beijing and Tianjin • One of the project has highest building specification (Grade A) in Tianjin
W Weaknesses	• Relatively far away to Tianjin port
O Opportunities	• Future infrastructure planning of Wuqing Economic Development Area (transportation, policy and information platform) • Policies encourage the logistics industry
T Threats	• Several competitors nearby • Plenty of new supply in the future

Source: Colliers International

Mapletree Tianjin Logistics Park's Performance Outlook

Considering above-mentioned factors, Mapletree Tianjin Logistics Park is competitive in the Tianjin logistics market due to its high building specification and good geographical location. Mapletree Tianjin project was completed in March 2016, and had an occupancy rate of 100% by the of end of 2017. As a core logistics city, Tianjin will continuously experience strong demand for high standard warehouses. Mapletree Tianjin Logistics Park has performed well in the market so far, and the occupancy rate is expected to remain at 100% in the future.

3.9 CHANGSHA LOGISTICS MARKET STUDY

3.9.1 Economic Overview

Map 35 Location of Changsha

Source: Colliers International

Changsha, the capital of Hunan in Central China, serves as the financial and commercial center of the province. It is the largest city in terms of GDP in Hunan and ranked the 20th most competitive city in China in 2016 according to the Chinese Academy of Social Sciences. It covers 11,819 sq kilometres and is located in the Xiang River valley plain. Changsha is bordered by Yueyang and Yiyang to the north, Loudi to the west, and Xiangtan and Zhuzhou to the south. It is part of the Chang-Zhu-Tan city cluster or megalopolis, which was designated in the 1970s as the nucleus of a major industrial complex.

Changsha is easily accessible by air, land and sea. It is a major railway stop on the Beijing-Guangzhou Railway line. Changsha Huanghua International Airport, 20 kilometres from downtown Changsha, offers regular domestic and international flights to cities such as Bangkok, Seoul and Frankfurt. Changsha Port offers ferry services to domestic cities in Hunan and given the convenient transportation network in Changsha, Changsha was designated as a national logistics hub in MOFCOM's development plan (2015-2020) of distributive trade and logistics.

Table 17 Table of Macroeconomic Indicators

Units in RMB billion unless otherwise stated	2011	2012	2013	2014	2015	2016	2017
GDP	562	640	715	782	851	932	1054
GDP Growth Rate YOY (%)	14.5	13.0	12.0	10.5	9.9	9.4	9.0
GDP by Tertiary Industry	222	254	292	326	369	444	516
GDP by Secondary Industry	315	359	395	425	448	451	500
GDP by Primary Industry	24	27	29	32	34	37	38
Fixed Asset Investment	351	401	459	544	636	669	757
FAI Growth Rate YOY (%)	26.1	20.3	20.1	18.3	17.1	13.9	13.1
Real Estate Investment	89	103	115	131	100	126	149
REI Growth Rate YOY (%)	29.6	16.4	11.8	13.6	-24.0	26.5	18.2
FDI (USD in billion)	2.6	3.0	3.4	4.0	4.4	4.8	5.3
FDI Growth Rate YOY (%)	-	14.5	14.2	16.7	11.0	9.3	9.1
CPI (%)	5.5	2.0	2.6	2.7	1.1	1.9	0.8
Permanent Population (million)	7.1	7.1	7.2	7.3	7.4	7.6	7.9
Permanent Population Growth Rate YOY (%)	0.7	0.8	1.1	1.3	1.7	2.9	3.6
Urban Disposable Income Per Capital (RMB)	26,451	30,288	33,662	36,826	39,961	43,294	46,948
Urban Disposable Income Growth Rate YOY (%)	15.9	14.5	11.1	9.4	8.5	8.3	8.4
Consumption Expenditure Per Capita (RMB)	17,782	19,460	22,346	26,779	29,753	31,826	-
Consumption Expenditure Per Capita Growth Rate YOY (%)	10.5	9.4	14.8	19.8	11.1	7.0	-

Source: Changsha Statistics Bureau, Colliers International

In 2017, the GDP of Changsha amounted to RMB1, 054 billion, up 9% from the previous year. Where economic output is concerned, Changsha accounts for 30.45% of the provincial total. This reflects the leading role of Changsha in the region and its relatively strong economy.

In 2017, the city's industrial value-add reached RMB353 billion, an increase of 8.5% over the preceding year. Tertiary industry value add to GDP in Changsha increased by 10.9% YOY to 49.0%, while secondary industry value add to GDP increased by 7.7 % YOY to 47.44%. Similarly in 2017, Changsha's FAI increased by 13.1% YOY to RMB757 billion, while the REI increased by 18.2% YOY to RMB149 billion. In the same year, Changsha's foreign direct investment expanded rapidly, increasing 9.0% YOY reaching USD5.3 billion and accounting for 36.3% of the provincial total. The city's CPI has been stable at around 1% since 2015.

Changsha's permanent population grew slowly from 7.09 million in 2011 to 7.91 million in 2017 and urban Disposable Income and Consumption Expenditure per Capital experienced stable growth rate in the past years. In 2017, disposable income per capital increased by 8.4% YOY to 46,948.

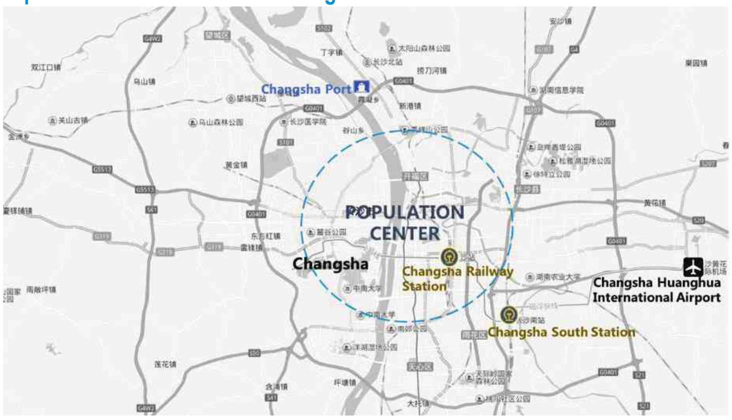
3.9.2 Government Planning and Policies

Under the Urban Commercial Network Layout Planning for Changsha (2005-2020) (revised in 2014), Changsha will continue to develop its city-level commercial centre and form 33 regional commercial centres by 2020. The city-level commercial centre is Wuyi Square. Focusing on major projects, efforts will be made to build the district into a landmark commercial carrier of Changsha (or even Hunan province as a whole) attract big international names, upgrade the level and scale of commercial networks in the district and create an international commercial centre with unique characteristics.

According to the 13th Five-Year Plan for Changsha's modern logistics development, the development roadmap is to establish a modern logistics service system, powered by advanced technology and is both efficient and environmentally friendly. In order to achieve this goal, the main layout planning is to build one core, three areas, many parks, and six channels. As a core of Changsha's Zhuzhou Xiangtan Urban Agglomeration, Changsha will be built as the core of the logistics industry of the Yangtze River Economic Zone; three main areas are to be developed surrounding the Dongting Lake area, the Southern Hunan region, and the Western Hunan region; lots of lands will be constructed into a batch of logistics parks to support the national economic or technological development zone; six channels involves the construction of 6 logistical channels of land, water and air connecting Changsha with the rest of China and the world.

3.9.3 Infrastructure Developments

Map 36 Main Infrastructure in Changsha



Source: Colliers International

Railway

Changsha Railway Station is located in the city center and provides express services to most cities in China via the Beijing–Guangzhou and Shimen–Changsha Railways. The Changsha South Railway Station is located in Yuhua district on the Beijing–Guangzhou High-Speed Railway (as part of the planned Beijing–Guangzhou–Shenzhen–Hong Kong High-Speed Railway). This station with 8 platforms was opened in December 2009 and since then, the passenger volume has increased greatly. The Changsha-Changsha-Huaihua sector of the Shanghai-Changsha-Kunming high-speed railway entered service in 2014.

Airport

Changsha Huanghua International Airport is a regional hub for China Southern Airlines. The airport serves daily flights to major cities in China, including Beijing, Shanghai and Guangzhou, as well as Hong Kong, Macau and Taipei. Other major airlines also provide daily service between Changsha and other domestic and international destinations. The airport provides direct flights to 45 major international cities including Los Angeles, Singapore, Seoul, Pusan, Osaka, Tokyo, Kuala Lumpur, Frankfurt as well as Sydney. In 2017, Changsha Airport's passenger throughput increased by 11.6 percent to 23.76 million.

Expressway

Changsha is connected nationally via the G4, G4E, G4W2, G5513 and G0401 of National Expressways, G107, G106 and G319 of National Highways, S20, S21, S40, S41, S50, S60 and S71 Hunan provincial Expressways. There are three main bus terminals in Changsha: the South Station, East Station and West Station, dispatching long- and short-haul trips to cities within and outside the province of Hunan. A developed road network greatly improves the logistics efficiency, which allows goods be transported smoothly to anywhere in Changsha.

Port

Changsha port is one of the 28 main ports in China. The Changsha Xiangjiang center port is located in Kaifu District in the north of the city, about 10 kilometres from the downtown area. Changsha Port has developed 7 international container lines and dozens of international routes. The goods that enter the Yangtze River through the Xiangjiang River can be transported to the world through Shanghai's port.

3.9.4 Key Sub-markets

Map 37 Key Sub-markets in Changsha

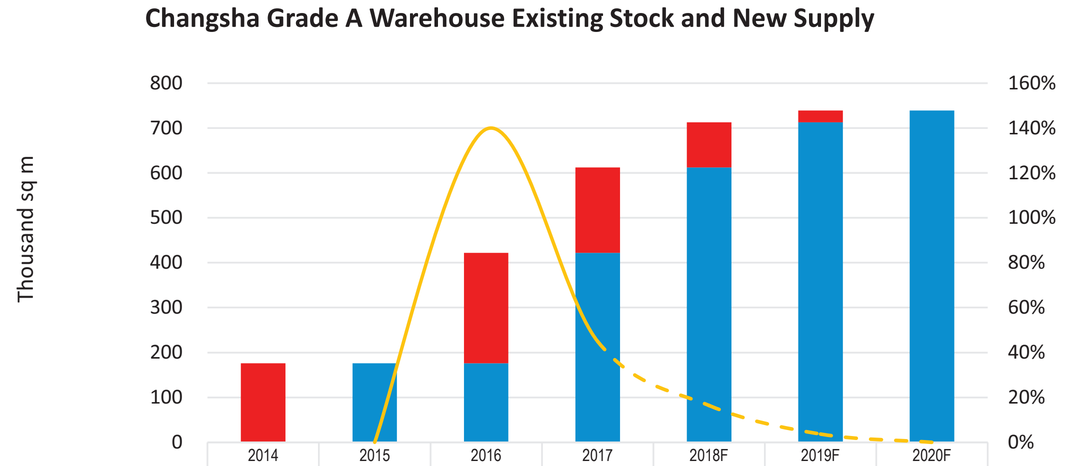
Source: Colliers International

There are currently seven submarkets in Changsha, which are Changsha County, Jinxia, Kaifu, Liuyang, Lugu, Wangcheng, and Yuhua.

Grade A warehouses are relatively scattered in Changsha market. Jinxia and Wangcheng saw their first Grade A project in 2014 respectively. Most of the other submarkets witnessed their first project in 2016. There is expected to be a new submarket – Yuhua which is close to downtown Changsha in 2019.

3.9.5 Supply & Demand

Figure 85 Changsha Grade A Warehouse Existing Stock and New Supply

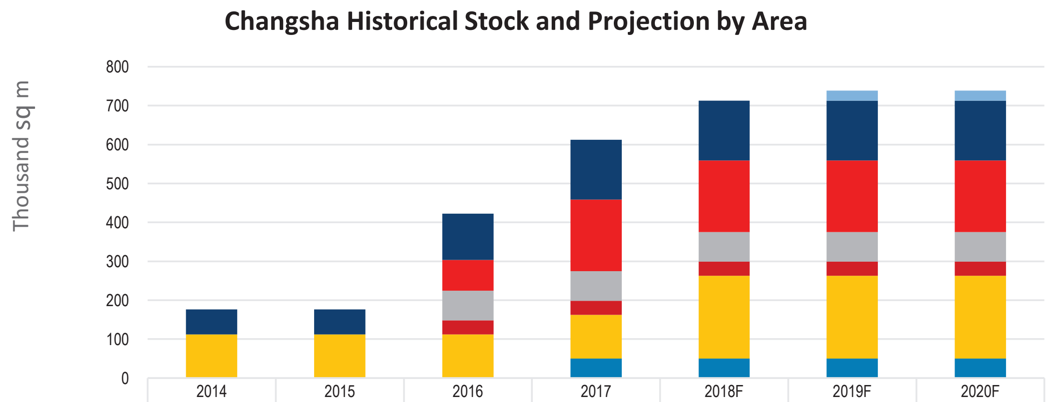


	2014	2015	2016	2017	2018F	2019F	2020F
New Supply	176	0	246	190	100	26	0
Existing Stock		176	176	422	612	713	739
Total Stock Change YOY		0%	140%	45%	16%	4%	0%

Source: Colliers International

By the end of 2017, Changsha had approximately 612,000 sq m of Grade A warehouse stock in the leasing market, a 45% increase over 2016. 100,000 sq m of new supply, which belongs to Shenzhen International Jinxia Phase I, is expected in the market in 2018, pushing the total stock up to more than 700,000 sq m.

Figure 86 Changsha Historical Stock and Projection by Submarket

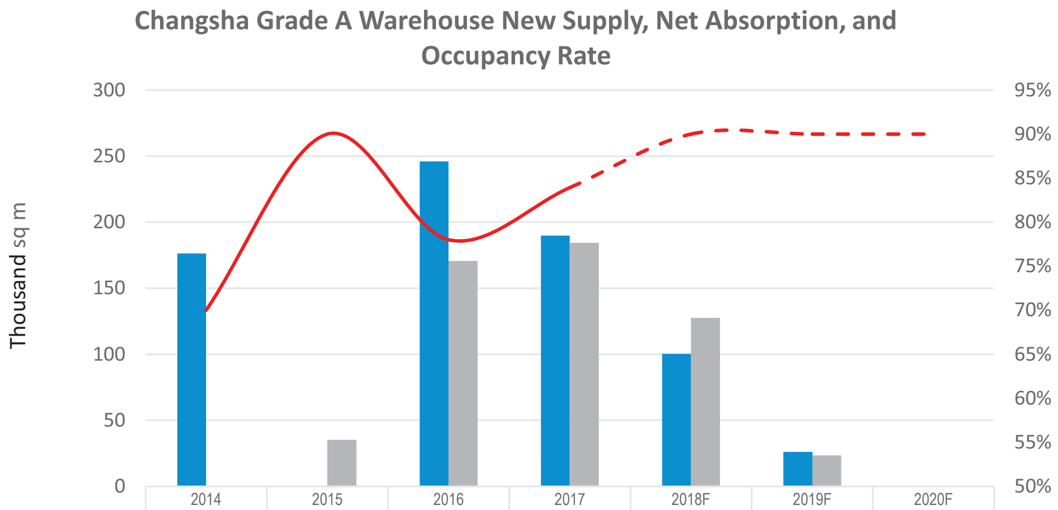


	2014	2015	2016	2017	2018F	2019F	2020F
Yuhua	0	0	0	0	0	26	26
Wangcheng	64	64	119	154	154	154	154
Lugu	0	0	79	184	184	184	184
Liuyang	0	0	76	76	76	76	76
Kaifu	0	0	36	36	36	36	36
Jinxia	112	112	112	112	212	212	212
Changsha County	0	0	0	50	50	50	50

Source: Colliers International

There are currently seven submarkets in Changsha, which are Changsha County, Jinxia, Kaifu, Liuyang, Lugu, Wangcheng, and Yuhua. There are several supply pipelines in Changsha logistics market. However, most pipelines have just signed an investment agreement and possesses uncertainty with regards to the ability to obtain logistics land.

Figure 87 Changsha Grade A Warehouse New Supply, Net Absorption, and Occupancy Rate

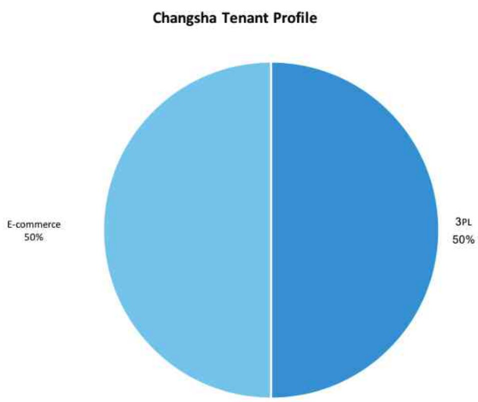


	2014	2015	2016	2017	2018F	2019F	2020F
New Supply	176	0	246	190	100	26	0
Net Absorption		35	171	184	128	24	0
Occupancy Rate	70%	90%	78%	84%	90%	90%	90%

Source: Colliers International

By end-2017, occupancy rate in Changsha was at 90% due to a rise in demand in Changsha mainly from the 3PL, and e-commerce sector. Occupancy rate in Changsha is thus projected to be stable in the next three years at 90%.

Figure 88 Changsha Tenant Profile



Source: Colliers International Shanghai Industrial, 2017

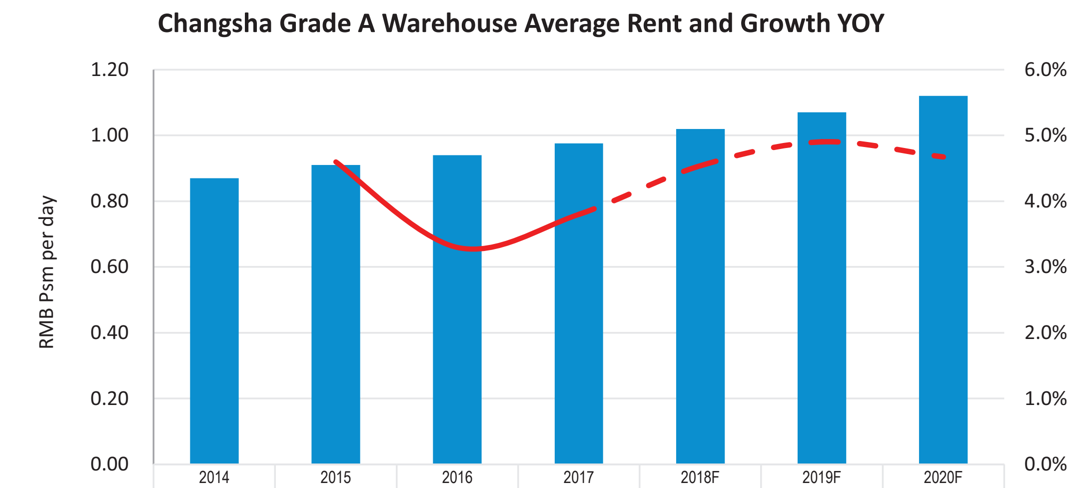
E-commerce companies and 3PLcompanies are the primary source of demand in Changsha in terms of number of tenants. As can be seen from the chart, both of the sectors accounted for half of the market share in the end of 2017.

3.9.6 Investors & Investment Trends

Changsha is not a traditional hotspot logistics market. It is however located along a main logistics artery. Investors not only seek for BTS opportunity but also engage in speculative opportunity as well. Investors will obtain logistics land in Changsha land as long as they are given the opportunity to do so.

3.9.7 Rents, Yields & Values

Figure 89 Changsha Grade A Warehouse Average Rent and Growth YOY

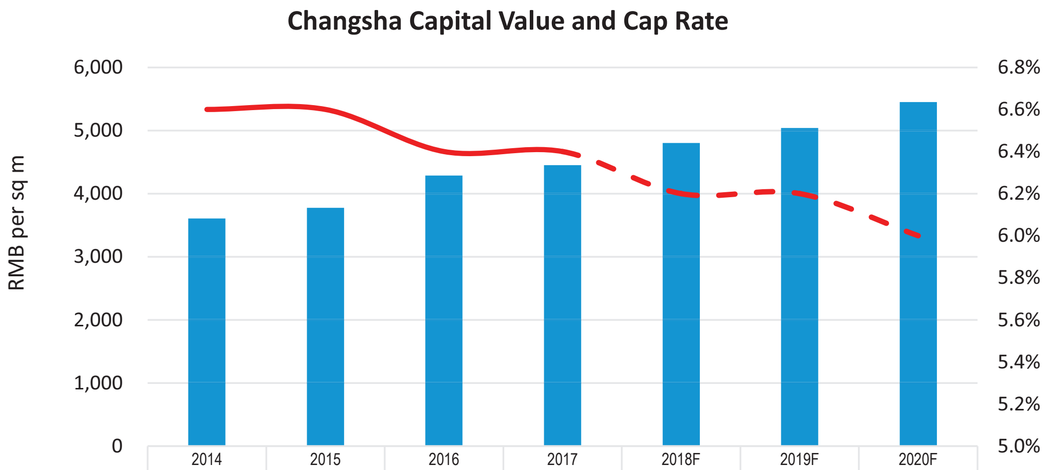


	2014	2015	2016	2017	2018F	2019F	2020F
Asking Rental	0.87	0.91	0.94	0.98	1.02	1.07	1.12
Rental Growth		4.6%	3.3%	3.8%	4.5%	4.9%	4.7%

Source: Colliers International

The average rental in Changsha increased by 3.8% YOY to approximately RMB 0.98 per sq m per day as of end-2017. Rent is expected to continue growing over the coming three years at 4-5% because of growing demand, especially demand from e-commerce enterprises.

Figure 90 Changsha Capital Value and Cap Rate



	2014	2015	2016	2017	2018F	2019F	2020F
Capital Value	3,609	3,774	4,289	4,452	4,804	5,039	5,451
Cap Rate	6.6%	6.6%	6.4%	6.4%	6.2%	6.2%	6.0%

Source: Colliers International

So far, there has been no precedent Grade A warehouse transaction in the Changsha market. Cap rate in Changsha was estimated to be 6.4% as of end of 2017, while capital value was estimated to be about RMB 4,452 per sq m. These estimations are based on precedent transactions in similar cities and quotations of projects for sale. Cap rate and capital value in Changsha is expected to be 6.0% and RMB 5,154 per sq m in 2020, which are calculated by linear prediction - as more investors enter the sector, logistics properties will have better liquidity. Better liquidity will lead to a rise in quoted price as well as a decline in cap rate.

3.9.8 Mapletree Changsha Logistics Park

Mapletree Changsha Logistics Park, which was completed in Apr 2017, is located at No.77 Jingqiao road, Yuelu district in the Lugu submarket. The total site area is 125,333 sq m, and the GFA is 79,253 sq m. Mapletree Changsha project was designed as a Grade A single-storey warehouse with 9 metres of ceiling height and 3 tons of loading capacity.

Map 38 the Property and the Surrounding Major Infrastructure

Source: Colliers International

Table 18 Travel Timetable from Mapletree Changsha Logistics Park

Destination (major infrastructure)	Estimated driving time
Changsha Huanghua International Airport	50 minutes
Changsha Railway Station	45 minutes
Changsha South Railway Station	45 minutes
Changsha port	30 minutes
Nearest Highway Entrance	5 minutes

Source: Colliers International

As we can see from the map above, Mapletree Changsha Logistics Park is located at the Lugu submarket in the West of Changsha. It is very convenient for the tenants of Mapletree to transport goods through the highways, given that the nearest highway entrance is only 5 minutes away. Other key transportation facilities include - Changsha Huanghua International airport which is 50 minutes away; Changsha South Railway Station and Changsha Railway Station which both are 45 minutes away; the Changsha port is 30 minutes away.

Compared to the existing logistics parks, Mapletree Changsha Logistics Park is the only Grade A warehouse in Lugu submarket with high building specification. It is located near the city centre, which shortens the distance to the consumer market and saves on logistics cost. Most of other existing projects are located at the north of Changsha, further from downtown or airport as compared to Mapletree Changsha Logistics Park.

Figure 91 SWOT Analysis of Mapletree Changsha Logistics Park

S Strengths	• Good transportation location -- close to two national expressways, with easy access to the port • One of the few Grade A warehouses in Changsha
W Weaknesses	• Relatively further away from the airport and railway stations
O Opportunities	• Future infrastructure planning of Lugu (transportation, policy) • Policies encourage logistics industry • Not much new supply in the future
T Threats	• Several competitors have land reserve in better location

Source: Colliers International

Mapletree Changsha Logistics Park's Performance Outlook

Considering above-mentioned factors, Mapletree Changsha Logistics Park is competitive in the Changsha logistics market due to high building specification and good geographical location. Since completion in April 2017 Mapletree Changsha Logistics Park was 96.5% leased in less than a year. This is impressive considering that Changsha is an emerging logistics city. Since there will be no new supply around in the near future, Mapletree Changsha Logistics Park is expected to become 100% leased in the foreseeable future.

3.10 WUHAN LOGISTICS MARKET STUDY

3.10.1 Economic Overview

Map 39 Location of Wuhan

Source: Colliers International

Wuhan is the capital of Hubei province, and is the most popular city in Central China. It lies in the eastern Jianghan Plain on the middle reaches of the Yangtze River at the intersection of the Yangtze and Han rivers. Arising out of the conglomeration of three cities, Wuchang, Hankou, and Hanyang, Wuhan is known as 'China's Thoroughfare'. In recent years, the concept of 'Wuhan urban circle' has been raised in order that closer cooperation in various domains can be forged with the eight neighbouring cities of Huangshi, Xiaogan, Huanggang, Ezhou, Xianning, Xiantao, Qianjiang and Tianmen. It is a major transportation hub, with dozens of railways, roads and expressways passing through the city and connecting to other major cities. At the same time it enjoys well-established air, land and water transportation network. Because of its key role in domestic transportation, Wuhan is sometimes referred to as "the Chicago of China" by foreign sources.

Holding sub-provincial status, Wuhan is recognized as the political, economic, financial, cultural, education and transportation center of central China. It is ranked the 12th most competitive city in China in 2016, according to the Chinese Academy of Social Sciences. In 2017, the city's GDP exceeded RMB1, 000 billion, growing at an annual rate of 8 percent YOY. GDP contribution is split almost evenly between the city's industrial and service sectors.

Wuhan is China's traditional manufacturing base. Major industries include automobiles, machinery manufacturing, and iron and steel industry. Others include electronics, cigarette, food processing, energy, petrochemicals, home appliances, construction materials, biopharmaceuticals and textiles and garment. Environmental sustainability is highlighted in Wuhan's list of emerging industries, which include energy efficiency technology and renewable energy.

Table 19 Table of Macroeconomic Indicators

Units in RMB billion unless otherwise stated	2011	2012	2013	2014	2015	2016	2017
GDP	562	640	715	782	851	932	1,342
GDP Growth Rate YOY (%)	21.5	18.4	13.1	11.2	8.3	9.2	8.0
GDP by Tertiary Industry	331	383	432	493	556	629	714
GDP by Secondary Industry	325	387	440	479	498	523	586
GDP by Primary Industry	20	30	34	35	36	39	41
Fixed Asset Investment	426	503	600	700	773	704	787
FAI Growth Rate YOY (%)	13.6	18.0	19.3	16.7	10.3	-8.9	11.0
Real Estate Investment	128	157	191	235	258	252	-
REI Growth Rate YOY (%)	26.0	22.8	21.0	23.5	9.7	-2.5	0.0
FDI (USD in billion)	3.8	4.4	5.3	6.2	7.3	8.5	9.7
FDI Growth Rate YOY (%)	14.2	18.2	18.1	18.1	18.5	16.1	13.2
CPI (%)	5.2	2.8	2.4	1.9	1.4	2.4	1.9
Permanent Population (million)	8.27	8.22	8.22	8.27	8.29	8.34	-
Permanent Population Growth Rate YOY (%)	-1.1	-0.7	0.0	0.6	0.2	0.6	0.0
Urban Disposable Income Per Capital (RMB)	23,738	27,061	29,821	33,270	36,436	39,737	43,405
Urban Disposable Income Growth Rate YOY (%)	14.1	14.0	10.2	11.6	9.5	9.1	9.2
Consumption Expenditure Per Capita (RMB)	17,141	18,813	20,157	22,002	23,943	26,535	-
Consumption Expenditure Per Capita Growth Rate YOY (%)	18.3	9.8	7.1	9.2	8.8	10.8	-

Source: Wuhan Statistics Bureau, Colliers International

The GDP of Wuhan increased by 8.0% to RMB1,342 billion, and accounts for 36.7% of the provincial total in 2017. This reflects the leading role of Wuhan in the region and its relatively strong economic strength. Wuhan's industrial contribution to GDP increased by 7.7% over the preceding year.

In 2017, tertiary industry value added to GDP in Wuhan increased by 9.2%YOY to 53.2%, while secondary industry value added to GDP increased by 7.1% YOY to 43.7%. The development of the logistics industry can drive the development of many other industries. It is therefore necessary to strive for and promote the joint development of many other industries.

The city's Fixed Asset Investment increased by 11.0%YOY to RMB787.17 billion. Foreign Direct Investment has expanded rapidly in recent years and Wuhan has attracted foreign investment from over 80 countries. FDI reached RMB9.65 billion in 2017, accounting for 87.8% of the provincial total and posting an increase of 13.2%YOY. CPI has been stable at around 2.0% in Wuhan since 2012. Wuhan`s permanent population grew slowly in these years and 8.34 million in 2017. Urban Disposable Income per capital increased by 9.2% YOY to RMB43,405.

3.10.2 Government Planning and Policies

Wuhan is designated as a national hub in MOFCOM's development plan (2015-2020) of distributive trade and logistics. Under the Urban Commercial Network Layout Planning for Wuhan (2010-2020), Wuhan will continue to develop as a leading city in the middle region in China by 2020. The GDP growth target is to be set at 7.8% in 2018, and Wuhan is striving for approval of the National Yangtze River New area to enhance the city's competitiveness in future development. The government also highlighted nine key industries to develop: electronics information, auto industry, equipment manufacturing, iron and steel industry, petrochemical, pharmaceutical, food processing industry, clothing, household appliance industry.

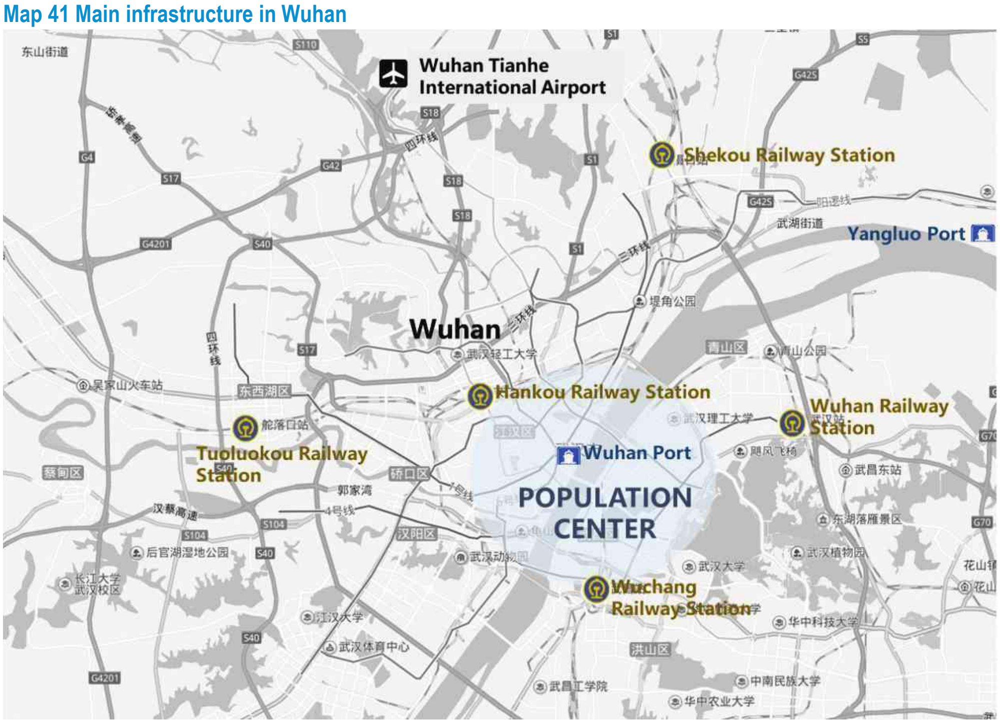
According to the 13th Five-Year Plan for Wuhan's modern logistics development, the development roadmap is to build a modern logistics system by the end of 2020 which will drive development of Yangtze economic belt by connecting the east and west, and allowing connection routes to reach the whole China and the global market. Wuhan aims to become the national logistics center, and to achieve this plan, the Wuhan government has decided to consolidate and develop the following: e-commerce logistics, cold chain logistics, bonded logistics, supply chain management, innovation of multimodal transport, urban distribution, "Internet+ Logistics", logistics finance.

3.10.3 Infrastructure Developments

Wuhan, is the largest water and land transportation hub in inland China. Wuhan's central location within China has over the years made it a strategic location for logistics operators. This has been further enhanced by Hubei Province's continued investment into road, river, air and railway infrastructure. It is also the first pilot comprehensive transportation hub city in China.

Map 40 Crossway of Beijing-Guangzhou Railway and Yangtze River

Map 41 Main infrastructure in Wuhan



Source: Colliers International

Railway

Presently, the city of Wuhan is served by three major railway stations: the Hankou Railway Station in Hankou, the Wuchang Railway Station in Wuchang, and the Wuhan Railway Station, located in a newly developed area east of the East Lake (Hongshan District).

Wuhan Railway Hub is one of the four most important railway hubs in the People's Republic of China. It serves the Beijing–Guangzhou–Shenzhen–Hong Kong high-speed railway, the Shanghai–Wuhan–Chengdu high-speed railway, and Zhengzhou/Jiujiang-bound passenger trains. The (original) Hankou Station was the terminus for the Jinghan Railway from Beijing, while the Wuchang Station was the terminus for the Yuehan Railway to Guangzhou. Since the construction of the First Yangtze Bridge and the linking of the two lines into the Jingguang Railway, both Hankou and Wuchang stations have been served by trains going to all directions, which contrasts with the situation in such cities as New York or Moscow, where different stations serve different directions. The China-Europe direct freight train also link Wuhan with Mělník and Pardubice in Czech Republic.

Other railway stations in Wuhan include: the Wuhan North Railway Station, the Tuoluokou Railway Station and the Shekou Railway Station.

Airport

Opened in April 1995, Wuhan Tianhe International Airport is one of the busiest airports in central China and it is located in Wuhan's suburban Huangpi District 26 kilometres north of Wuhan. The extension of Line 2 of Wuhan Metro to Tianhe Airport opened on 28 December 2016. It has also been selected as China's fourth international hub airport after Beijing Capital International Airport, Shanghai-Pudong and Guangzhou Baiyun. International flights to neighbouring Asian countries includes direct flights to Tokyo and Nagoya, Japan.

Expressway

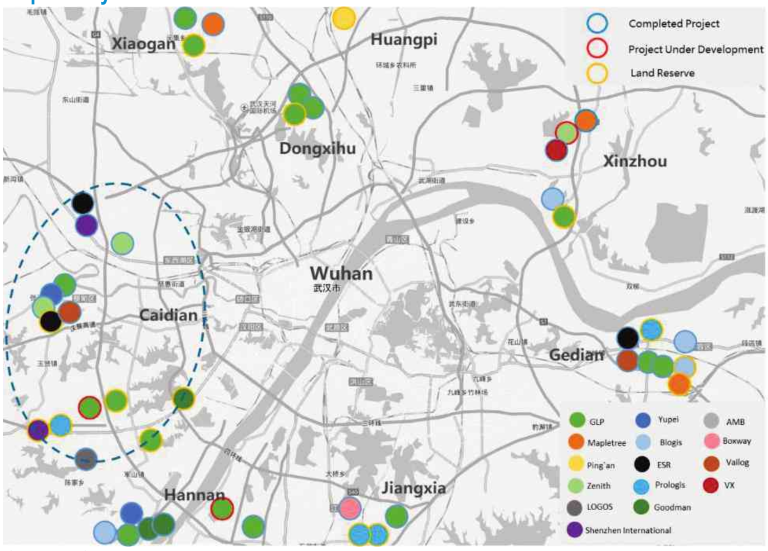
The G106, G107, G316, G318,G230 and G348 of National Expressways, G4, G42, G45, G50, and G70 of National Highways, S1, S2, S3, S5, S7, S8, S11, S12, S13, S15 and S18 of Hubei provincial Expressways, connect the Changsha area nationally. There are also several ring roads in Wuhan.

Port

Wuhan is a major hub for maritime transport in central China. The Port of Wuhan provide services for the local population and shipping services. As a city located at bank of Yangtze River, Wuhan has long history of ferry services. Modern ferry services were established in 1900 by steam boat. In 1937, train ferry was established to transport train cart from Hankou to Wuchang. There are numbered stops that allow people get on and off the ferry around Wuhan and there is a tourist ferry in the night. Currently, ferry services are provided by Wuhan Ferry Company.

3.10.4 Key Sub-markets

Map 42 Key Sub-markets in Wuhan

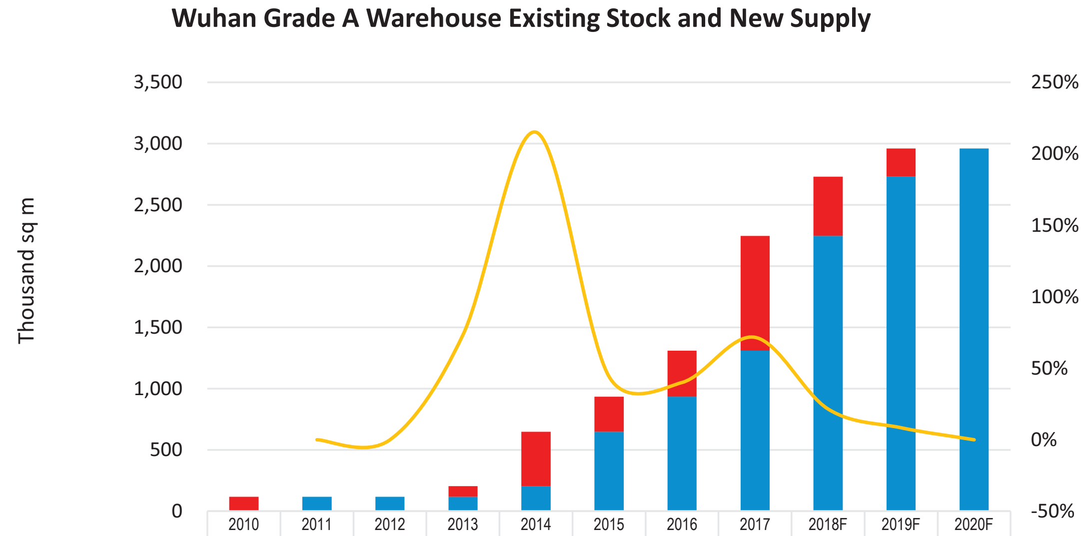


Source: Colliers International

Wuhan witnessed the first Grade A warehouse supply in 2010, following the success of 1st tier logistics in locations such as Beijing, Shanghai, Guangzhou, Suzhou, and other maturing logistics nodes. Since then, Wuhan has quickly became one of the most attractive logistics cities, owing to its central location - located at the crossroad of China. Wuhan has since 2013 attracted a majority of China's active Grade A warehouse developers. There are 8 major logistics submarkets in Wuhan – Dongxihu, Huangpi, Xinzhou, Gedian, Xiaogan, Caidian, Hannan, and Jiangxia, among which Dongxihu is the best logistics location, and is characterised by its highest rental and occupancy rate in Wuhan market. The key players in Wuhan are GLP, Goodman, Zenith, Yupei, ESR, Vailog, Boxway, Mapletree and Blogis, and the comparative positions are presented in the map above.

3.10.5 Supply & Demand

Figure 92 Wuhan Grade A Warehouse Existing Stock and New Supply

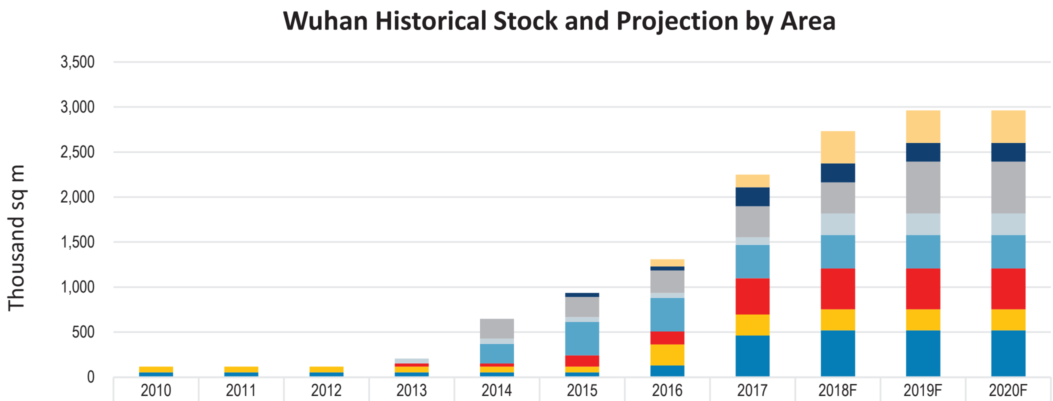


	2010	2011	2012	2013	2014	2015	2016	2017	2018F	2019F	2020F
New Supply	119	0	0	87	443	287	375	938	484	230	0
Existing Stock		119	119	119	206	648	935	1,310	2,248	2,731	2,961
Total Stock Change YOY		0%	0%	73%	215%	44%	40%	72%	22%	8%	0%

Source: Colliers International

Supply within the Wuhan market remained steady up until 2014, after which, the average growth of Grade A warehouse stock experienced substantial growth between the years of 2014 to 2017. By the end of 2017, total stock of Wuhan grew 72% growth YOY to approximately 2.2 million sqm. Total stock of Grade A warehouse in Wuhan is estimated to grow to over 2.7 million sqm and 2.9 million sqm by the end of 2018 and 2019 respectively. Developers that have entered the market to date include GLP, Vailog, E-Shang, Goodman, Yupei, Blogis, Mapletree, with Vanke (VX) and Logos being the relatively new entrants into the market. Meanwhile, plenty of developers have land reserves in Greater Wuhan area, with total GFA estimated to be more than 1 million sqm, Total stock in Wuhan is projected to be reach close to 3 million by 2020 if existing land banks are to be developed.

Figure 93 Wuhan Historical Stock and Projection by Submarket

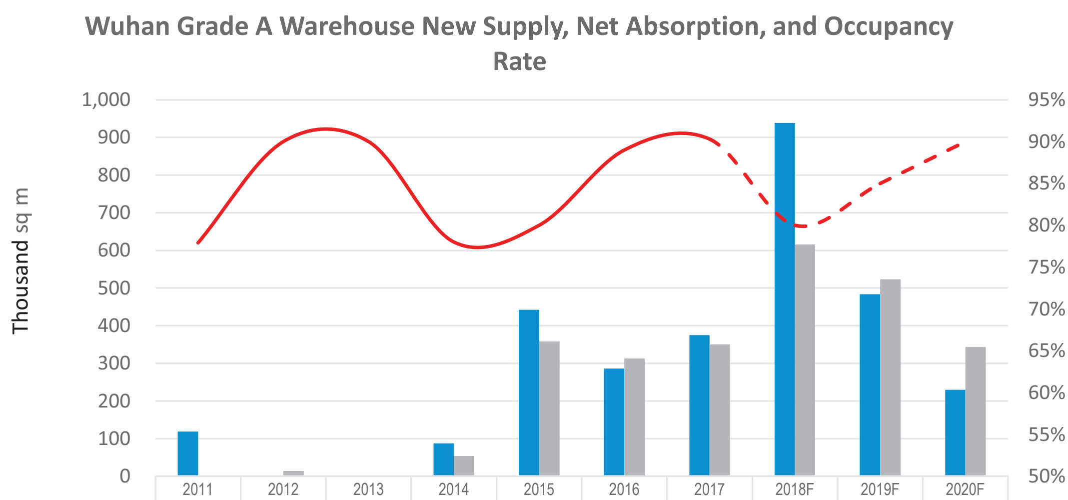


	2010	2011	2012	2013	2014	2015	2016	2017	2018F	2019F	2020F
Xinzhou	0	0	0	0	0	0	80	140	359	359	359
Xiaogan	0	0	0	0	0	44	44	210	210	210	210
Jiangxia	0	0	0	0	223	223	250	345	345	575	575
Huangpi	0	0	0	55	55	55	55	83	240	240	240
Hannan	0	0	0	0	220	372	372	372	372	372	372
Gedian	0	0	0	32	32	122	144	402	453	453	453
Dongxihu	65	65	65	65	65	65	233	233	233	233	233
Caidian	54	54	54	54	54	54	131	463	520	520	520

Source: Colliers International

There are 8 submarkets in Wuhan, in which Dongxihu and Caidian are the first two markets witnessed Grade A warehouse. Huangpi, Gedian, Jiangxia, Hannan, and Xiaogan saw their first Grade A project between 2013 and 2015. In 2016, Xinzhou attracted its first new supply. New supply is expected to be in Huangpi, Jiangxia, Huangpi, Gedian, and Caidian.

Figure 94 Wuhan Grade A Warehouse New Supply, Net Absorption, and Occupancy Rate

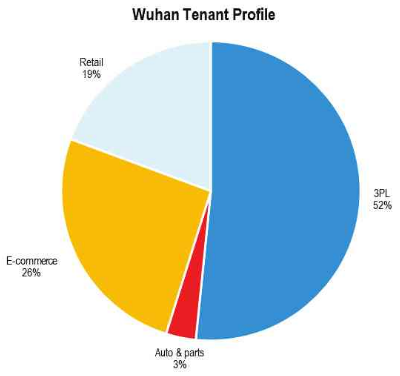


	2011	2012	2013	2014	2015	2016	2017	2018F	2019F	2020F
New Supply	119	0	0	87	443	287	375	938	484	230
Net Absorption		14	0	54	358	313	351	616	523	343
Occupancy Rate	78%	90%	90%	78%	80%	89%	90%	80%	85%	90%

Source: Colliers International

Demand for Grade A warehouse space in Wuhan remained stable, while supply fluctuating in the past decade. By end-2017, occupancy rate in Wuhan reached 90%. However, a large amount of new supply is expected to enter the market in the next three years, especially in 2018. Thus, occupancy rate in Wuhan is projected to decline in 2018 but rebound in 2019 and 2020.

Figure 95 Wuhan Tenant Profile



Source: Colliers International Shanghai Industrial, 2017

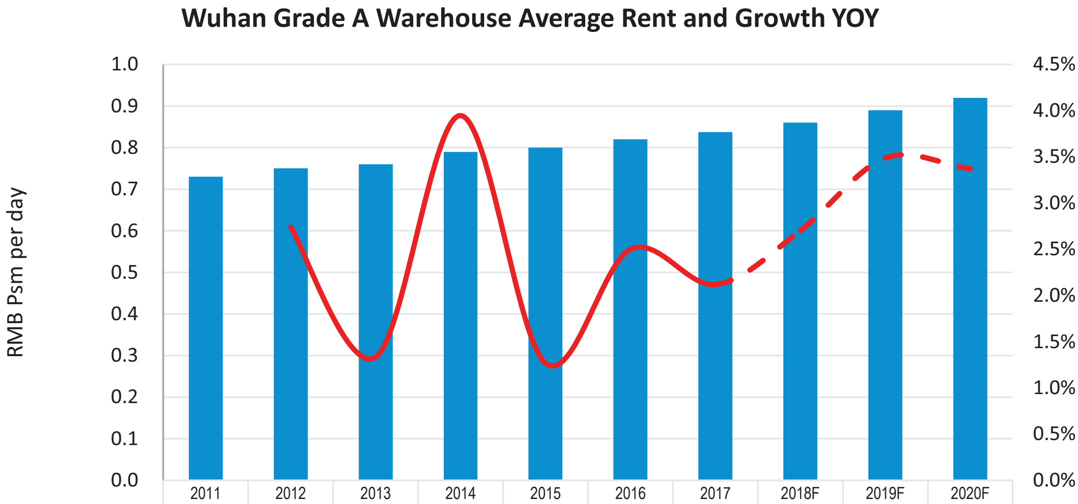
In 2017, 3PL companies are the primary source of demand in Wuhan in terms of number of tenants, which accounted for 52%. E-commerce tenants ranked second, accounting for 26%, while Retail tenants ranked third, which accounted for 19%.

3.10.6 Investors & Investment Trends

Wuhan is a logistics market hotspot, with investors becoming more strategic when developing, preferring BTS developments over speculative developments as the market looks to become more competitive in the future. Forecast supply thus has the potential of being spread over a longer period.

3.10.7 Rents, Yields & Values

Figure 96 Wuhan Grade A Warehouse Average Rent and Growth YOY

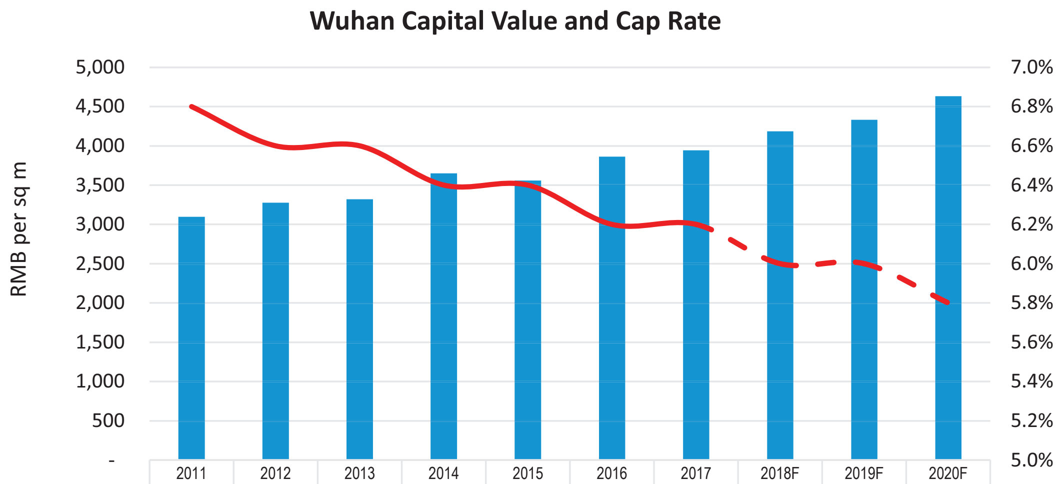


	2011	2012	2013	2014	2015	2016	2017	2018F	2019F	2020F
Asking Rental	0.73	0.75	0.76	0.79	0.80	0.82	0.84	0.86	0.89	0.92
Rental Growth		2.7%	1.3%	3.9%	1.3%	2.5%	2.1%	2.7%	3.5%	3.4%

Source: Colliers International

In the Wuhan market rental growth has been stable but slow because of steady amount of new supply entering the market each year. By the end of 2017, Wuhan's average rental was RMB 0.84/sqm/day including management (excl. VAT). Generally, if there is large amount of new supply in a market, rental is expected to decrease, or at least cease to grow. However Wuhan enjoys an advantageous geographical location and strong demand due to large manufacturing base and strong consumption capacity. Rental is thus expected to grow despite the new supply because of the upward demand pressure. This is especially so for developments that are strategically located, well managed and built to higher building specifications. Average rental growth rate in Wuhan for 2018, 2019, and 2020 is expected to be 2.5-3.5%.

Figure 97 Wuhan Capital Value and Cap Rate



	2011	2012	2013	2014	2015	2016	2017	2018F	2019F	2020F
Capital Value	3,096	3,277	3,320	3,649	3,559	3,862	3,944	4,185	4,331	4,632
Cap Rate	6.8%	6.6%	6.6%	6.4%	6.4%	6.2%	6.2%	6.0%	6.0%	5.8%

Source: Colliers International

Cap rate in Wuhan was estimated to be 6.2% as of end of 2017, while capital value was estimated to be about RMB 3,944 per sq m. Factoring the transactions in Wuhan, cap rate and capital value in Wuhan is expected to be 5.8% and RMB 4,632 per sq m in 2020.

3.10.8 Mapletree Wuhan Yangluo Logistics Park

Mapletree Wuhan Yangluo Logistics Park is located at Qiuli Village, Yangluo Economic Development Zone, Xinzhou District, completed in November 2017. The total area site is 116,467 sq m, and the GFA is 69,984 sq m. Mapletree Wuhan Yangluo project was designed as a Grade A single-storey warehouse with 9 metres of ceiling height and 3 tons of loading capacity.

Map 43 the Property and the Surrounding Major Infrastructure

Source: Colliers International

Table 20 Travel Timetable from Mapletree Wuhan Yangluo Logistics Park

Destination (major infrastructure)	Estimated driving time
Wuhan Tianhe International Airport	55 minutes
Shekou Railway Station	60 minutes
Wuhan Railway Station	60 minutes
Hankou Railway Station	80 minutes
Wuchang Railway Station	90 minutes
Tuoluokou Railway Station	90 minutes
Yangluo Port	20 minutes
Wuhan Port	90 minutes
Nearest Highway Entrance	10 minutes

Source: Colliers International

As we can see from the map and timetable above, Mapletree Wuhan Yangluo Logistics Park is located in the north-east of Wuhan and is relatively far away from railway and airport. However, the waterway and highway are very conveniently located - the Port is only 20 minutes away, which can transport goods to river and sea directly, and the nearest highway entrance is only 10 minutes away with several national highways intersecting near the subject property

The competitive advantage of Mapletree Wuhan Yangluo Logistics Park is obvious. Mapletree Wuhan Yangluo Logistics Park is located at Xinzhou Yangluo Zone, which has convenient railway networks and the Yangluo Port - the first deep water port in the hinterland of the Yangtze river. Future infrastructure developments include the planned relocation of the Hankou airport to Yangluo, providing a three-dimension transportation network that is very beneficial for the logistics industry. Xinzhou district witnessed the first Grade A warehouse in 2016, and has seen only three Grade A logistics parks thus far (inclusive of Mapletree Wuhan Yangluo Logistics Park). Most of the projects in Xinzhou Yangluo as a whole, including Mapletree Wuhan Logistics Park has had good performance and were 100% leased as of end of 2017.

Figure 98 SWOT Analysis of Mapletree Wuhan Yangluo Logistics Park

S Strengths	• Good transportation location with access to the water and road transportations routes • One of the project has highest building specification (Grade A) in Xinzhou submarket
W Weaknesses	• Relatively far away to airport, railway stations
O Opportunities	• Future infrastructure planning of Yangluo Economic Development Area (transportation, policy and information platform) • Policies encourage logistics industry
T Threats	• Several competitors nearby • Plenty of new supply in the future

Source: Colliers International

Mapletree Wuhan Yangluo Logistics Park's Performance Outlook

Considering above-mentioned factors, Mapletree Wuhan Yangluo Logistics Park is competitive in the Wuhan logistics market due to its high building specification and great geographical location. Upon completion in November 2017, Mapletree Wuhan Yangluo Logistics Park achieved an occupancy rate of 100% by end 2017. As a core logistics city in central China, Wuhan will retain strong demand for high standard warehouses. Mapletree Wuhan Yangluo Logistics Park has performed well in the market thus far and the occupancy rate is expected to stay at 100% in the future.

3.11 NANCHANG LOGISTICS MARKET STUDY

3.11.1 Economic Overview

Map 44 Location of Nanchang

Source: Colliers International

Nanchang is the capital of Jiangxi Province in south-eastern China. Located in the north-central part of the province, it is bounded on the west by the Jiuling Mountains, and on the east by Poyang Lake. Because of its strategic location connecting the prosperous East and South China, it has become a major railway hub in Southern China in recent decades.

Nanchang has experienced rapid economic development and ranks 15th among the fastest growing 20 cities in the world. It is one of the cities with the most potential for development in China. In 2016, the gross domestic product was RMB 436 billion, with an increase of 9.0% over the previous year.

Nanchang is a regional hub for agricultural production in Jiangxi province. The yield of grain was 16.2 million tons in 2000. Products such as rice and oranges are economic staples. Many of its industry revolves around aircraft manufacturing, automobile manufacturing, metallurgy, electro-mechanics, textile, chemical engineering, traditional Chinese medicine, pharmaceuticals and others.

Table 21 Table of Macroeconomic Indicators

Units in RMB billion unless otherwise stated	2011	2012	2013	2014	2015	2016	2017
GDP	269	300	334	367	400	436	-
GDP Growth Rate YOY (%)	22.0	12.0	11.2	9.9	9.1	8.9	-
GDP by Tertiary Industry	97	116	133	149	165	187	-
GDP by Secondary Industry	158	169	185	202	218	231	-
GDP by Primary Industry	13	15	16	16	17	18	-
Fixed Asset Investment	200	262	291	343	400	454	-
FAI Growth Rate YOY (%)	26.1	31.0	21.6	18.6	17.0	13.5	-
Real Estate Investment	28	34	41	41	49	67	-
REI Growth Rate YOY (%)	21.6	23.0	17.9	2.0	17.2	39.0	-
FDI (USD in billion)	2.3	2.6	3.0	3.2	2.7	3.1	-
FDI Growth Rate YOY (%)	13.0	15.4	12.3	8.4	16.6	13.3	-
CPI (%)	5.5	2.0	2.6	2.7	1.1	1.9	-
Permanent Population (million)	5.1	5.1	5.1	5.2	5.2	5.2	-
Permanent Population Growth Rate YOY (%)	0.5	0.6	0.4	1.5	0.5	0.5	-
Urban Disposable Income Per Capital (RMB)	20,741	23,602	26,151	29,091	31,942	34,619	-
Urban Disposable Income Growth Rate YOY (%)	13.5	13.8	10.8	10.0	9.4	8.4	-
Consumption Expenditure Per Capita (RMB)	15,234	16,450	17,944	19,628	21,396	22,532	-
Consumption Expenditure Per Capita Growth Rate YOY (%)	9.6	8.0	9.1	9.5	9.0	5.3	-

Source: Nanchang Statistics Bureau, Colliers International

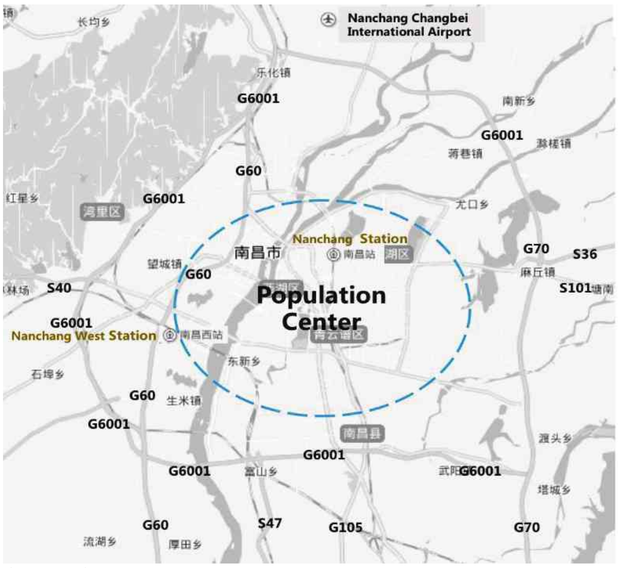
3.11.2 Government Planning and Policies

According to the 13th Five-Year Plan (2016-2020), by 2020, the regional GDP is targeted to exceed 700 billion yuan, and the per capita GDP is targeted to reach 125,670 RMB. The industrial main business income too is expected to reach 1,000 billion yuan. The government also highlighted the importance of sustainable development.

The government will build 8 provincial logistics industry parks in the next years, with plans to build 2 logistics hubs - the Xiangtang Logistics Hub and the Changbei Logistics Hub. The government also plans to construct a Nanchang city distribution five-way industrial cluster, a Nanchang automobile logistics industrial cluster, a Xiangtang cold chain logistics industrial cluster, a Nanchang airport logistics industrial cluster, a Changnan Southwest trade and logistics industrial cluster and a Nanchang high-tech logistics industrial cluster.

3.11.3 Infrastructure Developments

Map 45 Major Infrastructure in Nanchang



Source: Colliers International

Railway

Nanchang is an important rail hub for south-eastern China. The Nanchang Railway Station and the Nanchang West Railway Station are the primary passenger rail stations of the city. Nanchang is connected to Hangzhou, Changsha and Shanghai via the China Railway High-speed service.

Airport

Nanchang Changbei International Airport (KHN) was built in 1996 and is the only international airport in Jiangxi Province. It is situated in Lehua Town, 26 kilometres north of the CDB area. The airport is connected to major mainland cities such as Shenzhen, Guangzhou, Haikou, Shanghai and Beijing. There is also a military/mixed airport near Liantang, Nanchang County.

Expressway

The road transport infrastructure in Nanchang is extensive. A number of national highways cross through the city. They are the National Roads No.105 from Beijing to Zhuhai, No.320 from Shanghai to Kunming, and No.316 from Fuzhou to Lanzhou. The major transport companies that operate in Nanchang are the Chang'an Transport Company Limited, the Nanchang Long-distance Bus Station, and the Xufang Bus Station. National Highway G70 crosses through Nanchang. Nanchang also built its round-city highway G70_01 opening on 2007.

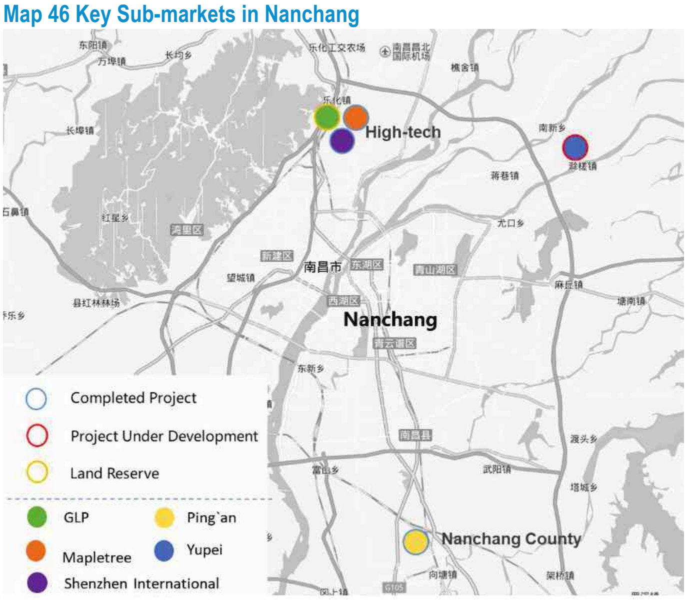
The Nanchang Long-distance Bus Station serves long distance routes to Nanjing, Shenzhen, Hefei and other cities outside Jiangxi Province. The Xufang Bus Station operates routes to cities, towns and counties within Jiangxi Province.

Port

Nanchang is situated on the Gan River, the Fu River, Elephant Lake, Qingshan Lake, and Aixi Lake. Hence the water routes for Nanchang are critically important for the economy, trade and shipping. Nanchang Port is the biggest port on the Gan River.

3.11.4 Key Sub-markets

Map 46 Key Sub-markets in Nanchang



Source: Colliers International

There are currently two submarkets in Nanchang, which are Nanchang County and Nanchang High-tech ("Nanchang High-Tech Industrial Development Zone").

Nanchang County

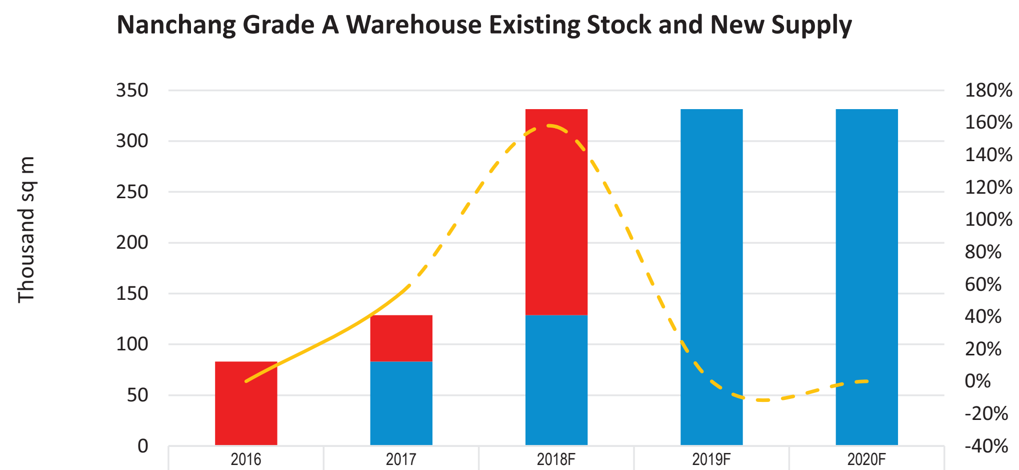
Nanchang County is located in south of Nanchang city, which witnessed the first submarket Grade A warehouse in Nanchang. Ping'an launched their project at the end of 2017 with a GFA of 83,174 sq m. However although Nanchang County is the first submarket that had a Grade A warehouse, rental prices and occupancy rates were relatively low due to the inferior transportation condition compared to Nanchang High-tech.

Nanchang High-tech

Nanchang High-tech is located in north part of Nanchang. Nanchang Changbei Airport is also located in this area. SZI ("Shenzhen International") has a completed project in Nanchang which was launched in July 2017 with 45,600 sq m. Nanchang High-tech enjoys higher rental and occupancy. Almost all the future supply gathered in Nanchang High-tech, some of which already sighed prelease contract with tenants with 100% leased while still being under construction.

3.11.5 Supply & Demand

Figure 99 Nanchang Grade A Warehouse Existing Stock and New Supply

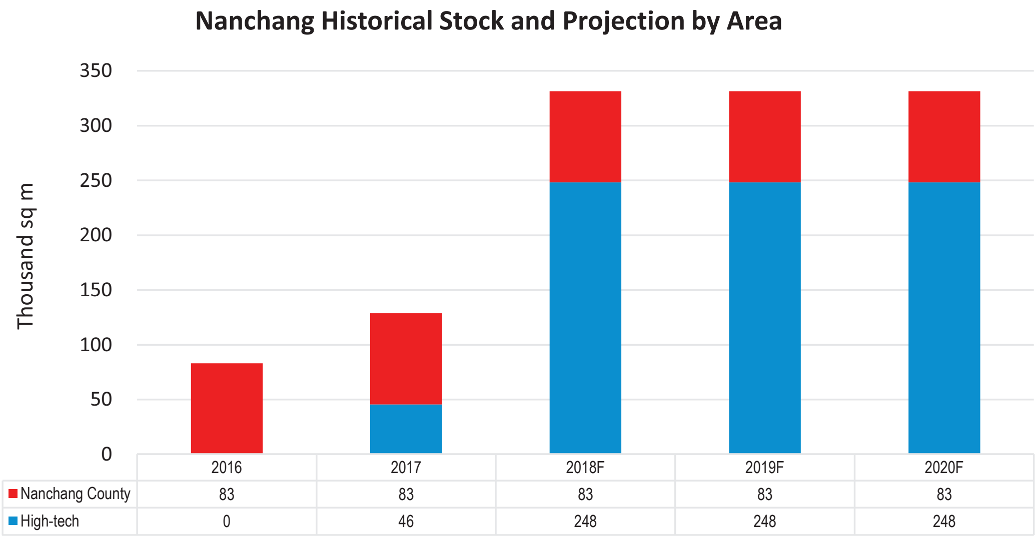


	2016	2017	2018F	2019F	2020F
New Supply	83	46	203	0	0
Existing Stock	0	83	129	332	332
Total Stock Change YOY	0	55%	157%	0%	0%

Source: Colliers International

Nanchang witnessed the first Grade A warehouse in 2016. By the end of 2017, Nanchang had approximately 129,000 sq m of Grade A warehouse stock in the leasing market, a 55% increase over 2016. It is estimated to see 203,000 sq m new supply in the market in 2018, developers of which includes Yupei, Mapletree, and SZI.

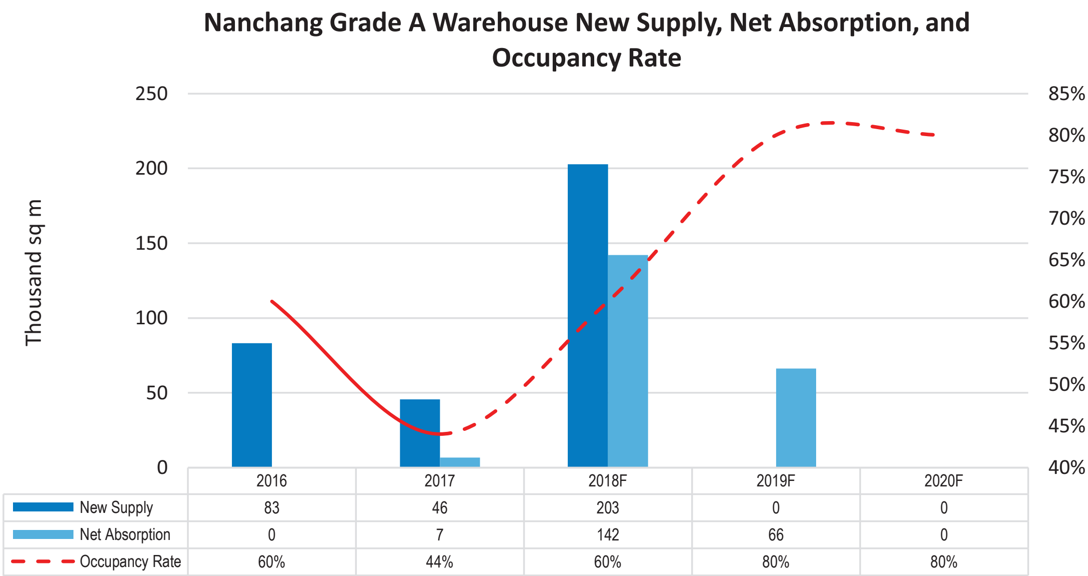
Figure 100 Nanchang Historical Stock and Projection by Submarket



Source: Colliers International

There are two main submarkets in Nanchang – Nanchang County and Nanchang High-tech. As can be seen from the chart, Nanchang County was the first submarket of Grade A warehouse properties in Nanchang. However, all the future supply will be in Nanchang High-tech. 203,000 sq m of new supply is expected in Nanchang High-tech in 2018, pushing total stock of Nanchang to over 300,000 sq m.

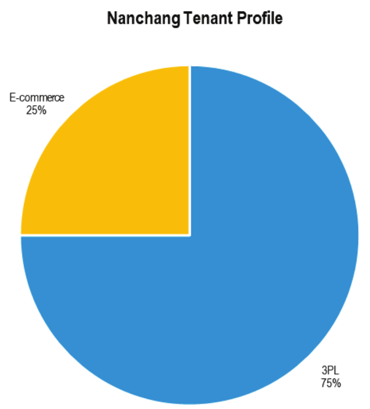
Figure 101 Nanchang Grade A Warehouse New Supply, Net Absorption, and Occupancy Rate



Source: Colliers International

By end-2017, average occupancy rate in Nanchang was 44%. The main reason was that Ping'an Nanchang County project was only 13% leased at the end of 2017, which accounted for two-thirds of the total market share in terms of GFA. It is expected that plenty of new supply in Nanchang High-tech will enter the market in 2018, however some of which have been partly or even wholly preleased before completion. Thus, occupancy rate in Nanchang is thus projected to stably increase in the next two years.

Figure 102 Nanchang Tenant Profile



Source: Colliers International Shanghai Industrial, 2017

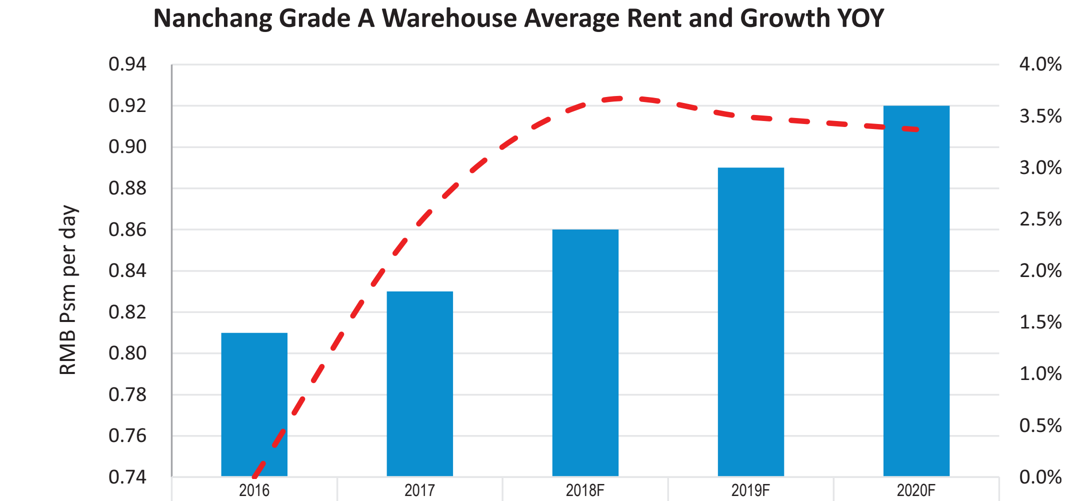
E-commerce enterprises and 3PL companies are the major source of demand in Nanchang in terms of number of tenants. As can be seen from the chart, 75% of the Grade A warehouse tenant in Nanchang were 3PL companies. E-commerce companies rank second, which accounted for 25%. For example, Best Logistics took up totally 45,600 sq m in Shenzhen International's project in 2017.

3.11.6 Investors & Investment Trends

Nanchang is a logistics market hotspot where demand exceeds supply. Investors not only seek for BTS opportunity but also engage in in speculative opportunity as well. Investors will obtain logistics land in Nanchang land as long as they are given the opportunity to do so.

3.11.7 Rents, Yields & Values

Figure 103 Nanchang Grade A Warehouse Average Rent and Growth YOY

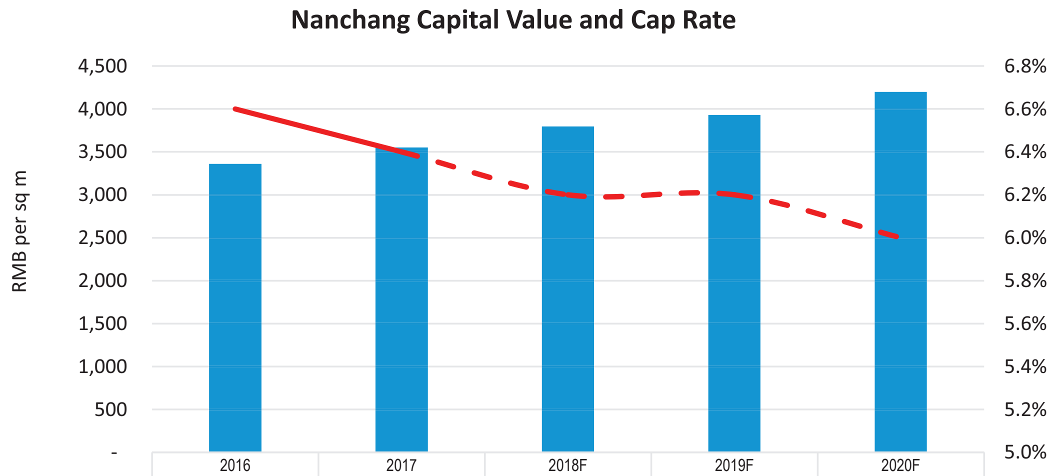


	2016	2017	2018F	2019F	2020F
Asking Rental	0.81	0.83	0.86	0.89	0.92
Rental Growth	0	2.5%	3.6%	3.5%	3.4%

Source: Colliers International

The average rental in Nanchang was RMB 0.83 per sq m per day as of end-2017 with growth rate of 2.5% YOY. Rental rates are expected to grow a little faster as future supply is located in Nanchang High-tech which enjoys higher rentals in Nanchang. However, competition pressure led by a large amount of new supply may force developers to restrain their increase in rents. Rental growth rate is thus projected to be around 3-4% in the future three years.

Figure 104 Nanchang Capital Value and Cap Rate



	2016	2017	2018F	2019F	2020F
Capital Value	3,360	3,550	3,797	3,930	4,198
Cap Rate	6.6%	6.4%	6.2%	6.2%	6.0%

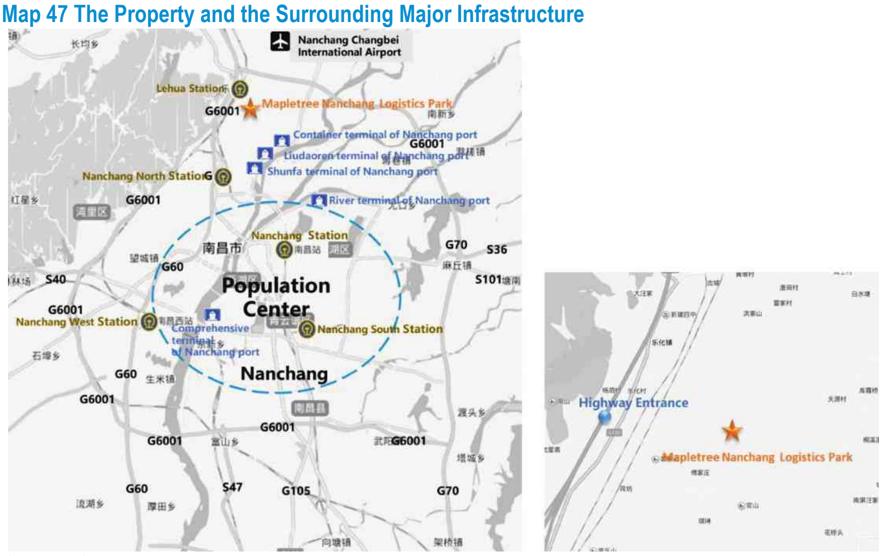
Source: Colliers International

So far, there has been no precedent Grade A warehouse transaction in the Nanchang market. Cap rate in Nanchang was estimated to be 6.4%, which was higher than most of other provincial cities as most of the logistics property players have yet to familiarise themselves with the relatively new Nanchang market. Capital value was estimated to be about RMB 3,550 per sq m as of end-2017. These estimations are based on precedent transactions in similar cities and quotations of projects for sale. Cap rate and capital value in Nanchang is expected to be 6.0% and RMB 4,198 per sq m in 2020，which is calculated by linear prediction - as more investors enter the sector, logistics properties will have better liquidity. Better liquidity will lead to a rise in quoted price as well as a decline in cap rate.

3.11.8 Mapletree Nanchang Logistics Park

Mapletree Nanchang Logistics Park, completed in August 2017, is located in the high-tech park, South of You’an Road and West of Jingkai Avenue. The total area site is 121,134 sq m, and the GFA is 74,727 sq m. Mapletree Nanchang project was designed as single-storey warehouse with 9 metres of ceiling height and 2 tons of loading capacity.

Map 47 The Property and the Surrounding Major Infrastructure



Source: Colliers International

Table 22 Travel Timetable from Mapletree Nanchang Logistics Park

Destination (major infrastructure)	Estimated driving time
Nanchang Changbei International Airport	20 minutes
Lehua Station	10 minutes
Nanchang Station	40 minutes
Nanchang West Station	40 minutes
Container terminal of Nanchang port	10 minutes
Liudaoren terminal of Nanchang port	10 minutes
Shunfa terminal of Nanchang port	10 minutes
River terminal of Nanchang port	25 minutes
Comprehensive terminal of Nanchang port	35 minutes
Nearest Highway Entrance	15 minutes

Source: Colliers International

Mapletree Nanchang Logistics Park is located at the high tech park in the north of Nanchang. It is convenient for the tenants of Mapletree Nanchang Logistics Park's tenants to access the major transportation facilities. The nearest highway entrance is only 15 minutes away, and Nanchang Changbei International airport is 25 minutes away and the only container terminal of the Nanchang port being only 10 minutes away. Similarly convenient is the nearest railway station is Lehua station, which is also near the airport, taking 20 minutes for both freight, and goods to be transported from the subject properties to the station to be exported to Europe and central Asia through the international railway logistics corridor of Jiangxi (Central Asia). The convenient three-dimensional transportation network provides the logistics industry with great connectivity with the other cities.

The competitive advantage of Mapletree Nanchang Logistics Park is obvious and can be stated in two parts. Compared to the Nanchang County, Nanchang High-tech has a transportation regional advantage with easier connection to railway, waterway and airway. This leads to the dramatically different occupancy rates between developments in Nanchang County and Nanchang High-tech. In the Nanchang High-tech, the main competitors are Yupei and Shenzhen International at present, and GLP in the future. It is more convenient for the tenants of Mapletree Nanchang Logistics Park to transport goods as compared to Yupei, which is located at the south-east of Mapletree Nanchang Logistics Park. As for Shenzhen International Logistics Park, it is the strongest competitor to the Mapletree considering the closely proximity and identical warehouse standard such as ceiling height and loading capacity. However phase I of the project was fully leased and phase II has already been preleased, and is expected to be of a limited competitive threat.

Figure 105 SWOT Analysis of Mapletree Nanchang Logistics Park

S Strengths	• Good transportation location - suitable for road, air, water, and railway transportation • One of the project has highest building specification (Grade A) in Nanchang
W Weaknesses	• Slow demand upward due to tenants lack recognition of the Grade A warehouse (the first Grade A warehouse appeared in 2016)
O Opportunities	• Future infrastructure planning of high-tech park (transportation, policy and information platform) • Policies encourage logistics industry • Not much new supply in the future
T Threats	• Several competitors nearby

Source: Colliers International

Mapletree Nanchang Logistics Park's Performance Outlook

Considering above-mentioned factors, Mapletree Nanchang Logistics Park is competitive in the Nanchang logistics market due to high building specification, superior geographical location, etc. As Mapletree Nanchang project was completed in Aug 2017 and get 91.7% leased in just half year in such an emerging logistics city, the performance is pretty good and it is expected to reach 100% leased in the near futu

CAVEATS AND ASSUMPTIONS

1. DEFINITIONS

In these Caveats and Assumptions the following words or phrases shall have the meaning or meanings set out below:

'**Confidential Information**' means information that:

(a) Is by its nature confidential.

(b) Is designed by Us as confidential.

(c) You know or ought to know is confidential.

(d) Includes, without limitation: information comprised of or relating to any of Our intellectual property in the Services or any reports or certificates provided as part of the Services.

'**Currency Date**' means, in relation to any consultancy report, the date as at which our professional opinion is stated to be current.

'**Fee**' means the amount agreed to be paid for the Services as set out in the Quotation.

'**Parties**' means You or Us as the context dictates.

'**Quotation**' means the written quote provided by Us in relation to the Services.

'**Services**' means the consultancy services provided pursuant to these Terms and Conditions and the Quotation, and includes any documents, reports or certificates provided by Us in connection with the Services.

'**The Property**' means the assets which are the subject of our appointment as your advisor.

'**We**', '**Us**', '**Our**', '**Colliers**' means Colliers International Limited.

'**You**', '**Your**', '**Client**' means the person, company, firm or other legal entity by or on whose behalf instructions are given, and any person, firm, company or legal entity who actually gave the instructions to us even though such instructions were given as agent for another.

'**Professional Property Practice Standards**' refers to the RICS Valuation and Appraisal Handbook, or appropriate standards.

2. PERFORMANCE OF SERVICES

2.1 We have provided the Services in accordance with:

(a) The Terms and Conditions contained herein; or

(b) As specifically instructed by You for the purpose of the Services; and

(c) Within the current provisions set by the prevailing Professional Property Practice Standards.

3. CONDITION OF THE PROPERTY

3.1 We have assumed that any development sites are in a condition suitable for development; this has not been checked by us.

3.2 We recommend that You engage appropriately qualified persons to undertake investigations excluded from our Services.

4. ENVIRONMENT AND PLANNING

4.1 We have obtained only verbal town planning information. It is your responsibility to check the accuracy of this information by obtaining a certificate under the appropriate legislation.

5. OTHER ASSUMPTIONS

5.1 Where third party expert or specialist information or reports are provided to Us or obtained by Us in connection with Services (including but not limited to surveys, quantity surveyors reports, environmental audits, structural/ dilapidation reports), we will rely upon the apparent expertise of such experts/ specialists. We will not verify the accuracy of this information or reports, and assume no responsibility for their accuracy.

5.2 Our services are provided on the basis that the client has provided us with a full and frank disclosure of all information and other facts which may affect the service, including all secrecy clauses and side agreements.

5.3 Any plans, sketches or maps included in this report are for identification purposes only and should not be treated as certified copies of areas or other particulars contained therein.

6. ESTIMATED SELLING PRICE

6.1 Where you instruct Us to provide an Estimated Selling Price, You agree that the Services:

(a) Are limited to the provision of an opinion based on Our knowledge of the market and informal enquiries.

(b) We are not required to carry out a full inspection of the property; any inspection of comparable properties; a search of Title(s) or other enquiries as to encumbrances, restrictions or impediments on Title(s).

(c) Provide an indicative figure only which is not suitable for use for any purpose other than as general information or guide as to sale expectations. It is not suitable to be relied upon for the purpose of entry into any transaction.

6.2 No responsibility will be accepted either to You or to any third party for loss or damage that may result from the issue of such an Estimated Selling Price.

7. CURRENCY USED IN REPORT

7.1 Due to possible changes in market forces and circumstances in relation to the Market, the Services can only be regarded as relevant as at the Currency Date.

7.2 Where You rely upon Our consultancy report after the Currency Date, You accept the risks associated with market movements between the Currency Date and the date of such reliance.

8. MARKET PROJECTIONS

8.1 Any market projections incorporated within our Services including, but not limited to, income, expenditure, associated growth rates, interest rates, incentives, yields and costs are projections only and may prove to be inaccurate. Accordingly, such market projections should be interpreted as an indicative assessment of potentialities only, as opposed to certainties.

8.2 Where Our Services include market projections such projections require the dependence upon a host of variables that are highly sensitive to varying conditions. Accordingly, variation in any of these conditions may significantly affect these market projections.

8.3 Where market projections form part of Our Services, We draw your attention to the fact that there will be a number of variables within acceptable market parameters that could be pertinent to Our Services and the projections adopted are representative of only one of these acceptable parameters.

9. YOUR OBLIGATIONS

9.1 You warrant that the instructions and subsequent information supplied by You contain a full and frank disclosure of all information that is relevant to Our provision of the Services.

9.2 You warrant that all third party expert or specialist reports provided to Us by You for the purpose of Us providing the Services are provided with the authority of the authors of those reports.

9.3 You authorise and license Us to incorporate Your intellectual property within Our report(s).

9.4 You will not release any part of Our consultancy report or its substance to any third party without Our written consent except as required by law or regulation. Such consent will be provided at Our absolute discretion and on such conditions as We may require including that a copy of these Terms and Conditions be provided to such third party. This clause shall not apply to persons noted as recipients in Your prior instruction to Us or in the Quotation provided that You shall provide any such recipient with a copy of these Terms and Conditions.

9.5 We reserve the right to reconsider or amend the consultancy advice, or the Fee set out in Our Quotation to You, if;

(a) Certificates, surveys, leases, side agreements or related documentation that were not provided to Us prior to the provision of the Services are subsequently provided, and contain matters that may affect the value of the advice;

9.6 If You release any part of the consultancy advice or its substance without written consent, You agree: a) to inform the other person of the terms of our consent; and b) to compensate Us if You do not do so. We have no responsibility to any other person even if that person suffers damage as a result of any other person receiving this consultancy advice.

For the avoidance of doubt, we agree that your total aggregate liability under this Agreement including but not limited to all claims under this Section 9.6 and Section 10.3, shall be limited to three times Our contracted fee for the assignment and no claims shall be made for any consequential or punitive damages.

10. CONFIDENTIALITY

10.1 This report and each part of it is prepared and intended for the exclusive use of the Client for the sole purpose outlined in Our agreement for internal reference purposes, and in accepting this report, the Client expressly agrees not to use or rely upon this report or any part of it for any other purpose. No person other than the Client shall use or rely upon this report or any part of it for any purpose unless we have given Our express written consent. Similarly neither the whole nor any part of this report nor any reference there to may be included in any document, circular or statement nor published in any way without our written approval of the form and context in which it may appear.

10.2 If consent to disclose the Confidential Information is provided by Us, You agree to abide by any additional terms and conditions that We may apply to that disclosure.

10.3 You agree that You will indemnify, hold harmless and defend Us from and against any and all loss, liability, costs or expenses (including but not limited to professional or executive time) We may suffer or reasonably incur, directly or indirectly, as a result of a breach of this clause.

For the avoidance of doubt, we agree that your total aggregate liability under this Agreement including but not limited to all claims under this Section 10.3 and Section 9.6, shall be limited to three times Our contracted fee for the assignment and no claims shall be made for any consequential or punitive damages.

10.4 Unless otherwise directed in writing by Client, Colliers International retains the right to include references to the Services in its promotional material. Such references shall not contain confidential material.

11. PRIVACY

11.1 We may obtain personal information about You in the course of performing Our Services. We respect your privacy and advise You that we will only obtain information that is necessary to assist us in the course of performing Our Services. If it is necessary for Us to engage third parties, we will inform these parties that they are not to disclose any personal information about You to any person or organisation other than Us.

12. SUBCONTRACTING

12.1 We may sub-contract or otherwise arrange for another person to perform any part of the Services or to discharge any of Our obligations under any part of these Terms and Conditions, with Your consent.

13. LIMITATION OF COLLIERS LIABILITY

13.1 To the extent permissible under applicable laws, in no event shall Colliers International be liable to the Client or anyone claiming by, through or under Client, including insurers, for any lost, delayed, or diminished profits, revenues, production, business, use or opportunities, or any incidental, special, indirect, or economic losses, wasted costs, diminution of value or consequential damages, of any kind or nature whatsoever, however caused.

13.2 All the costs and benefits forecasted will, ultimately, be determined by future market conditions. Forecasts of these elements are based on assumptions of certain variable factors, which, in turn, are extremely sensitive to changes in the market and economic contexts. For this reason, the figures mentioned in this report were not computed under any known or guaranteed conditions. Rather, these are forecasts drawn from reliable sources of data and information and made in the best judgment and professional integrity of Colliers International. Notwithstanding this, Colliers International reiterates that it will not accept any responsibilities in the face of damage claims that might result from any error, omission or recommendations, viewpoints, judgments and information provided in this report.

13.3 Colliers International, or any employee of Ours shall not be required to give testimony or to appear in court or any other tribunal or to any government agency by reason of this consultancy report or with reference to the property in question unless prior arrangements have been made and we are properly reimbursed.

13.4 Our liability for loss and damage attributable to Our negligence, breach of contract, misrepresentation or otherwise (but not in respect of fraud, fraudulent misrepresentation, death or personal injury) shall be limited to a maximum of three times Our contracted fee for the assignment per property for any single case. A single case of damages is defined as the total sum of all damage claims of all persons entitled to claim, which arise from one and the same professional error / offence. In the case of damages suffered from several offences brought about by the same technical error within the scope of several coherent services of a similar nature, we are only to be held liable for an amount of three times Our contracted fee for the assignment per property.

14. ENTIRE AGREEMENT

14.1 No further agreement, amendment or modification of these Terms and Conditions shall be valid or binding unless made in writing and executed on behalf of the Parties by their duly authorised officers.

14.2 If there is inconsistency between these Terms and Conditions and the Quotation, any letter of instruction from You, or other specific request or information shall prevail to the extent of the inconsistency.

15. ANTI BRIBERY AND CORRUPTION MEASURES

15.1 We represent, in connection with any services to be provided to You, that neither We nor Our contractors, employees or agents (collectively, “Consultant”) has made or will make, either directly or indirectly, any payments (i) to or for the use or benefit of any Government Official (ii) to any other person either for an advance or reimbursement, if Consultant knows or has reason to know that any part of such payment has been or will be given to any Government official or (iii) to any person or entity, the payment of which would violate laws and regulations in Australia, the United States, the United Kingdom or any other government entity having jurisdiction over the activities carried out by Consultant. The term "Government Official" in this paragraph means any officer or employee of a government or any governmental department or agency, or any person acting in an official capacity for or on behalf of any such government or governmental department or agency, including employees of state-owned or controlled entities and candidates for political office.

15.2 We represent that, in connection with any services to be provided to You, We will conduct operations at all times in compliance with applicable financial recordkeeping and reporting requirements, including all applicable money laundering-related laws of any jurisdictions where We conduct business or own assets.

This page has been intentionally left blank.

INDEPENDENT FINANCIAL ADVISER'S LETTER

EY
Building a better working world

Ernst & Young Corporate Finance Pte Ltd
One Raffles Quay
North Tower, Level 18
Singapore 048583

Mailing Address:
Robinson Road
PO Box 384
Singapore 900734

ey.com
UEN199702967E

8 May 2018

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)
21 Collyer Quay
#13-02 HSBC Building
Singapore 049320

Dear Sirs:

THE PROPOSED ACQUISITION OF A 50.0% INTEREST IN EACH OF 11 PROPERTY HOLDING COMPANIES AS AN INTERESTED PERSON/PARTY TRANSACTION

1 INTRODUCTION

Following an expression of interest from Mapletree Logistics Trust Management Ltd. (as the manager of Mapletree Logistics Trust ("**MLT**" or the "**Trust**")) (the "**Manager**"), HSBC Institutional Trust Services (Singapore) Limited (as the trustee of MLT) (the "**Trustee**") entered into 11 conditional share purchase agreements (the "**Share Purchase Agreements**") with wholly-owned subsidiaries of Mapletree Investments Pte Ltd ("**MIPL**" or the "**Sponsor,**" its subsidiaries, the "**MIPL Subsidiaries**" and each of the MIPL Subsidiaries, a "**MIPL Subsidiary**") and wholly-owned subsidiaries of Itochu Corporation ("**Itochu**" and its subsidiaries, the "**Itochu Subsidiaries**" and collectively with MIPL and the MIPL Subsidiaries, the "**Vendors**") on 26 April 2018 to acquire a 50.0% interest in each of 11 Hong Kong special purpose vehicles (the "**HK SPVs**," and the acquisition of the interests in the HK SPVs, the "**Acquisition**"). Each HK SPV holds a 100.0% interest in a wholly foreign-owned enterprise in the People's Republic of China ("**PRC**" or "**China**") ("**PRC WFOE**," and collectively the 11 PRC wholly foreign-owned enterprises, the "**PRC WFOEs**"). In turn, each PRC WFOE holds a property located in the PRC ("**Property**," and collectively with the 11 properties, the "**Properties**").

Three (3) of the HK SPVs are wholly-owned by the MIPL Subsidiaries (the "**Sponsor-owned HK SPVs**") and eight (8) of the HK SPVs are owned by the MIPL Subsidiaries and the Itochu Subsidiaries in the proportion of 80.0% and 20.0% respectively (the "**Co-owned HK SPVs**"). The Acquisition involves, in the case of the Sponsor-owned HK SPVs, an acquisition of 50.0% of the entire ordinary issued share capital from the MIPL Subsidiaries, and in the case of the Co-owned HK SPVs, an acquisition of 30.0% and 20.0% of the entire ordinary issued share capital from the MIPL Subsidiaries and the Itochu Subsidiaries, respectively. Following the Acquisition, MLT will hold a 50.0% interest in each of the 11 HK SPVs, with the other 50.0% interests to be held by the MIPL Subsidiaries.

On the date of completion of the Acquisition ("**Completion**"), it is contemplated that the Trustee will enter into 11 separate shareholders' deeds in relation to each HK SPV (the "**Shareholders' Deeds**", and each, a "**Shareholders' Deed**"), to regulate the management of each HK SPV and its respective wholly-owned PRC WFOE and the Trustee's relationship with the MIPL Subsidiaries as shareholders of each HK SPV.

The Manager has identified the following 11 Properties as being suitable for acquisition by MLT:

(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**"); and

(xi) Mapletree Zhenjiang Logistics Park ("**Mapletree Zhenjiang**").

Pursuant to the terms of the Share Purchase Agreements, the aggregate purchase consideration payable by the Trustee in connection with the Acquisition (the "**Aggregate Share Consideration**") is 50.0% of the adjusted consolidated net asset value (the "**Adjusted Net Asset Value**") of the 11 HK SPVs (the "**Total Adjusted Net Asset Values**") as at Completion. The Aggregate Share Consideration, to be satisfied fully in cash, is estimated to be RMB120.5 million (S$25.1 million), subject to post-Completion adjustments to the Total Adjusted Net Asset Values. The amount of the Aggregate Share Consideration comprises the purchase consideration of RMB21.5 million (S$4.5 million) payable to the Itochu Subsidiaries and the purchase consideration of RMB99.0 million (S$20.6 million payable to the MIPL Subsidiaries. The Adjusted Net Asset Value of each HK SPV shall take into account the agreed value of the Property indirectly owned by each HK SPV (the "**Agreed Property Value**") less each HK SPV's existing bank facilities and shareholders' loans, and shall be adjusted based on the agreed line items set out in the pro forma closing balance sheet of each HK SPV and its respective wholly-owned PRC WFOE.

In addition to the payment of the Aggregate Share Consideration to the Vendors, the Trustee will, at Completion, extend loans of RMB864.8 million (S$180.2 million) to the HK SPVs (the "**Trustee Shareholders' Loans**"), to enable them to repay and discharge existing shareholders' loans of RMB592.6 million (S$123.5 million) and RMB272.2 million (S$56.7 million) owed to the MIPL Subsidiaries and the Itochu Subsidiaries, respectively (the "**Repaid Shareholders' Loans**"). Upon completion of the Acquisition and following the extension of the loan by the Trustee to the HK SPVs and the corresponding discharge of the existing shareholders' loans, the existing shareholders' loans extended by the Itochu Subsidiaries will be fully discharged and the HK SPVs would owe an equal amount to both the Trustee and the MIPL Subsidiaries, as shareholders' loans. The values of the Trustee Shareholders' Loans and the Repaid Shareholders' Loans are subject to adjustments based on the actual date of Completion to take into account interest accruing up to such date. The Trustee Shareholders' Loans shall be for a term of five years and bear interest at an annual rate of 1.5% above the three-month Offshore Chinese Renminbi Hong Kong Interbank

Offered Rate ("**CNH HIBOR**"). The Trustee Shareholders' Loans will be extended to the HK SPVs on the same terms as the shareholders' loans extended by the MIPL Subsidiaries to the HK SPVs.

The acquisition price payable by the Trustee in respect of the Acquisition (the "**Acquisition Price**") would therefore be the sum of the Aggregate Share Consideration and the value of the Trustee Shareholders' Loans.

The Trustee shall not be obliged to procure the completion of any of the Share Purchase Agreements unless all the Share Purchase Agreements are completed simultaneously.

Following Completion, the Trustee will own 50.0% of the ordinary shares in the issued share capital of each of the 11 HK SPVs. The MIPL Subsidiaries will own the other 50.0% of the ordinary shares in the issued share capital of each of the 11 HK SPVs.

Pursuant to the terms of the Share Purchase Agreements, the Trustee and each MIPL Subsidiary will enter into separate Shareholders' Deeds at Completion to regulate the management of each HK SPV and its respective wholly-owned PRC WFOE and the relationship between them as shareholders of the relevant HK SPV, on terms to be mutually agreed between the Trustee and MIPL. The parties to each Shareholders' Deed will be the Trustee, the relevant MIPL Subsidiary holding a 50.0% interest in the relevant HK SPV following the Acquisition (together, the "**Shareholders**", and each a "**Shareholder**"), and the relevant HK SPV.

Further, the 11 HK SPVs have entered into bank facilities, pursuant to which the Vendors have provided corporate guarantees to certain banks. Pursuant to the terms of the Share Purchase Agreements, the Trustee is required to provide, or procure the provision of, corporate guarantees (as guarantor) of an aggregate value of up to approximately RMB505.4 million (S$105.3 million) (the "**Corporate Guarantees**") with effect from Completion, in place of the existing corporate guarantees provided by the Vendors. The aggregate value of the Corporate Guarantees at any point in time shall represent MLT's 50.0% shareholding interest in each of the 11 HK SPVs and will depend on the amounts drawn down under the bank facilities (including accrued interest). As at 26 April 2018, being the latest practicable date prior to the printing of the circular (the "**Circular**") to the unitholders of MLT (the "**Unitholders**") (the "**Latest Practicable Date**"), an aggregate of RMB944.2 million (S$196.7 million) has been drawn down under the bank facilities, of which RMB472.1 million (S$98.4 million) represents the value of the Corporate Guarantees in respect of MLT's 50.0% shareholding interest. For the avoidance of doubt, the MIPL Subsidiaries shall also be required to provide similar corporate guarantees to such banks in respect of their respective 50.0% shareholding interest in the 11 HK SPVs. No fee is chargeable for provision of the abovementioned corporate guarantees by each of the Trustee and/or the MIPL Subsidiaries.

As at the Latest Practicable Date, MIPL holds, through its wholly-owned subsidiaries, an aggregate interest in 1,091,320,707 units in MLT (the "**Units**"), which is equivalent to approximately 35.68% 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 the MIPL Subsidiaries are indirect wholly-owned subsidiaries of MIPL, 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" 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.

Therefore, the Acquisition (including the Shareholders' Deeds and the Corporate Guarantees) will constitute an "interested person transaction" under Chapter 9 of the Listing Manual as well as an "interested party transaction" under the Property Funds Appendix, in respect of which the approval of the Unitholders is required.

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. Based on the audited financial statements of MLT for the financial year ended 31 March 2018 (the "**FY17/18 Financial Statements**"), the NTA of MLT was S$3,376.1 million as at 31 March 2018. Accordingly, if the value of a transaction which is proposed to be entered into in the current financial year by MLT with an interested person is, either in itself or in aggregation with all other earlier transactions (each of a value equal to or greater than S$100,000) entered into with the same interested person during the current financial year, equal to or in excess of S$168.8 million, such a transaction would be subject to Unitholders' approval. Given that the Trustee Shareholders' Loans and consideration payable to the MIPL Subsidiaries pursuant to the Acquisition is estimated to be S$200.8 million (of which the consideration payable to the MIPL Subsidiaries is estimated to be S$20.6 million, subject to post-Completion adjustments to the Total Adjusted Net Asset Values), the interest payable to the Trustee pursuant to the Trustee Shareholders' Loans is estimated to be S$55.0 million (assuming an annual interest rate of 1.5% above the three-month CNH HIBOR of 4.6% as at the Latest Practicable Date and a term of five years), and the Trustee is required to provide, or procure the provision of, Corporate Guarantees (as guarantor) of an aggregate value of up to approximately S$105.3 million, which in aggregate is 10.7% of the NTA of MLT as at 31 March 2018, such value exceeds the said threshold. Thus, Unitholders' approval is required to be sought pursuant to Rule 906(1)(a) of the Listing Manual.

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 FY17/18 Financial Statements, the NAV of MLT was S$3,376.1 million as at 31 March 2018. 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$168.8 million, such a transaction would be subject to Unitholders' approval. Given that the Trustee Shareholders' Loans and consideration payable to the MIPL Subsidiaries pursuant to the Acquisition is estimated to be S$200.8 million (of which the consideration payable to the MIPL Subsidiaries is estimated to be S$20.6 million, subject to post-Completion adjustments to the Total Adjusted Net Asset Values), the interest payable to the Trustee pursuant to the Trustee Shareholders' Loans is estimated to be S$55.0 million (assuming an annual interest rate of 1.5% above the three-month CNH HIBOR of 4.6% as at the Latest Practicable Date and a term of five years), and the Trustee is required to provide, or procure the provision of, Corporate Guarantees (as guarantor) of an aggregate value of up to approximately S$105.3 million, which in aggregate is 10.7% of the NAV of MLT as at 31 March 2018, such value exceeds the said threshold.

Pursuant to Rule 906(1) of the Listing Manual and the Property Funds Appendix, the Manager is proposing to convene an extraordinary general meeting ("**EGM**") to seek the approval of Unitholders by way of an Ordinary Resolution in respect of, *inter alia*, the Acquisition (including the Shareholders' Deeds and the Corporate Guarantees). By approving the Acquisition, Unitholders will be deemed to have also approved all documents required to be executed by or entered into by the parties in order to give effect to the Acquisition, including the Shareholders' Deeds and the Corporate Guarantees.

For the avoidance of doubt, any loans extended to the HK SPVs by the Trustee (apart from the Trustee Shareholders' Loans) or any corporate guarantees provided by the Trustee to guarantee the HK SPVs' bank facilities (apart from the Corporate Guarantees) in the future shall comply with Chapter 9 of the Listing Manual and Paragraph 5 of the Property Funds Appendix.

To comply with the requirements of Chapter 9 of the Listing Manual, 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 as well as to advise the directors of the Manager (the "**Directors**") who are considered independent in relation to the Acquisition (the "**Independent Directors**"), the audit and risk committee of the Manager (the "**Audit and Risk Committee**"), and the Trustee on whether the Acquisition (including the Shareholders' Deeds and the Corporate Guarantee) is on normal commercial terms and is not prejudicial to the interests of MLT and its minority Unitholders.

This letter sets out, *inter alia,* our evaluation of the Acquisition (including the Shareholders' Deeds and the Corporate Guarantees) and our advice thereon. It forms part of the Circular to be issued by the Manager which provides, *inter alia*, the details of the Acquisition (including the Shareholders' Deeds and the Corporate Guarantees) and the recommendations 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. RMB amounts are converted to S$ based on the illustrative exchange rate of S$1.00:RMB4.80.

2 TERMS OF REFERENCE

EYCF has been appointed as required under Rule 921(4)(a) of the Listing Manual as well as to advise the Independent Directors, the Audit and Risk Committee, and the Trustee in respect of whether the Acquisition (including the Shareholders' Deeds and the Corporate Guarantee) is on normal commercial terms and is not prejudicial to the interests of MLT and its minority Unitholders.

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 Acquisition (including the Shareholders' Deeds and the Corporate Guarantees), 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 opinion 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 Acquisition (including the Shareholders' Deeds and the Corporate Guarantees) 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 Acquisition (including the Shareholders' Deeds and the Corporate Guarantee), nor were we involved in the deliberations leading up to the decisions by the Directors in connection with the Acquisition (including the Shareholders' Deeds and the Corporate Guarantees). We have not conducted a comprehensive review of the business, operations or financial condition of MLT and its subsidiaries and associates (the "**MLT Group**"). It is not within our terms of reference to assess the rationale for, legal, strategic, commercial and financial merits and/or risks of the Acquisition (including the Shareholders' Deeds and the Corporate Guarantees), and to comment on such merits and/or risks of the Acquisition (including the Shareholders' Deeds and the Corporate Guarantees). We have only expressed our opinion on whether the Acquisition (including the Shareholders' Deeds and the Corporate Guarantees) is on normal commercial terms and is not prejudicial to the interests of MLT and its minority Unitholders. The assessment of the legal, strategic, commercial and financial merits and/or risks of the Acquisition (including the Shareholders' Deeds and the Corporate Guarantees) 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 Acquisition (including the Shareholders' Deeds and the Corporate Guarantees) 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 Acquisition (including the Shareholders' Deeds and the Corporate Guarantees), 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 Properties, the Acquisition, the Shareholders' Deeds and the Corporate Guarantees has been disclosed to us, that such information constitutes a full and true disclosure, in all material respects, of all material facts about MLT and the Properties in the context of the Acquisition (including the Shareholders' Deeds and the Corporate Guarantees) 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 Acquisition (including the Shareholders' Deeds and the Corporate Guarantees) 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 of Colliers International (Hong Kong) Ltd ("**Colliers**") and Jones Lang LaSalle Corporate Appraisal and Advisory Limited ("**JLL**" and together with Colliers, the "**Independent Valuers**") commissioned by the Trustee and the Manager respectively, and issued by the Independent Valuers in connection with the open market value (the "**Market Value**") of each of the Properties as at 1 March 2018 (the "**Valuation Reports**"). 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 prepared by 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, we would advise the Independent Directors and the Audit and Risk Committee to recommend that 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 opinion, which is required under Rule 921(4)(a) of the Listing Manual, are 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 Acquisition (including the Shareholders' Deeds and the Corporate Guarantees), and the recommendations made by the Independent Directors and the Audit and Risk Committee to the minority Unitholders shall remain the sole responsibility of the Independent Directors and the Audit and Risk Committee.

Our opinion in relation to the Acquisition (including the Shareholders' Deeds and the Corporate Guarantees) should be considered in the context of the entirety of this letter and the Circular.

3 DETAILS OF THE ACQUISITION (INCLUDING THE SHAREHOLDERS' DEEDS AND THE CORPORATE GUARANTEES)

The details of the Acquisition (including the Shareholders' Deeds and the Corporate Guarantees), including details of the Properties, are set out in Section 2 of the Letter to Unitholders of the Circular. We recommend that the Independent Directors and the Audit and Risk Committee advise the Unitholders to read carefully the details of the Properties and the Acquisition (including the Shareholders' Deeds and the Corporate Guarantees) which are contained in the Circular.

We set out below the salient information on the Properties and the Acquisition (including the Shareholders' Deeds and the Corporate Guarantees).

3.1 Description of the Properties

Certain key information on the Properties are set out in Section 2.4 of the Letter to Unitholders of the Circular. We present the following information in relation to the Properties.

The following table sets out a summary of selected information on the Properties.

S/No	Property Name	Location	NLA[1] (sqm)	Independent Valuation by Colliers (in millions)	Independent Valuation by JLL (in millions)	Agreed Property Value (in millions)	Discount of the Agreed Property Value to the Independent Valuation	Land Tenure	Approximate Remaining Land Tenure
1	Mapletree Wuxi	**East China** Wuxi, Jiangsu Province	122,403	RMB421.0 (S$87.7)	RMB426.0 (S$88.8)	RMB411.6 (S$85.8)	Colliers: 2.2% JLL: 3.4%	Leasehold estate of 50 years expiring on 16 March 2064	46 years
2	Mapletree Hangzhou	**East China** Hangzhou, Zhejiang Province	106,726	RMB399.0 (S$83.1)	RMB420.0 (S$87.5)	RMB381.8 (S$79.5)	Colliers: 4.3% JLL: 9.1%	Leasehold estate of 50 years expiring on 5 September 2064	46 years
3	Mapletree Nantong	**East China** Nantong, Jiangsu Province	78,624	RMB262.0 (S$54.6)	RMB268.0 (S$55.8)	RMB261.7 (S$54.5)	Colliers: 0.1% JLL: 2.4%	<u>East</u>: Leasehold estate of 50 years expiring on 19 October 2064 <u>West</u>: Leasehold estate of 50 years expiring on 29 January 2065	East: 47 years West: 47 years
4	Mapletree Changshu	**East China** Changshu, Jiangsu Province	60,966	RMB197.0 (S$41.0)	RMB209.0 (S$43.5)	RMB191.5 (S$39.9)	Colliers: 2.8% JLL: 8.4%	Leasehold estate of 50 years expiring on 14 February 2065	47 years
5	Mapletree Changsha	**Midwest China** Changsha, Hunan Province	79,253	RMB303.0 (S$63.1)	RMB307.0 (S$64.0)	RMB301.4 (S$62.8)	Colliers: 0.5% JLL: 1.8%	Leasehold estate of 50 years expiring on 20 June 2064	46 years
6	Mapletree Wuhan[2]	**Midwest China** Wuhan, Hubei Province	69,984	RMB243.0 (S$50.6)	RMB245.0 (S$51.0)	RMB237.9 (S$49.6)	Colliers: 2.1% JLL: 2.9%	Leasehold estate of 50 years expiring on 10 June 2065	47 years

S/No	Property Name	Location	NLA[1] (sqm)	Independent Valuation by Colliers (in millions)	Independent Valuation by JLL (in millions)	Agreed Property Value (in millions)	Discount of the Agreed Property Value to the Independent Valuation	Land Tenure	Approximate Remaining Land Tenure
7	Mapletree Xi'an[2]	**Midwest China** Xi'an, Shaanxi Province	63,558	RMB286.0 (S$59.6)	RMB287.0 (S$59.8)	RMB284.6 (S$59.3)	Colliers: 0.5% JLL: 0.8%	Leasehold estate of 50 years expiring on 9 December 2063	46 years
8	Mapletree Tianjin	**North China** Tianjin Municipality	29,148	RMB105.0 (S$21.9)	RMB110.0 (S$22.9)	RMB104.2 (S$21.7)	Colliers: 0.8% JLL: 5.3%	Leasehold estate of 50 years expiring on 12 February 2065	47 years
9	Mapletree Jiaxing	**East China** Jiaxing, Zhejiang Province	35,683	RMB127.0 (S$26.5)	RMB130.0 (S$27.1)	RMB125.8 (S$26.2)	Colliers: 0.9% JLL: 3.2%	Leasehold estate of 50 years expiring on 26 January 2066	48 years
10	Mapletree Nanchang[2]	**Midwest China** Nanchang, Jiangxi Province	73,950	RMB217.0 (S$45.2)	RMB224.0 (S$46.7)	RMB216.5 (S$45.1)	Colliers: 0.2% JLL: 3.3%	Leasehold estate of 50 years expiring on 14 January 2066	48 years
11	Mapletree Zhenjiang[2]	**East China** Zhenjiang, Jiangsu Province	101,616	RMB335.0 (S$69.8)	RMB330.0 (S$68.8)	RMB329.8 (S$68.7)	Colliers: 1.6% JLL: 0.1%	Leasehold estate of 50 years expiring on 1 October 2066	49 years
Total			**821,911**	**RMB2,895.0** **(S$603.1)**	**RMB2,956.0** **(S$615.8)**	**RMB2,846.8** **(S$593.1)**	**Colliers: 1.7%** **JLL: 3.7%**		

Source: Circular

Notes:

(1) 'NLA' means net lettable area.

(2) As at the Latest Practicable Date, the PRC WFOEs holding Mapletree Wuhan, Mapletree Xi'an, Mapletree Nanchang and Mapletree Zhenjiang have obtained the land title certificates and are in the process of applying for the property title certificates in respect of these Properties. The Manager expects the property title certificates in respect of these Properties to be obtained by the second half of 2018.

3.2 Valuation

The details of the valuation of the Properties are set out in Section 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 of the Circular. We set out below the salient terms of the valuation of the Properties.

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 1 March 2018.

The Trustee has commissioned an independent property valuer, Colliers, and the Manager has commissioned another independent property valuer, JLL, to value each Property. In arriving at the open market value of each Property, Colliers relied on the discounted cash flow method and the market comparison method, while JLL relied on the discounted cash flow method and the income capitalisation method.

The aggregate Agreed Property Value of the Properties is RMB2,846.8 million (S$593.1 million), representing a discount of approximately 1.7% to Colliers' aggregate valuation of RMB2,895.0 million (S$603.1 million) and a discount of approximately 3.7% to JLL's aggregate valuation of RMB2,956.0 million (S$615.8 million).

3.3 Total Acquisition Cost

The details of the total cost of the Acquisition (the "**Total Acquisition Cost**") is set out in Section 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 RMB1,021.6 million (S$212.8 million), comprising:

(i) the Acquisition Price of approximately RMB985.3 million (S$205.3 million), which comprises (a) the Aggregate Share Consideration, to be satisfied fully in cash, which is estimated to be RMB120.5 million (S$25.1 million), subject to post-Completion adjustments to the Total Adjusted Net Asset Values, and (b) the Trustee Shareholders' Loans of RMB864.8 million (S$180.2 million) to be extended by the Trustee to the HK SPVs, subject to adjustments based on the actual date of Completion to take into account interest accruing up to such date. The estimated Aggregate Share Consideration of RMB120.5 million (S$25.1 million) comprises the purchase consideration of RMB21.5 million (S$4.5 million) payable to the Itochu Subsidiaries, and the purchase consideration of RMB99.0 million (S$20.6 million) payable to the MIPL Subsidiaries;

(ii) the acquisition fee payable in Units to the Manager for the Acquisition (the "**Acquisition Fee**") which is estimated to be approximately S$1.0 million) (representing 0.5% of the Acquisition Price); and

(iii) the estimated professional and other fees and expenses of approximately S$6.5 million incurred or to be incurred by MLT in connection with the Acquisition and the equity fund raising (the "**Equity Fund Raising**").

3.4 Payment of Acquisition Fee in Units

The details of the payment of the Acquisition Fee in Units is set out in Section 2.9 of the Letter to Unitholders of the Circular, and have been extracted and set out in italics below.

"*Pursuant to the Trust Deed, the Manager is entitled to receive an acquisition fee at the rate of 1.0% of the 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 Acquisition Price.*

As acquisition of the interests of the MIPL Subsidiaries in the HK SPVs (comprising the 30.0% interest in the eight Co-owned HK SPVs and the 50.0% interest in the three Sponsor-owned HK SPVs) will constitute an "interested party transaction" under the Property Funds Appendix, the Acquisition Fee payable in respect of the acquisition of interests from the MIPL Subsidiaries 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. While the acquisition of the interests of the Itochu Subsidiaries in the 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 Acquisition in respect of which the Acquisition Fee is payable or, where Units are not issued to finance or part finance the Acquisition, the prevailing Market Price of such Units on the date of Completion.

Based on the Illustrative Issue Price of S$1.20 per Acquisition Fee Unit, the number of Acquisition Fee Units issued shall be approximately 855,305 Units."

3.5 Method of Financing for the Acquisition

The details of the method of financing for the Acquisition is set out in Sections 2.10 and 2.11 of the Letter to Unitholders of the Circular, and we set out below the salient information.

The Manager intends to finance the Total Acquisition Cost through the proceeds from the Equity Fund Raising and/or a drawdown of the Loan Facilities.

The final decision regarding the proportion of the debt and equity to be employed to fund the Acquisition will be made by the Manager at the appropriate time, taking into account the then prevailing market conditions to provide overall distribution per Unit ("**DPU**") accretion to Unitholders on a pro forma basis while maintaining an optimum level of aggregate leverage.

Equity Fund Raising

The Equity Fund Raising will be undertaken through an issuance of new Units (the "**New Units**") relying on the general mandate of MLT obtained at the annual general meeting of MLT held on 17 July 2017.

The details and timing of the Equity Fund Raising have not been determined and the Manager will announce the details of the Equity Fund Raising on SGXNET at the appropriate time when it launches the Equity Fund Raising on such terms and at such time as may be agreed with the Joint Global Co-ordinators and Bookrunners.

For illustrative purposes in the Circular, the Equity Fund Raising is assumed to raise gross proceeds of approximately S$200.0 million.

The Manager intends to utilise the net proceeds of the Equity Fund Raising to partially finance the Total Acquisition Cost of approximately S$212.8 million, with the balance thereof to be funded by the Loan Facilities. However, subject to relevant laws and regulations, the Manager has absolute discretion to determine the use of proceeds.

3.6 Certain Terms and Conditions of the Share Purchase Agreements

The Trustee has entered into conditional Share Purchase Agreements with the Vendors dated 26 April 2018. The principal terms of each Share Purchase Agreement are set out in Section 2.5 of the Letter to Unitholders of the Circular.

We note that the Share Purchase Agreements set out, *inter alia*, the following principal terms:

(i) in respect of the five Share Purchase Agreements for the Co-owned HK SPVs (being the Share Purchase Agreements in respect of Wuxi EMZ (HKSAR Limited), Nantong Development (HKSAR) Limited, Changshu IDZ (HKSAR) Limited, Changsha Development (HKSAR) Limited and Yangluo EDZ (HKSAR) Limited), the Vendors shall, at Completion, pay a rent-free reimbursement amount (the "**Rent-Free Reimbursement Amount**") of RMB8.5 million (S$1.8 million) in aggregate to the Trustee, to reimburse the Trustee for rent-free incentives granted or allowed to any tenant of the five Properties within the first two years after Completion. The Rent-Free Reimbursement Amount shall be paid into an account at Completion, and the Trustee shall be entitled to withdraw the Rent-Free Reimbursement Amount in instalments on a quarterly basis within the first two years after Completion;

(ii) on Completion, the Trustee shall extend the Trustee Shareholders' Loans to the HK SPVs;

(iii) the Shareholders will enter into separate Shareholders' Deeds at Completion to regulate the management of each HK SPV and its respective wholly-owned PRC WFOE and the relationship between them as shareholders of the relevant HK SPV;

(iv) the Trustee is required to provide, or procure the provision of, the Corporate Guarantees (as guarantor) with effect from Completion in respect of MLT's 50.0% shareholding interest in each of the 11 HK SPVs; and

(v) the Vendors shall procure that applications be made for issuance of the completion certificate and the property title certificate for the relevant Property. The Vendors have undertaken to obtain such certificate(s) within six months (or such period agreed between the parties) after Completion, and have also provided an indemnity to the Trustee from losses sustained from any penalties imposed due to such certificate(s) not being obtained.

3.7 Shareholders' Deeds

The details of the Shareholders' Deeds are set out in Section 2.6 of the Letter to Unitholders of the Circular, and have been extracted and set out in italics below.

"*Pursuant to the terms of the Share Purchase Agreements, the Shareholders will enter into separate Shareholders' Deeds at Completion to regulate the management of each HK SPV and its respective wholly-owned PRC WFOE and the relationship between them as shareholders of the relevant HK SPV, on terms to be mutually agreed between the Trustee and MIPL. The parties to each Shareholders' Deed will be the Shareholders and the relevant HK SPV.*

2.6.1 Management

Under the terms of each Shareholders' Deed, the board of directors of each HK SPV shall have ultimate responsibility for management and control of the HK SPV. The board shall comprise four directors, two of which shall be appointed by the Trustee and two of which shall be appointed by the relevant MIPL Subsidiary. In the case of the Trustee, the two directors appointed by the Trustee shall be representatives of the Manager. In the event of a conflict of interests, such representatives are required to give priority to the interests of Unitholders as a whole over the interests of the Manager and its shareholders.

2.6.2 Reserved Matters

Each Shareholders' Deed contains a set of matters in relation to the key operational and management issues affecting the HK SPV, which require unanimous approval of all the directors of the HK SPV. These matters include:

(i) any amendment of the articles of association of the HK SPV and the Shareholders' Deed;

*(ii) cessation or change of the primary business of the HK SPV and/or any of its subsidiaries (the "**HK SPV Group**");*

(iii) winding up, dissolution, liquidation or termination of any member of the HK SPV Group;

(iv) changes in the equity capital structure of any member of the HK SPV Group;

(v) changes to the dividend distribution policies for any member of the HK SPV Group;

(vi) issue of ordinary shares and any other securities (including any options over such securities) by any member of the HK SPV Group;

(vii) incurring and/or repayment of borrowings by any member of the HK SPV Group;

(viii) creation of any security or charge over the assets of the HK SPV Group or any part thereof;

(ix) save for any leasing of the Property or any part thereof in the ordinary course of business, transfer or disposal of the assets of the HK SPV Group;

(x) approval of asset enhancement and capital expenditure plans for the assets of the HK SPV Group, other than those which have been specifically approved in any development budget or annual budget;

(xi) entry into, or any amendment of the terms of any, or waiver of any rights under any, interested person transactions other than those which have been specifically approved in any development budget or annual budget; and

(xii) any matters which are set out in Paragraph 6.5 of the Property Funds Appendix to the extent that such matters are not set out above, if applicable.

2.6.3 Asset Management

*Mapletree Real Estate Advisors Pte Ltd, a wholly-owned subsidiary of MIPL, and the Manager shall be jointly appointed as the asset managers for each Property (the "**Asset Managers**"). The Asset Managers shall be entitled to receive the following fees (or such other fees as may be mutually agreed between the Shareholders) from any member of the HK SPV Group to be shared in equal proportions between the Asset Managers:*

(i) a base fee of 0.5% per annum of all the assets of the HK SPV Group;

(ii) a performance fee of 3.6% per annum of the net property income of the HK SPV Group in the relevant financial year; and

(iii) a development management fee of 3.0% of the total project costs incurred in a development project undertaken by the HK SPV or any member of the HK SPV Group.

The fees payable to the Asset Managers are on the same rates as those payable by MLT to the Manager under the Trust Deed.

In the computation of the Manager's fees payable under the Trust Deed, any asset management fees payable to the Manager for the Properties will be taken into account and no double payment will be made in respect of such asset management services provided by the Manager.

2.6.4 Property Management

*Shanghai Mapletree Management Co., Ltd., a wholly-owned subsidiary of MIPL, shall be appointed as the property manager for each Property (the "**PRC Property Manager**"). The PRC Property Manager shall be entitled to receive the following fees (or such other fees as* *may be mutually agreed between the Shareholders) from any member of the HK SPV Group:*

(i) a property management fee of 2.0% per annum of the gross revenue of the HK SPV Group;

(ii) a lease management fee of 1.0% per annum of the gross revenue of the HK SPV Group;

(iii) a project management fee (including for asset enhancement initiatives projects) of:

(a) 3.0% of the construction costs where the construction costs are S$2.0 million or less;

(b) 2.0% of the construction costs where the construction costs exceed S$2.0 million but do not exceed S$20.0 million;

(c) 1.5% of the construction costs where the construction costs exceed S$20.0 million but do not exceed S$50.0 million; and

(d) an amount to be mutually agreed between the HK SPV and the PRC Property Manager where the construction costs exceed S$50.0 million; and

(iv) a marketing service commission equivalent to:

(a) one month's gross rent inclusive of service charge, for securing a tenancy of three years or less;

(b) two months' gross rent inclusive of service charge, for securing a tenancy of more than three years;

(c) half month's gross rent inclusive of service charge, for securing a renewal of tenancy of three years or less;

(d) one month's gross rent inclusive of service charge, for securing a renewal of tenancy of more than three years; and

(e) if a third party agent secures a tenancy, the PRC Property Manager will be responsible for all marketing services commissions payable to such third party agent and the PRC Property Manager will be entitled to a marketing services commission of:

(I) 1.2 month's gross rent inclusive of service charge, for securing a tenancy of three years or less; and

(II) 2.4 months' gross rent inclusive of service charge, for securing a tenancy of more than three years.

*The fees payable to the PRC Property Manager are on the same rates as those payable by MLT to Mapletree Property Management Pte. Ltd. (the "**Property Manager**") under 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.*

2.6.5 Additional Financing

Each Shareholder commits to provide additional funds in the event that additional funding is required and external financing is not available on reasonably acceptable terms or at all, and shall provide such funds (either by way of subscription of additional shares in the HK SPV or through shareholders' loans) in the same percentages as their respective shareholding percentages in the HK SPV.

For the avoidance of doubt, any additional financing provided to the HK SPVs by the Trustee in the future shall comply with Chapter 9 of the Listing Manual and Paragraph 5 of the Property Funds Appendix.

2.6.6 Pre-emption Rights; Tag Along and Drag Along Rights

Under the terms of each Shareholders' Deed, the Trustee has pre-emption rights over the relevant MIPL Subsidiary's shares in the relevant HK SPV, in the event that the relevant MIPL Subsidiary wishes to divest its 50.0% interest in the HK SPV. If the Trustee waives its pre-emption rights, the Trustee has tag along rights in the event of such divestment by the relevant MIPL Subsidiary.

If the Trustee wishes to divest its 50.0% interest in the HK SPV, and the relevant MIPL Subsidiary waives its pre-emption rights, the Trustee has drag along rights over the relevant MIPL Subsidiary's interest in the HK SPV.

Reciprocal rights are also provided by the Trustee to the relevant MIPL Subsidiary in respect of the above.

2.6.7 Deadlock Provisions

*Further, in the event that a resolution of the board of directors of the relevant HK SPV or the Shareholders for the transaction of any business of the relevant HK SPV cannot be obtained after a period of 30 days or after three successive attempts, whichever is the earlier, a deadlock shall be deemed to arise and the parties to the Shareholders' Deed shall immediately upon the occurrence of any deadlock, refer the matter which was to have been discussed to, in the case of the Trustee, the Chief Executive Officer of the Manager, and in the case of the relevant MIPL Subsidiary, the Deputy Group Chief Executive Officer of MIPL (the "**Officer**"). Each Shareholder shall procure that its Officer shall negotiate in good faith with the other Officer(s) with a view to resolution of such matter.*

*If a resolution of such matter is not agreed upon within 30 days from the date of the parties' referral to the Officers, any Shareholder (the "**Initiator**") may serve a notice (the "**Deadlock Notice**") on the other Shareholder (the "**Non-Initiating Shareholder**"). The Deadlock Notice shall constitute an offer by the Initiator to buy for cash all (but not some only) of the shares held by the Non-Initiating Shareholder and an alternate offer by the Initiator to sell for cash all (but not some only) of its own shares at the price set out in the Deadlock Notice.*

By approving the Acquisition, Unitholders will be deemed to have also approved the Shareholders' Deeds."

3.8 Corporate Guarantees

The details of the Corporate Guarantees are set out in Section 2.7 of the Letter to Unitholders of the Circular, and have been extracted and set out in italics below.

"The 11 HK SPVs have entered into bank facilities, pursuant to which the Vendors have provided corporate guarantees to certain banks. Pursuant to the terms of the Share Purchase Agreements, the Trustee is required to provide, or procure the provision of, Corporate Guarantees (as guarantor) of an aggregate value of up to approximately RMB505.4 million (S$105.3 million) with effect from Completion, in place of the existing corporate guarantees provided by the Vendors. The aggregate value of the Corporate Guarantees at any point in time shall represent MLT's 50.0% shareholding interest in each of the 11 HK SPVs and will depend on the amounts drawn down under the bank facilities (including accrued interest). As at the Latest Practicable Date, an aggregate of RMB944.2 million (S$196.7 million) has been drawn down under the bank facilities, of which RMB472.1 million (S$98.4 million) represents the value of the Corporate Guarantees in respect of MLT's 50.0% shareholding interest. For the avoidance of doubt, the MIPL Subsidiaries shall also be required to provide similar corporate guarantees to such banks in respect of their respective 50.0% shareholding interest in the 11 HK SPVs. No fee is chargeable for provision of the abovementioned corporate guarantees by each of the Trustee and/or the MIPL Subsidiaries.

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

4 EVALUATION OF THE ACQUISITION (INCLUDING THE SHAREHOLDERS' DEEDS AND THE CORPORATE GUARANTEES)

In our analysis and evaluation of the Acquisition (including the Shareholders' Deeds and the Corporate Guarantees), and our recommendation thereon, we have taken into consideration the following:

(a) rationale for and key benefits of the Acquisition (including the Shareholders' Deeds and the Corporate Guarantees);

(b) valuation of the Properties by the Independent Valuers;

(c) comparison of the net property income ("**NPI**") yields ("**NPI Yields**") of the Properties with MLT's Existing Portfolio and MLT's Existing China Portfolio;

(d) comparison of the Properties with selected PRC logistics property transaction, selected PRC logistics portfolio valuations, and selected industrial/logistics property portfolio valuation of listed real estate investment trusts ("**REITs**" and each, "REIT") on the SGX-ST;

(e) pro-forma financial effects of the Acquisition;

(f) evaluation of the Shareholders' Deeds;

(g) evaluation of the Corporate Guarantees; and

(h) other relevant factors.

4.1 Rationale for and key benefits of the Acquisition (including the Shareholders' Deeds and the Corporate Guarantees)

The detailed rationale for and benefits of the Acquisition (including the Shareholders' Deeds and the Corporate Guarantees) are set out in Section 3 of the Letter to Unitholders of the Circular. We have set out below key sections on the rationale for and key benefits of the Acquisition (including the Shareholders' Deeds and the Corporate Guarantees).

(a) Attractive Logistics Market in China

  (i) Strategic expansion in the largest Asia-Pacific economy with a high and sustainable growth profile

  (ii) Rising consumption expenditure and rapid expansion of e-commerce in China support strong demand for logistics properties

  (iii) Favourable supply-demand dynamics underpin rental growth of logistics assets

  (iv) Beneficiary of the One Belt One Road initiative

(b) Strategic Addition of a Diversified and Well-located Portfolio Across China

  (i) Located in three clusters with unique economic growth characteristics

  (ii) Excellent connectivity

  (iii) Modern Grade A specification assets with long land tenure

(c) Strong Tenant Base with Exposure to Businesses Involved in E-Commerce

(d) Attractive Value Proposition

(e) Positive Impact on MLT's Enlarged Portfolio

(i) DPU-accretive acquisition

(ii) Increases and diversifies MLT's exposure in China

(iii) Reduces tenant concentration risk

(iv) Demonstration of the Sponsor's commitment and leveraging on its local market experience and resources

(v) Increase in free float and liquidity

We note that the Acquisition (including the Shareholders' Deeds and the Corporate Guarantees) is in line with MLT's principal investment strategy of making yield accretive acquisitions of good quality logistics properties and managing capital to maintain MLT's strong balance sheet and provide financial flexibility for growth.

4.2 Valuation of the Properties by the Independent Valuers

The Manager and the Trustee have commissioned independent valuers, namely JLL and Colliers, to perform independent valuations on the Properties.

The appraised values of the Independent Valuers for the Properties are as follows:

S/No	Property Name	NLA (sqm)	Independent Valuation by Colliers (in millions)	Independent Valuation by JLL (in millions)	Agreed Property Value (in millions)	Discount of the Agreed Property Value to the Independent Valuation
1	Mapletree Wuxi	122,403	RMB421.0 (S$87.7)	RMB426.0 (S$88.8)	RMB411.6 (S$85.8)	Colliers: 2.2% JLL: 3.4%
2	Mapletree Hangzhou	106,726	RMB399.0 (S$83.1)	RMB420.0 (S$87.5)	RMB381.8 (S$79.5)	Colliers: 4.3% JLL: 9.1%
3	Mapletree Nantong	78,624	RMB262.0 (S$54.6)	RMB268.0 (S$55.8)	RMB261.7 (S$54.5)	Colliers: 0.1% JLL: 2.4%
4	Mapletree Changshu	60,966	RMB197.0 (S$41.0)	RMB209.0 (S$43.5)	RMB191.5 (S$39.9)	Colliers: 2.8% JLL: 8.4%
5	Mapletree Changsha	79,253	RMB303.0 (S$63.1)	RMB307.0 (S$64.0)	RMB301.4 (S$62.8)	Colliers: 0.5% JLL: 1.8%
6	Mapletree Wuhan(1)	69,984	RMB243.0 (S$50.6)	RMB245.0 (S$51.0)	RMB237.9 (S$49.6)	Colliers: 2.1% JLL: 2.9%
7	Mapletree Xi'an(1)	63,558	RMB286.0 (S$59.6)	RMB287.0 (S$59.8)	RMB284.6 (S$59.3)	Colliers: 0.5% JLL: 0.8%
8	Mapletree Tianjin	29,148	RMB105.0 (S$21.9)	RMB110.0 (S$22.9)	RMB104.2 (S$21.7)	Colliers: 0.8% JLL: 5.3%
9	Mapletree Jiaxing	35,683	RMB127.0 (S$26.5)	RMB130.0 (S$27.1)	RMB125.8 (S$26.2)	Colliers: 0.9% JLL: 3.2%
10	Mapletree Nanchang(1)	73,950	RMB217.0 (S$45.2)	RMB224.0 (S$46.7)	RMB216.5 (S$45.1)	Colliers: 0.2% JLL: 3.3%
11	Mapletree Zhenjiang(1)	101,616	RMB335.0 (S$69.8)	RMB330.0 (S$68.8)	RMB329.8 (S$68.7)	Colliers: 1.6% JLL: 0.1%
Total		**821,911**	**RMB2,895.0 (S$603.1)**	**RMB2,956.0 (S$615.8)**	**RMB2,846.8 (S$593.1)**	**Colliers: 1.7% JLL: 3.7%**

Source: Circular

Notes:

(1) As at the Latest Practicable Date, the PRC WFOEs holding Mapletree Wuhan, Mapletree Xi'an, Mapletree Nanchang and Mapletree Zhenjiang have obtained the land title certificates and are in the process of applying for the property title certificates in respect of these Properties. The Manager expects the property title certificates in respect of these Properties to be obtained by the second half of 2018.

We have been provided the Valuation Reports of the Properties and we note the following in our review:

(a) The basis of valuation 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 definition of which is broadly consistent among the Independent Valuers and in line with market definition;

(b) the Independent Valuers, Colliers and JLL, have both used 1 March 2018 as the Valuation Date for the Properties;

(c) The methods used by the Independent Valuers for valuation are the discounted cash flow approach and market approach for Colliers, and the discounted cash flow approach and income capitalisation approach for JLL; and

(d) 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 International Valuation Standards 2017 and the Royal Institution of Chartered Surveyors ("**RICS**") Valuation – Global Standards 2017.

We note that the Agreed Property Value for each of the Properties is lower than the valuation of both Independent Valuers, with discounts ranging from 0.1% to 9.1%. We also note that the aggregate Agreed Property Value for the Properties of RMB2,846.8 million (S$593.1 million) is 1.7% lower than the aggregate valuation of the Properties by Colliers and 3.7% lower than the aggregate valuation of the Properties by JLL.

4.3 Comparison of NPI Yields of the Properties with MLT's Existing 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 (the "**Existing Portfolio (All locations)**") and existing portfolio of properties located in China (the "**Existing China Portfolio**").

	Average WALE (years)	NPI Yield
Existing Portfolio (All locations)	3.5(1)	5.6%(2)
Existing China Portfolio	2.0(1)	6.2%(3)
The Properties	**3.3**	**6.4%**
Enlarged Portfolio (All locations)	**3.5**	**5.6%(4)**
Enlarged China Portfolio	**2.7**	**6.3%(4)**

Source: Management, Annual Report, Circular

Notes:

(1) As at 31 March 2018.

(2) Based on the annualised NPI of the Existing Portfolio (All locations) for the financial quarter ended 31 March 2018 divided by the valuation as at 31 March 2018.

(3) Based on the NPI of the Existing China Portfolio for the financial year ended 31 March 2018 divided by the valuation as at 31 March 2018.

(4) Combined NPI Yield is calculated based on the weighted average of the NPI Yields for the Existing Portfolio (All locations)/Existing China Portfolio and NPI Yield for the Properties as disclosed in the Circular.

We note that the average NPI Yield of the Properties of 6.4% is higher than the NPI Yields of the Existing Portfolio (All locations) as at 31 March 2018 and the Existing China Portfolio as at 31 March 2018. We also note that the average WALE of the Properties of 3.3 years is shorter than the average WALE of 3.5 years of the Existing Portfolio (All locations), but is significantly longer than the average WALE of the Existing China Portfolio of 2.0 years.

On a combined basis, the estimated NPI Yield of 5.6% for the Enlarged Portfolio (All locations) is expected to be the same as the NPI Yield of the Existing Portfolio (All locations), while the estimated NPI Yield of 6.3% of the Enlarged China Portfolio is slightly higher than the NPI Yield of the Existing China Portfolio. In evaluating the impact of the Acquisition on the NPI Yield of the entire MLT portfolio, we have taken into consideration other benefits to MLT such as quality of tenants and tenant base diversification, as stated in Section 4.1 of the letter.

4.4 Comparison of the Properties with Selected PRC Industrial/Logistics Property Portfolio Transactions and 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 accessibility, NLA, gross lettable area ("**GLA**"), profile and composition of tenants, usage of property, construction quality, 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 value per sqm and the yields/capitalisation rates implied by the considerations for the Properties with the value per sqm and the yields/capitalisation rates of the properties which are included in the lists below:

a. Transaction details of PRC logistics property involving certain SGX-ST listed REITs (the "**Selected PRC Logistics Property Transaction**"); and

b. Valuation details of PRC logistics portfolios owned by certain entities (the "**Selected PRC Logistics Portfolio**").

c. Valuation details of PRC 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 PRC Logistics Property Transaction, Selected PRC Logistics Portfolio and the Selected Industrial/Logistics Property Portfolio Valuations of Listed REITs are for illustrative purposes only. For the analysis on the Selected PRC Logistics Property Transaction, Selected PRC Logistics Portfolio, and 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 PRC Logistics Property Transaction, Selected PRC Logistics Portfolio, and the Selected Industrial/Logistics Property Portfolio Valuations of Listed REITs are by no means exhaustive.

4.4.1 Selected PRC Logistics Property Transaction with SGX-ST listed REITs

We have considered the following recent transaction involving PRC logistics property of a certain REIT which is listed on the SGX-ST in order to compare the NPI Yield implied by the Agreed Property Value for the Properties with that of the Selected PRC Logistics Property Transaction.

The Independent Directors, the Audit and Risk Committee, the Trustee and the Unitholders should note that any comparison made with respect to the Selected PRC Logistics Property Transaction is for illustrative purposes only. For the purposes of our evaluation, we have considered the following Selected PRC Logistics Property Transaction:

Acquirer	Number of Logistics Properties	Announcement Date	Acquisition Amount (RMB'm)	GFA[1] (sqm)	Occupancy	WALE as at the Transaction Date (years)	NPI Yield
EC World REIT (Located in Wuhan)	1	28 Feb 18	145	49,861	82.2%	2.3	4.9%
The Properties – Based on the Agreed Property Value	**11**		**2,846.8**		**97.7%**	**3.3**	**6.4%**[2]

Source: SGX Announcements, Circular

Notes:

(1) 'GFA' means gross floor area.

(2) NPI Yield of the Properties as disclosed in the Circular.

Based on the table above, we note that the average NPI Yield of the Properties of 6.4% is above the NPI Yield implied by the Selected PRC Logistics Property Transaction of EC World REIT, which is listed on the SGX-ST. We also note that the average WALE of the Properties of 3.3 years is longer than the WALE of the Selected PRC Logistics Property Transaction.

4.4.2 Selected Investments in PRC Logistics Portfolio by Other Entities

We have considered the valuations of the Selected PRC Logistics Portfolio Valuations by other entities in order to compare the capitalisation rates implied by the Agreed Property Value for the Properties with those of the Selected PRC Logistics Portfolio Valuations.

The Independent Directors, the Audit and Risk Committee, the Trustee and the Unitholders should note that any comparison made with respect to the Selected PRC Logistics Portfolio Valuations are for illustrative purposes only. For the purposes of our evaluation, we have considered the following Selected PRC Logistics Portfolio Valuations:

Platform/ Companies	Asset Valuation Date	Valuation (RMB'm)	GFA (sqm)	Occupancy	WALE (years)	Capitalisation Rate [1]
Goodman China Logistics Partnership ("**GCLP**")[2]	30 Jun 17	13,209	4,200,000	97.0%	3.3[3]	6.1%
Cache Logistics Trust[4]	31 Dec 17	78	146,000	100.0%	4.5	6.3%
Global Logistic Properties ("**GLP**") (China Assets)[5]	30 Dec 16	80,512	27,400,000[6]	87.0%	2.5	6.4%
Low				**87.0%**	**2.5**	**6.1%**
High				**100.0%**	**4.5**	**6.4%**
Median				**97.0%**	**3.3**	**6.3%**
Average				**94.7%**	**3.4**	**6.3%**
The Properties – Based on the Agreed Property Value		**2,846.8**		**97.7%**	**3.3**	**6.4%**

Source: Annual reports, company disclosures and Circular

Notes:

(1) Represents the weighted average capitalisation rate.

(2) GCLP's investment strategy is focused on development and investment in prime quality logistics and industrial facilities. The portfolio consists of 48 logistics estates in 19 first and second tier cities in PRC, with particular focus on Beijing and Shanghai.

(3) As at 31 December 2017.

(4) Cache Logistics Trust owns 1 logistics asset in Shanghai, PRC, Jinshan Chemical Warehouse located in Shanghai, since 2011.

(5) GLP's investment strategy in PRC is focused on development and operation of modern logistics facilities, which are currently located in 38 markets across China. The capitalisation rate is for completed assets.

(6) Consists of 15.8 million sqm of completed area and 11.6 million sqm of development pipeline.

Based on the table above, we note that the average NPI Yield of the Properties of 6.4% is at the upper end of the range of average portfolio NPI Yields implied by the Selected Investments in PRC Logistics Portfolio Valuations, and above both the median and average NPI Yields observed. We also note that the average WALE of the Properties of 3.3 years is within the range of the WALEs of the Selected Investments in PRC Logistics Portfolio Valuations, is the same with the median WALE, but is slightly shorter than the average WALE observed.

4.4.3 Selected Industrial/Logistics Property Portfolio Valuation of REITs listed on SGX-ST

We have considered the valuations of the Selected Industrial/Logistics Property Portfolio Valuations of Listed REITs in order to compare the yields implied by the Agreed Property Value for the Properties with those of 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 purposes of our evaluation, we have considered the following Selected Industrial/Logistics Property Portfolio Valuations of Listed REITs:

REIT	Valuation Date	Valuation [1] (RMB'm)	GFA (sqm)	Occupancy	WALE (years) as at the Valuation Date	NPI Yield [2]
Ascendas Real Estate Investment Trust	31 Mar 17	44,691	3,717,976	90.2%	4.3	6.2%
Cache Logistics Trust	31 Dec 17	5,747	706,063	96.6%	3.4	7.3%
ESR-REIT	31 Dec 17	8,046	919,740	93.0%	4.3	4.7%
AIMS AMP Capital Industrial REIT	31 Mar 17	6,542	627,155	94.6%	2.5	5.5%
Viva Industrial Trust	31 Dec 17	6,130	362,346	90.6%	2.6	6.4%
SoilBuild Business Space REIT	31 Dec 17	5,572	362,321 [3]	92.7%	3.0	6.3%
Mapletree Industrial Trust	31 Mar 17	16,968	1,867,351	93.1%	3.1	6.9%
EC World REIT	31 Dec 17	6,403	698,478 [3]	97.5%[6]	*n.a.* [7]	6.2%
Frasers Logistics & Industrial Trust	31 Dec 17	9,290	1,332,957 [4]	99.4%	6.8	6.6%
Sabana Shari'ah Compliant REIT	31 Dec 17	4,626	335,036 [3]	85.4%	2.5	5.5%
Low				**85.4%**	**2.5**	**4.7%**
High				**99.4%**	**6.8**	**7.3%**
Median				**93.0%**	**3.1**	**6.3%**
Average				**92.8%**	**3.6**	**6.2%**
The Properties – Based on the Agreed Property Value	**1 Mar 18**	**2,846.8**	**742,658**	**97.7%**	**3.3**	**6.4%**

Source: Annual reports and Circular

Notes:

(1) *Currency exchange rate as at the Latest Practicable Date of S$1.00:RMB4.80.*
(2) *Estimated NPI Yield based on NPI and Market Value as at the latest audited financial year-ends, based on various annual reports.*
(3) *Figures stated are NLA.*
(4) *Figure stated is GLA.*
(5) *NPI yield for the Properties as disclosed in the Circular.*
(6) *The weighted average underlying end-tenant occupancy of the portfolio, by NLA.*
(7) *WALE is not available at portfolio level.*

Based on the table above, we note that the average NPI Yield of the Properties is within the range of observed NPI Yields for the Selected Industrial/Logistics Property Portfolio Valuations of Listed REITs, and higher than the median and average NPI Yields. We also note that the average WALE of the Properties is within the range of WALEs of those of the Selected Industrial/Logistics Property Portfolio Valuations for Listed REITs, is shorter than the average WALE and longer than the median WALE observed.

4.5 Pro Forma Financial Effects of the Acquisition

The details of the pro forma financial effects of the Acquisition, which are shown for illustrative purposes only, are set out in Section 5 of the Letter to Unitholders of the Circular.

We note the following:

(a) The DPU increases from 7.618 Singapore cents to 7.650 Singapore cents, or by 0.032 Singapore cents (approximately 0.4%), for the pro forma financial effects of the Acquisition on MLT's DPU for the FY17/18 Financial Statements, assuming the Acquisition, issuance of the New Units in connection with the Equity Fund Raising, issuance of Acquisition Fee Units, and drawdown of the Loan Facilities were completed on 1 April 2017, and as if MLT held the 50.0% indirect interest in the Properties through to 31 March 2018.

(b) The pro forma NAV per Unit as at 31 March 2018 is expected to increase slightly from S$1.10 to S$1.11, as if the Acquisition, issuance of the New Units in connection with the Equity Fund Raising, issuance of Acquisition Fee Units, and the drawdown of the Loan Facilities were completed on 31 March 2018; and

(c) The pro forma Aggregate Leverage is expected to decrease slightly from 37.7% to 37.5%, assuming the Acquisition, issuance of the New Units in connection with the Equity Fund Raising, issuance of Acquisition Fee Units, and drawdown of the Loan Facilities (as well as MLT's 50.0% share of the existing bank facilities and Deposited Property of each of the HK SPVs) were completed on 31 March 2018.

4.6 Evaluation of the Shareholders' Deeds

In arriving at our opinion on the Acquisition, we have also looked at the terms of the Shareholders' Deeds which will be entered into at Completion by the Shareholders and the relevant HK SPV to regulate the management of each HK SPV and its respective wholly-owned PRC WFOE and the relationship between the Shareholders. The salient terms of the Shareholders' Deeds are set out in Section 2.6 of the Letter to Unitholders of the Circular.

As part of the structure of the Acquisition, we understand from the Directors and the Management that the acquisition of 50.0% interest in each of the HK SPV instead of 100.0% interest allows MLT to take advantage of the expertise and local knowledge of MIPL in relation to the management and operation of the Properties. The Shareholders' Deeds set out the provisions that will govern the relationship and activities between the Shareholders.

In reviewing the terms of the Shareholders' Deeds, we have considered whether the risks and rewards set out in the Shareholders' Deeds are in proportion to the equity of each Shareholder and whether the terms of the Shareholders' Deeds are not prejudicial to the interests of MLT and its minority Unitholders. We note the following:

(a) By approving the Acquisition, Unitholders will be deemed to have also approved the entry into the Shareholders' Deeds.

(b) The terms of the Shareholders' Deeds were negotiated between the Shareholders, taking into account key terms that are relevant to each Shareholder.

(c) The board of directors of each HK SPV, who shall have ultimate responsibility for management and control of the HK SPV, will comprise four (4) directors, two of whom shall be appointed by the Trustee and two of whom shall be appointed by the relevant MIPL Subsidiary. For the Trustee, the two directors to be appointed shall be representatives of the Manager. As such, it is reasonable to expect that the interests of MLT will be safeguarded with the equal representation to the board of directors of each HK SPV as that of the MIPL Subsidiary.

(d) The Shareholders' Deeds include a provision in relation to the frequency of the meetings of the board of directors.

(e) The delegation of authority limits set out in the Shareholders' Deeds regarding the day-to-day operations and management of the HK SPV are aligned with MLT's delegation of authority.

(f) The matters set out under Reserved Matters of the Shareholders' Deeds which require unanimous approval of all the directors of the HK SPV have taken into account the requirements under Paragraph 6.5(b) of the Property Funds Appendix. The Reserved Matters cover key operational and management issues affecting the HK SPV.

(g) The Shareholders have agreed to jointly appoint the Manager and Mapletree Real Estate Advisors Pte Ltd, a wholly-owned subsidiary of MIPL, as the asset managers for each Property (the "**Asset Managers**"). We note that the asset management fees to be paid to the Asset Managers are in accordance with the provisions of the MLT Trust Deed and are the same as the asset management fees charged to the existing MLT properties.

(h) The Shareholders have agreed to appoint Shanghai Mapletree Management Co., Ltd., a wholly-owned subsidiary of MIPL, as the property manager for each Property (the "**PRC Property Manager**"). We note that the fees to be paid to the PRC Property Manager are in accordance with the provisions of the MLT Master Property Management Agreement and are the same as the fees charged to existing MLT properties. The PRC Property Manager shall be entitled to receive a property management fee, a lease management fee, a project management fee (including for asset enhancement initiatives projects), and a marketing service commission.

(i) The provision of additional funds in the event that additional funding is required and external financing is not available on reasonably acceptable terms or at all, will be shared by the Shareholders, either by way of subscription of additional shares in the HK SPV and/or through shareholders' loans, in the same percentage as their respective shareholding percentages in the HK SPV. We note that any loan extended to the HK SPVs by the Trustee (apart from the Trustee Shareholders' Loans) in the future shall comply with Chapter 9 of the Listing Manual and Paragraph 5 of the Property Funds Appendix.

(j) The Trustee has pre-emption rights over the relevant MIPL Subsidiary's shares in the relevant HK SPV, in the event that the relevant MIPL Subsidiary wishes to divest its 50.0% interest in the HK SPV. If the Trustee waives its pre-emption rights, the Trustee has tag along rights in the event of such divestment by the relevant MIPL Subsidiary. If the Trustee wishes to divest its 50.0% interest in the HK SPV, and the relevant MIPL Subsidiary waives its pre-emption rights, the Trustee has drag along rights over the relevant MIPL Subsidiary's interest in the HK SPV. The Trustee has also provided the reciprocal pre-emption, tag along and drag along rights to the relevant MIPL Subsidiary.

(k) A deadlock shall be deemed to arise in the event that a resolution of the board of directors of the relevant HK SPV or the Shareholders for the transaction of any business of the relevant HK SPV cannot be obtained after a period of 30 days or after three successive attempts, whichever is earlier. The parties to the Shareholders' Deeds shall immediately upon the occurrence of any deadlock, refer the matter which was to have been discussed to, in the case of the Trustee, the Chief Executive Officer of the Manager, and in the case of the relevant MIPL Subsidiary, the Deputy Group Chief Executive Officer of MIPL (the "**Officer**"). We note that each Shareholder shall procure that its Officer shall negotiate in good faith with the other Officer(s) with a view to resolution of such matter. Further, if a resolution of such matter is not agreed upon within 30 days from the date of the parties' referral to the Officers, any Shareholder (the "**Initiator**") may serve a notice (the "**Deadlock Notice**") on the other Shareholder (the "**Non-Initiating Shareholder**"). The Deadlock Notice shall constitute an offer by the Initiator to buy for cash all (but not some only) of the shares held by the Non-Initiating Shareholder and an alternate offer by the Initiator to sell for cash all (but not some only) of its own shares at the price set out in the Deadlock Notice.

(l) The quantum of dividends for each HK SPV agreed by the Shareholders takes into account the existing dividend structure of MLT.

4.7 Evaluation of the Corporate Guarantees

In arriving at our opinion on the Acquisition, we have also looked at the terms of the Corporate Guarantees to external lenders which will take effect on Completion and will replace the existing corporate guarantees provided by the Vendors. Pursuant to the terms of the Share Purchase Agreements, the Trustee is required to provide, or procure the provision of, Corporate Guarantees (as guarantor) of an aggregate value of up to approximately RMB505.4 million (S$105.3 million). The salient terms of the Corporate Guarantees are set out in Section 2.7 of the Letter to Unitholders of the Circular.

In reviewing the Corporate Guarantees, we have considered whether the terms of the Corporate Guarantees are on normal commercial terms and are not prejudicial to the interests of MLT and its minority Unitholders. We note the following:

(a) By approving the Acquisition, Unitholders will be deemed to have also approved the entry into the Corporate Guarantees.

(b) We understand from the Management that the terms of the draft guarantee agreements are in line with all other corporate guarantees provided for other MLT's loan facilities. We also understand from the Management that the negotiation on the terms of the Guarantee Agreements are carried out by the Manager (with inputs from the Trustee) with external third-party lenders, which may be considered at arm's length basis.

(c) The value of the Corporate Guarantees represent MLT's 50.0% shareholding interest in each of the 11 HK SPVs. Further, the MIPL Subsidiaries shall also be required to provide similar corporate guarantees to such external lenders in respect of their respective 50.0% shareholding interest in the 11 HK SPVs.

(d) The value of the Corporate Guarantees at any point in time shall represent MLT's 50.0% shareholding interest in each of the 11 HK SPVs and will depend on the amounts drawn down under the external facility agreements (including accrued interest). As at the Latest Practicable Date, an aggregate of RMB944.2 million (S$196.7 million) has been drawn down under the bank facilities.

(e) We note that there is no fee chargeable for provision of the abovementioned corporate guarantees by each of the Trustee and/or the MIPL Subsidiaries.

(f) We note that the financial covenants set out in the Corporate Guarantees are in line with the financial covenants under the existing corporate guarantees provided by MLT.

(g) We note that any corporate guarantee provided by the Trustee to guarantee the HK SPVs' bank facilities (apart from the Corporate Guarantees) in the future shall comply with Chapter 9 of the Listing Manual and Paragraph 5 of the Property Funds Appendix.

4.8 Other relevant factors

We have also considered the following in our evaluation on the Acquisition:

4.8.1 Portfolio occupancy rate and average WALE

We note that as at 31 March 2018, the portfolio occupancy rate of the Properties is 83.2% and including committed leases that have been secured as at the Latest Practicable Date, the portfolio occupancy rate of the Properties is 97.7%. As at the Latest Practicable Date, the average WALE of the Properties is 3.3 years. The average WALE of the Properties is higher than the WALEs of the comparables listed under Section 4.4 of this letter.

4.8.2 Increased exposure to PRC logistics market

The Acquisition allows MLT to have more exposure to the rising demand for logistics properties in PRC which is driven by rising consumption expenditures, strong growth momentum of inland regions and rapid expansion of e-commerce.

5 OUR ADVICE ON THE ACQUISITION (INCLUDING THE SHAREHOLDERS' DEEDS AND THE CORPORATE GUARANTEES)

In arriving at our advice to the Independent Directors, the Audit and Risk Committee, and the Trustee on the Acquisition (including the Shareholders' Deeds and the Corporate Guarantees), 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 Acquisition (including the Shareholders' Deeds and the Corporate Guarantee). 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:

(a) rationale for and key benefits of the Acquisition (including the Shareholders' Deeds and the Corporate Guarantees);

(b) valuation of the Properties by the Independent Valuers;

(c) comparison of the NPI Yields of the Properties with MLT's Existing Portfolio (All locations) and MLT's Existing China Portfolio;

(d) comparison of the Properties with Selected PRC Industrial Property Transaction, Selected PRC Logistics Portfolio Valuations, and Selected Industrial/Logistics Property Portfolio Valuations of Listed REITs on the SGX-ST;

(e) pro-forma financial effects of the Acquisition;

(f) evaluation of the Shareholders' Deeds;

(g) evaluation of the Corporate Guarantees;

(h) portfolio occupancy rate and average WALE; and

(i) increased exposure to the PRC logistics market.

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 Acquisition (including the Shareholders' Deeds and the Corporate Guarantees) is on normal commercial terms and is not prejudicial to the interests of MLT and its minority Unitholders.

Accordingly, we advise the Independent Directors and the Audit and Risk Committee to recommend that Unitholders vote in favour of the Acquisition (including the Shareholders' Deeds and the Corporate Guarantees).

The Independent Directors, the Audit and Risk Committee, and the Trustee should note that we have arrived at our opinion and recommendation based on information made available to us prior to, and including, the Latest Practicable Date. Our opinion on the Acquisition (including the Shareholders' Deeds and the Corporate Guarantees) 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 Acquisition (including the Shareholders' Deeds and the Corporate Guarantees).

We have prepared this letter as required under Rule 921(4)(a) of the Listing Manual as well as 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 Acquisition (including the Shareholders' Deeds and the Corporate Guarantees), but any recommendations made by the Independent Directors and the Audit and Risk Committee in respect of the Acquisition (including the Shareholders' Deeds and the Corporate Guarantees) 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 Acquisition (including the Shareholders' Deeds and the Corporate Guarantees)) 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, its 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 Acquisition (including the Shareholders' Deeds and the Corporate Guarantees). 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

Benedict Lim Managing Director	Elisa Montano Director

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 on 24 May 2018 (Thursday) at 2.30 p.m. at 10 Pasir Panjang Road, Mapletree Business City, Town Hall – Auditorium, Singapore 117438, for the purpose of considering and, if thought fit, passing, with or without modifications, the following resolution:

ORDINARY RESOLUTION

THE PROPOSED ACQUISITION OF A 50.0% INTEREST IN EACH OF 11 PROPERTY HOLDING COMPANIES AS AN INTERESTED PERSON TRANSACTION

That:

(i) approval be and is hereby given for the acquisition of a 50.0% interest in each of 11 Hong Kong special purpose vehicles (the "**HK SPVs**", and the acquisition of the interests in the HK SPVs, the "**Acquisition**") from wholly-owned subsidiaries of Mapletree Investments Pte Ltd and wholly-owned subsidiaries of Itochu Corporation (collectively, the "**Vendors**") on the terms and conditions set out in the 11 conditional share purchase agreements dated 26 April 2018 entered into between HSBC Institutional Trust Services (Singapore) Limited (in its capacity as trustee of MLT) (the "**Trustee**") and the Vendors (the "**Share Purchase Agreements**"), and that the entry into the Share Purchase Agreements and the provision of loans by the Trustee to the HK SPVs be and are hereby approved and ratified;

(ii) approval be and is hereby given for the payment of all fees and expenses relating to the Acquisition;

(iii) approval be and is hereby given for the entry into the Shareholders' Deeds and the Corporate Guarantees (as described in the circular dated 8 May 2018 issued by Mapletree Logistics Trust Management Ltd., as manager of MLT (the "**Manager**")) by the Trustee immediately upon the completion of the Acquisition; and

(iv) the Manager, and any director of the Manager ("**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 Acquisition and all transactions contemplated under the Share Purchase Agreements, the Shareholders' Deeds and the Corporate Guarantees, 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.

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
8 May 2018

Important Notice:

1. A Unitholder who is not a Relevant Intermediary entitled to attend and vote at the EGM is entitled to appoint one or two proxies to attend and vote in his/her stead. A proxy need not be a Unitholder. Where a Unitholder appoints more than one proxy, the appointments shall be invalid unless he/she specifies the proportion of his/her holding (expressed as a percentage of the whole) to be represented by each proxy.

2. A Unitholder who is a Relevant Intermediary entitled to attend and vote at the EGM is entitled to appoint more than one proxy to attend and vote instead of the Unitholder, but each proxy must be appointed to exercise the rights attached to a different Unit or Units held by such Unitholder. Where such Unitholder appoints more than one proxy, the appointments shall be invalid unless the Unitholder specifies the number of Units in relation to which each proxy has been appointed in the Proxy Form (defined below).

   "**Relevant Intermediary**" means:

   (a) a banking corporation licensed under the Banking Act, Chapter 19 of Singapore or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds Units in that capacity;

   (b) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act, Chapter 289 of Singapore and who holds Units in that capacity; or

   (c) the Central Provident Fund Board ("**CPF Board**") established by the Central Provident Fund Act, Chapter 36 of Singapore, in respect of Units purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the CPF Board holds those Units in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.

3. The instrument appointing a proxy or proxies (the "**Proxy Form**") must be lodged at the office of MLT's Unit Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623 not later than 2.30 p.m. on 21 May 2018 (Monday) being 72 hours before the time fixed for the EGM.

Personal Data Privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the EGM and/or any adjournment thereof, a Unitholder (i) consents to the collection, use and disclosure of the Unitholder's personal data by the Manager and the Trustee (or their agents) for the purpose of the processing and administration by the Manager and the Trustee (or their agents) of proxies and representatives appointed for the EGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the EGM (including any adjournment thereof), and in order for the Manager and the Trustee (or their agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the Unitholder discloses the personal data of the Unitholder's proxy(ies) and/or representative(s) to the Manager and the Trustee (or their agents), the Unitholder has obtained the prior consent of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the Unitholder will indemnify the Manager and the Trustee in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the Unitholder's breach of warranty.

This page has been intentionally left blank.

IMPORTANT: PLEASE READ THE NOTES TO PROXY FORM BELOW

Notes to Proxy Form

1. A unitholder of MLT ("**Unitholder**") who is not a Relevant Intermediary entitled to attend and vote at the Extraordinary General Meeting is entitled to appoint one or two proxies to attend and vote in his/her stead. A proxy need not be a Unitholder. Where a Unitholder appoints more than one proxy, the appointments shall be invalid unless he/she specifies the proportion of his/her holding (expressed as a percentage of the whole) to be represented by each proxy.

2. A Unitholder who is a Relevant Intermediary entitled to attend and vote at the Extraordinary General Meeting is entitled to appoint more than one proxy to attend and vote instead of the Unitholder, but each proxy must be appointed to exercise the rights attached to a different Unit or Units held by such Unitholder. Where such Unitholder appoints more than one proxy, it should annex to the Proxy Form (defined below) the proxy, or the list of proxies, setting out, in respect of each proxy, the name, address, NRIC/Passport Number and proportion of unitholding (number of units and percentage) in relation to which the proxy has been appointed. For the avoidance of doubt, a CPF Agent Bank/SRS Operator who intends to appoint CPF/SRS investors as its proxies shall comply with this Note. The appointments shall be invalid unless the Unitholder specifies the number of Units in relation to which each proxy has been appointed in the Proxy Form.

   "**Relevant Intermediary**" means:

   (a) a banking corporation licensed under the Banking Act, Chapter 19 of Singapore, or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds Units in that capacity;

   (b) a person holding a capital market services licence to provide custodial services for securities under the Securities and Futures Act, Chapter 289 of Singapore, and who holds Units in that capacity; or

   (c) the Central Provident Fund Board ("**CPF Board**") established by the Central Provident Fund Act, Chapter 36 of Singapore, in respect of Units purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the CPF Board holds those Units in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.

3. 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.

4. The instrument appointing a proxy or proxies (the "**Proxy Form**") must be deposited at the office of MLT's Unit Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623 not later than 2.30 p.m. on 21 May 2018 (Monday), being 72 hours before the time set for the Extraordinary General Meeting.

5. Completion and return of the Proxy Form shall not preclude a Unitholder from attending and voting at the Extraordinary General Meeting. Any appointment of a proxy or proxies shall be deemed to be revoked if a Unitholder attends the Extraordinary General Meeting in person, and in such event, the Manager reserves the right to refuse to admit any person or persons appointed under the Proxy Form, to the Extraordinary General Meeting.

6. 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.

7. 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 duly certified copy of such power of attorney must (failing previous registration with the Manager) be lodged with the Proxy Form, failing which the Proxy Form may be treated as invalid.

8. The Manager shall be entitled to reject any 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 and/or attached to the Proxy Form (including any related attachment). In addition, in the case of Unitholders whose Units are entered against their names in the Depository Register, the Manager may reject any 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 Extraordinary General Meeting, as certified by CDP to the Manager.

9. All Unitholders will be bound by the outcome of the Extraordinary General Meeting regardless of whether they have attended or voted at the Extraordinary General Meeting.

10. On a poll, every Unitholder who is present in person or by proxy shall have one vote for every Unit of which he/she is the Unitholder. There shall be no division of votes between a Unitholder who is present in person and voting at the Extraordinary General Meeting and his/her proxy(ies). A person entitled to more than one vote need not use all his/her votes or cast them the same way.

Personal data privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Extraordinary General Meeting and/or any adjournment thereof, a Unitholder (i) consents to the collection, use and disclosure of the Unitholder's personal data by the Manager and the Trustee (or their agents) for the purpose of the processing, administration and analysis by the Manager and the Trustee (or their agents) of proxies and representatives appointed for the Extraordinary General Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Extraordinary General Meeting (including any adjournment thereof), and in order for the Manager and the Trustee (or their agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the Unitholder discloses the personal data of the Unitholder's proxy(ies) and/or representative(s) to the Manager and the Trustee (or their agents), the Unitholder has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Manager and the Trustee (or their agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the Unitholder will indemnify the Manager and the Trustee in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the Unitholder's breach of warranty.

PROXY FORM

mapletree logistics

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

EXTRAORDINARY GENERAL MEETING

IMPORTANT

1. A Relevant Intermediary may appoint more than one proxy to attend and vote at the Extraordinary General Meeting (please see Note 2 for the definition of "Relevant Intermediary".
2. For CPF/SRS investors who have used their CPF monies to buy Units of Mapletree Logistics Trust, this Circular is forwarded to them at the request of their CPF Agent Banks/ SRS Operators and is sent solely FOR INFORMATION only.
3. This Proxy Form is not valid for use by CPF/SRS investors and shall be ineffective for all intents and purposes if used or is purported to be used by them.
4. **PLEASE READ THE NOTES TO THE PROXY FORM.**

Personal data privacy

By submitting an instrument appointing a proxy(ies) and/or representative(s), a Unitholder of Mapletree Logistics Trust accepts and agrees to the personal data privacy terms set out in the Notice of Extraordinary General Meeting dated 8 May 2018.

I/We ____

____________________ (Name(s) and NRIC/Passport/Company Registration Number(s))

of ____ (Address)

being a Unitholder/Unitholders of Mapletree Logistics Trust ("**MLT**"), hereby appoint:

Name	Address	NRIC/ Passport Number	Proportion of Unitholdings (%)	
			No. of Units	%

and/or (delete as appropriate)

Name	Address	NRIC/ Passport Number	Proportion of Unitholdings (%)	
			No. of Units	%

or, both of whom failing, the Lead Independent Non-Executive Director of Mapletree Logistics Trust Management Ltd. (as manager of MLT) (the "**Manager**") as my/our proxy/proxies to attend and to vote for me/us on my/our behalf and if necessary, to demand a poll, at the Extraordinary General Meeting of MLT to be held on 24 May 2018 (Thursday) at 2.30 p.m. at 10 Pasir Panjang Road, Mapletree Business City, Town Hall – Auditorium, Singapore 117438 and at any adjournment thereof. I/We direct my/our proxy/proxies to vote for or against the resolution to be proposed at the Extraordinary General Meeting as indicated hereunder. If no specific direction as to voting is given, the proxy/proxies will vote or abstain from voting at his/her/their discretion, as he/she/they may on any other matter arising at the Extraordinary General Meeting.

No.	Ordinary Resolution	For *	Against *
1.	Proposed Acquisition of a 50.0% interest in each of 11 property holding companies as an Interested Person Transaction		

* If you wish to exercise all your votes "For" or "Against", please tick (√) within the box provided. Alternatively, please indicate the number of votes as appropriate.

Dated this __________ day of ____________________ 2018

Total number of Units held

____

Signature(s) of Unitholder(s)/
Common Seal of Corporate Unitholder

1st fold here

2nd fold here and glue all sides firmly. Stapling and spot sealing is not allowed.

mapletree logistics

Postage will be paid by addressee. For posting in Singapore only.

BUSINESS REPLY SERVICE
PERMIT NO. 08987

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

3rd fold here

3rd fold here and glue all sides firmly. Stapling and spot sealing is not allowed.

3rd fold here and glue all sides firmly. Stapling and spot sealing is not allowed.

Mapletree Logistics Trust Management Ltd.

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

www.mapletreelogisticstrust.com