Portfolio Analysis and Review

A RESILIENT PORTFOLIO OF HIGH-QUALITY ASSETS

187
Number of Properties

8.1 million sqm
Total Net Lettable Area ("NLA")

96.0%
Portfolio Occupancy

S$13.2 billion
Total Assets Under Management

1.9 million sqm
Leases Renewed or Replaced, representing a Success Rate of 93%

+1.4% (portfolio)
+7.7% (portfolio ex China)
Rental Reversion

3.0 years
Weighted Average Lease Expiry (by NLA)

42.0%
Gross Revenue from Multi-Location Customers

MLT's geographically well-diversified portfolio across key logistics hubs in Asia Pacific provides the Trust with a competitive advantage. It enables MLT to offer a variety of regional leasing solutions to support customers' business and expansion needs in multiple locations.

As at 31 March 2024, MLT's portfolio is comprised of 187 well-located quality properties in nine markets: Singapore, Australia, China, Hong Kong SAR, India, Japan, Malaysia, South Korea and Vietnam.

ACCELERATED PORTFOLIO REJUVENATION

MLT is committed to building a resilient and future-ready portfolio that meets the evolving needs of customers through an active portfolio rejuvenation strategy. The Manager employs a rigorous evaluation process to identify well-located modern properties which are aligned with MLT's investment profile and that will improve the portfolio's future cash flow generation and returns. Asset enhancements or redevelopments are also carried out where feasible to improve asset performance. For properties that are no longer relevant to customers' requirements, divestment is considered as a last resort.

Stepping up the pace of portfolio rejuvenation, MLT announced and/or completed over S$1.1 billion of acquisitions, and executed more than S$200 million of divestments during the course of the year.

Portfolio Rejuvenation through Quality Acquisitions

In FY23/24, MLT

- announced the proposed acquisitions of three modern Grade A logistics assets in Malaysia and Vietnam from the Sponsor, Mapletree Investments, for approximately S$226 million; and
- completed the acquisitions of nine modern Grade A logistics assets in Japan, Australia, South Korea and India for approximately S$918 million.

Built to modern specifications and equipped with green features, the three proposed acquisitions in Malaysia and Vietnam are strategically located in logistics hubs serving the growing consumption bases in Kuala Lumpur, Ho Chi Minh City and Hanoi. The properties have secured near-full occupancy with a diverse tenant base comprising largely international 3PL operators and multinational end-users from the e-commerce and consumer sectors.

MLT also deepened its presence in India with the acquisition of a modern Grade A warehouse in Delhi NCR, India. Along with its two existing assets in Pune, this positions the Trust to capture opportunities in a fast-growing logistics market underpinned by robust domestic consumption and a rising middle class. The property is fully leased to one of India's largest 3PL players with a nationwide presence.

During 1H FY23/24, MLT completed the acquisitions of eight prime, modern and mostly new logistics assets in Japan, Australia and South Korea. These acquisitions expanded MLT's footprint in established logistics markets such as Tokyo, Sydney and Seoul, which have a tight supply of logistics facilities and low vacancy rates. In addition, these assets enjoy excellent access to ports and expressways, making them ideal for servicing the large consumption bases nearby. The eight properties, which are fully leased to a diversified base of strong blue-chip customers, will strengthen the resilience and growth potential of MLT's future income streams.


Mapletree Logistics Centre - Majang 3, South Korea


Soka Centre, Japan

Acquisitions in FY23/24

Property	Country	Agreed Property Value[1]	Valuation	Completion Date
6 logistics assets in Tokyo, Nagoya and Hiroshima	Japan	JPY66,000 million (S$660.6 million)[2]	JPY68,579 million[3]	28 April 2023
1 logistics asset in Seoul	South Korea	KRW144.8 billion (S$147.7 million)	KRW154.2 billion[4]	26 May 2023
1 logistics asset in Sydney	Australia	AUD125.7 million (S$114.5 million)	AUD129.0 million[5]	23 June 2023
1 logistics asset in Farrukhnagar, Delhi NCR	India	INR900.0 million (S$14.6 million)	INR922.0 million[6]	26 February 2024
1 logistics asset in Shah Alam[7]	Malaysia	MYR558.8 million (S$158.8 million)	MYR560.0 million MRY565.0 million[8]	17 May 2024
1 logistics asset in Binh Duong[7]	Vietnam	VND624,782 (S$33.7 million)	VND650,000 million VND648,300 million[9]	By 2Q FY24/25
1 logistics asset in Hung Yen[7]	Vietnam	VND629,741 (S$33.9 million)	VND 646,500 million VND 644,000 million[10]	By 2Q FY24/25

1 Based on the exchange rate of S$1.00 = JPY99.91 / KRW980.16 / AUD1.10 / INR61.69 / MYR3.52 / USD0.75 / VND18,552.88.
2 Based on a 100% effective interest in the Japan properties. The agreed property value based on MLT's 97.0% effective interest in the Japan properties is S$640.7 million.
3 The properties were acquired from CBRE Investment Management and independently valued by Cushman & Wakefield K.K. as at 22 March 2023 based on the discounted cash flow approach, supported by the cost approach.
4 The property was acquired from CBRE Investment Management and independently valued by Chestertons Research Co., Ltd as at 8 February 2023 based on the market comparison and discounted cash flow methods.
5 The property was acquired from CBRE Investment Management and independently valued by Colliers Valuation & Advisory Services as at 1 March 2023 based on the market capitalisation and discounted cash flow methods.
6 The property was acquired from Welspun Group and independently valued by Savills Property Services (India) Pvt. Ltd as at 31 October 2023 based on the discounted cash flow method.
7 The properties were acquired from Mapletree Investments Pte Ltd's subsidiaries. The total acquisition fee payable in Units to the Manager for the acquisitions amounts to approximately S$1.2 million, being 0.5% of the total acquisition price of S$230.2 million.
8 The property was independently valued at MYR560.0 million by First Pacific Valuers Property Consultants Sdn Bhd as at 31 December 2023, and MYR565.0 million by Knight Frank Malaysia Sdn Bhd as at 31 January 2024. First Pacific Valuers Property Consultants relied on the capitalisation method, cross-checked with the cost approach while Knight Frank Malaysia relied on the discounted cash flow method, cross-checked with the cost approach.
9 The property was independently valued at VND650,000 million and VND648,300 million by Cushman & Wakefield (Vietnam) Limited and Jones Lang LaSalle (Vietnam) Company Limited respectively, as at 26 February 2024. Cushman & Wakefield relied on the discounted cash flow method, cross-checked with the capitalisation method while Jones Lang LaSalle relied on the discounted cash flow and capitalisation methods.
10 The property was independently valued at VND646,500 million and VND644,000 million by Cushman & Wakefield (Vietnam) Limited and Jones Lang LaSalle (Vietnam) Company Limited respectively, as at 26 February 2024. Cushman & Wakefield relied on the discounted cash flow method, cross-checked with the capitalisation method while Jones Lang LaSalle relied on the discounted cash flow and capitalisation methods.

Portfolio Analysis and Review

Capital Recycling through Divestments

As part of MLT's portfolio rejuvenation strategy, seven properties in Malaysia, Japan and Singapore were divested in FY23/24, with another two divestments in Malaysia – Padi Warehouse and Flexhub – pending completion as at 31 March 2024. Totalling more than S$200 million, these divestments were executed at an average premium to valuation of almost 13%. Capital released from the divestments will provide MLT with greater financial flexibility to pursue investment opportunities in quality, modern logistics facilities offering higher growth potential.

Unlocking Value through Asset Enhancements

Value accretive asset enhancements remain a core pillar of the Manager's portfolio rejuvenation strategy. Strategic asset enhancement projects allow MLT to unlock value within its portfolio, grow future income, and ensure that its properties meet the changing needs of its customers.

On this front, the Manager has two ongoing asset enhancement projects: the redevelopment at 51 Benoi Road, Singapore into a modern ramp-up facility, and a project in Subang Jaya, Malaysia involving the amalgamation and redevelopment of two land parcels with MLT's existing assets.

At an estimated cost of S$205 million, the Benoi Road redevelopment project is expected to increase the property's total gross floor area ("GFA") by 2.3 times from 36,300 square metres ("sqm") to approximately 82,400 sqm. Construction commenced in July 2023 and the project is targeted for completion in 1H 2025.

In Subang Jaya, the amalgamation and redevelopment project is expected to increase the plot ratio of Subang 3 and 4 by five-fold to 65,000 sqm, and provide the property with total GFA of approximately 133,000 sqm. Upon completion in 1H 2028, this project is poised to be the first modern mega ramp-up facility in Subang Jaya.

WELL DIVERSIFIED AND QUALITY CUSTOMER BASE

MLT continues to expand its customer network in Asia Pacific with the addition of 28 quality customers, bringing its total customer base to 915 as of 31 March 2024. The growing and well-diversified customer base, which comprises both local and international companies,

Divestments in FY23/24

Property	Country	Sale Price	Valuation	Completion Date
Chee Wah	Malaysia	MYR50.2 million (S$14.5 million)	MYR47.3 million[1] (S$13.7 million)	10 July 2023
Subang 1				13 July 2023
8 Loyang Crescent	Singapore	S$27.8 million	S$23.7 million[2]	8 September 2023
Moriya Centre	Japan	JPY10,030 million (S$92.2 million)	JPY8,940 million[3] (S$82.2 million)	26 September 2023
Century	Malaysia	MYR60.0 million (S$17.2 million)	MYR52.0 million[4] (S$15.2 million)	6 November 2023
Pioneer Districentre	Singapore	S$11.1 million	S$9.6 million[5]	8 December 2023
73 Tuas South Avenue 1	Singapore	S$16.8 million	S$15.2 million[6]	19 February 2024
Flexhub	Malaysia	MYR125.1 million (S$35.6 million)	MYR116.5 million[7] (S$33.8 million)	By 2Q FY24/25
Padi Warehouse	Malaysia	MYR26.1 million (S$7.4 million)	MYR22.5 million[8] (S$6.5 million)	31 May 2024

1 The properties were acquired by Sigma Warehousing Sdn Bhd and independently valued by Appraisal (Malaysia) Sdn Bhd as at 1 October 2022 based on income capitalisation and direct comparison methods.
2 The property was acquired by Kenyon Pte Ltd and independently valued by Jones Lang LaSalle Property Consultants Pte. Ltd. as at 31 March 2023 based on income capitalisation and discounted cash flow methods.
3 The property was acquired by a private fund entity managed by Keppel Capital and independently valued by Cushman & Wakefield K.K. as at 31 March 2023 based on the discounted cash flow approach, supported by the cost approach.
4 The property was acquired by Goldcoin Harvest Sdn Bhd and independently valued by Knight Frank Malaysia Sdn Bhd as at 31 March 2023 based on the discounted cash flow approach, supported by the cost approach.
5 The property was acquired by UE Metal Enterprises Pte Ltd and independently valued by Jones Lang LaSalle Property Consultants Pte. Ltd. as at 1 October 2023 based on income capitalization and discounted cash flow methods.
6 The property was acquired by Nissin Foods Singapore Pte Ltd and independently valued by Jones Lang LaSalle Property Consultants Pte. Ltd. as at 1 January 2024 based on income capitalization and discounted cash flow methods.
7 The property was acquired by Goldcoin Paragon Sdn Bhd and independently valued by Knight Frank Malaysia Sdn Bhd as at 1 October 2023 based on the discounted cash flow approach, supported by the cost approach.
8 The property was acquired by Goldcoin Wisdom Sdn Bhd and independently valued by Knight Frank Malaysia Sdn Bhd as at 1 October 2023 based on the discounted cash flow approach, supported by the cost approach.

provides income diversity to the portfolio and reflects the flexibility of MLT's logistics space.

Comprising established names such as CWT, Equinix, Coles Group, JD.com and SF Express, MLT's top 10 customers accounted for approximately 22.0% of total gross revenue with no single customer accounting for more than 4.0% of total gross revenue. The Manager manages risks through diversifying MLT's customer mix and ensuring a high weighted average security deposit for the portfolio which stood at 3.4 months of rental income at the end of FY23/24.

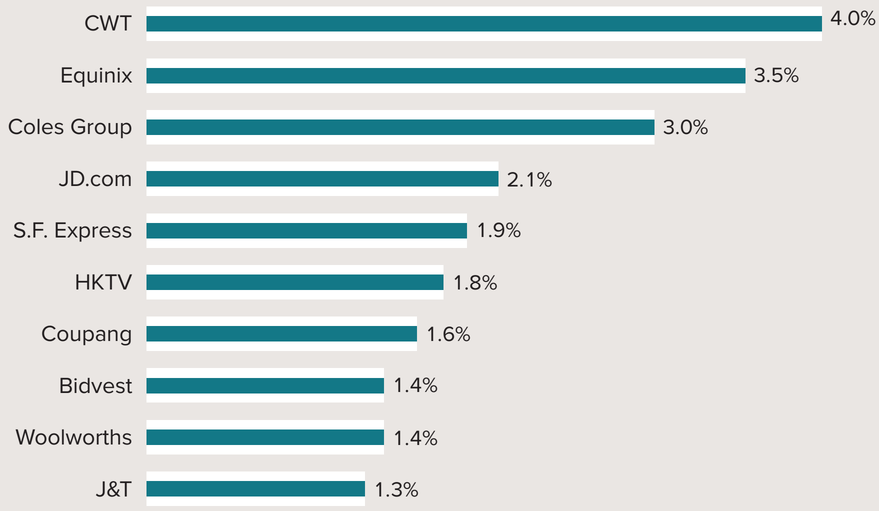
Approximately 71% of MLT's revenue is derived from customers handling consumer-related goods, such as food and beverage, consumer staples and fashion apparel. This positions the Trust well to benefit from the growing demand for logistics space underpinned by rising domestic consumption in Asia, which will add resilience to its revenue stream. The top three customer trade sectors in FY23/24 were F&B (19%), Consumer Staples (18%) and Electronics & IT (13%). Among the new leases signed in FY23/24, approximately 66% cater to the consumer sectors. The top three trade sectors of new demand were Electronics & IT, Fashion, Apparel & Cosmetics, and Consumer Staples.

PROACTIVE LEASING STRATEGY

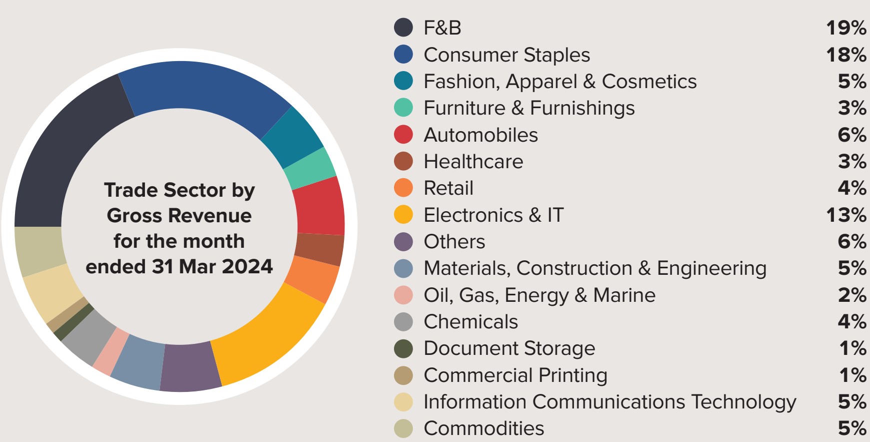
At MLT, the Manager adopts a customer-centric approach and builds close relationships with its customers to drive long-term value and create new opportunities.

Adopting the motto of being "the first to know", the asset management and marketing teams strive to develop an in-depth understanding of the evolving business needs of customers through regular dialogue and interaction. The teams aim to provide flexible and customised leasing solutions to address customers' differing priorities, while creating mutual benefits for all. The insights gained will also help the Manager to anticipate emerging trends, formulate strategic decisions and shape MLT's portfolio to ensure that its assets are fit for the future and suitable for customers' evolving needs.

Top 10 Customers by Gross Revenue



Diversified Customer Trade Sectors



Testament to the teams' focus on delivering excellent customer service, an annual tenant engagement survey in FY23/24 reported high levels of customer satisfaction with the Manager's ESG efforts. The survey also established high customer satisfaction rate on property management related matters such as communication, responsiveness and service levels. In addition, the Manager supported several tenants in various green initiatives to help reduce their carbon footprint and operating costs. For more details on the tenant engagement surveys and partnerships, please refer to page 16 to 18 of MLT's Sustainability Report 2023/24.

Through these tenant engagement efforts, portfolio occupancy was maintained at a stable rate throughout the year, ending at 96.0% as at 31 March 2024. During the year, the Manager secured 272 new and renewal leases (excluding forward renewals) comprising 1.9 million sqm NLA. This represents a success rate of 93%.

Portfolio Analysis and Review

Positive Rental Reversions

The overall weighted average rental reversion for MLT's portfolio remained healthy and registered +1.4% during FY23/24, contributed by positive rental reversions for all markets except China. Excluding China, the overall weighted average rental reversion for MLT's portfolio was +7.7%, reflecting positive rental reversions ranging from +1.1% in Japan to +11.8% in Australia.

In China, the portfolio registered -7.9% rental reversion in FY23/24 amid leasing challenges especially in Tier 2 cities due to weak investment and consumer sentiment, coupled with pressure from increased supply in the logistics space.

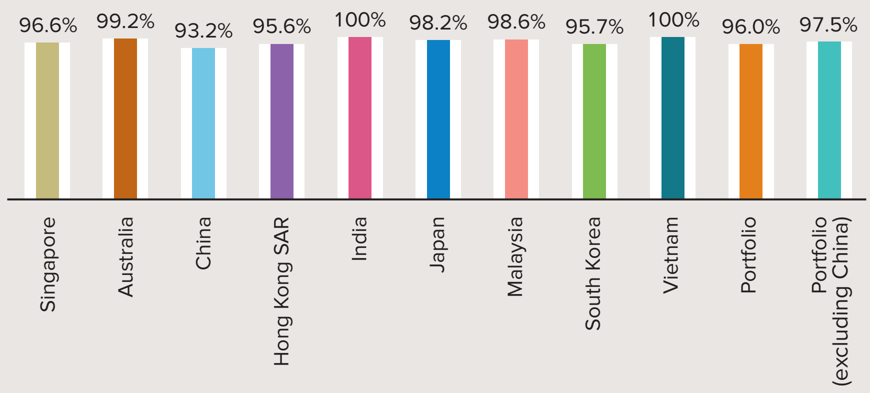
Optimising Lease Structure and Profile for Stability

The Manager continues to optimise the mix of multi-tenanted buildings ("MTBs") and single-user assets ("SUAs") through active asset and lease management. SUAs are typically leased to single tenants under long lease periods, which provide stability and income visibility to MLT's portfolio. In comparison, MTBs have multiple tenants on shorter lease periods, allowing MLT to capture rental upside in a buoyant leasing market.

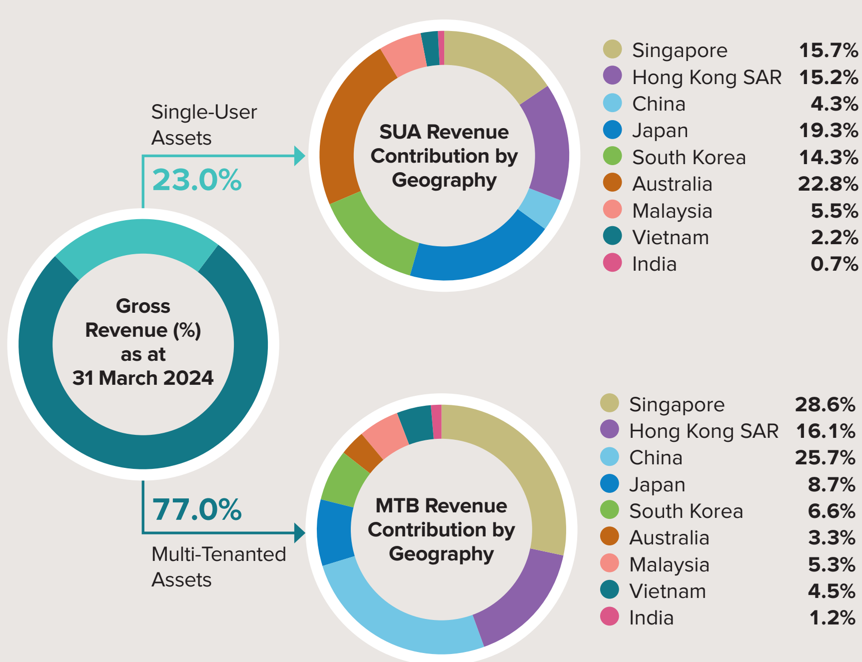
In FY23/24, SUAs contributed to 23.0% of total gross revenue with the top three country contributors being Australia, Japan and Singapore. MTBs contributed to a majority 77.0% of total gross revenue. The top three MTB contributors by country were Singapore, China and Hong Kong SAR.

The Manager also actively manages MLT's portfolio lease expiry profile to avoid concentration of SUA lease expiries in any given year. This is to minimise the impact of transitional leasing downtime from conversion of SUA leases to MTB leases and the associated impact it may have on MLT's distributions. In FY24/25, leases for 29.6% of MLT's NLA are due for expiry, of which 4.1% relate to leases for SUAs and the remaining 25.5% being leases for MTBs.

Robust Occupancy Rates



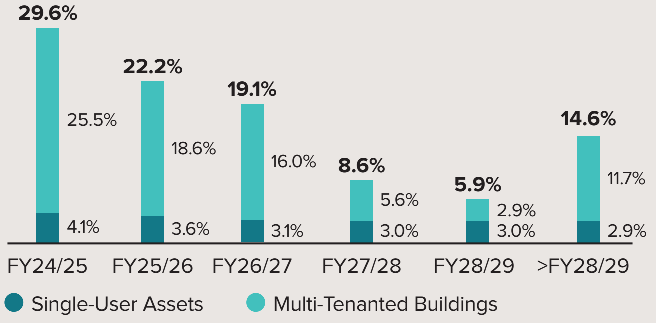
Single-User Assets vs Multi-Tenanted Buildings Breakdown (by Gross Revenue)



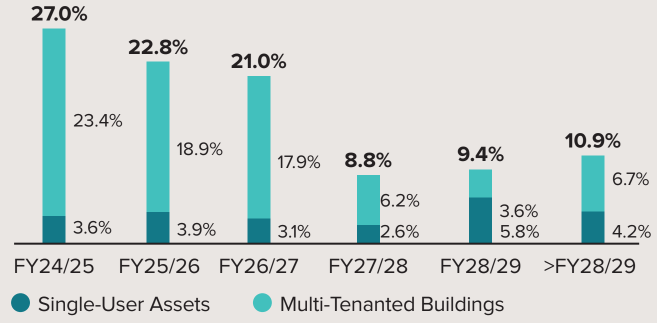
The Manager continues to ensure that MLT has a well-staggered lease expiry profile. As at 31 March 2024, the portfolio weighted average lease expiry ("WALE") (by NLA) was approximately 3.0 years. The portfolio WALE (by revenue) was approximately 2.8 years. The portfolio WALE based on the date of commencement of the leases[1] was 2.6 years by revenue and 2.8 years by NLA.

1 Excluding fit-out periods and forward renewals.

Lease Expiry Profile – SUA vs MTB Breakdown (by NLA)



Lease Expiry Profile – SUA vs MTB Breakdown (by Gross Revenue)



GREENING MLT'S PORTFOLIO

In line with MLT's sharpened focus on building a portfolio of sustainable and energy efficient assets, significant progress was achieved on the sustainability front. In FY23/24, green certifications were attained for another 26 properties, raising the proportion of green certified space (by GFA) to 39% of MLT's portfolio. Further, MLT's total solar capacity reached 59.8 MWp, which is the largest installed solar capacity among S-REITs reported to-date.

For more information, please refer to pages 19 to 29 of MLT's Sustainability Report 2023/24.

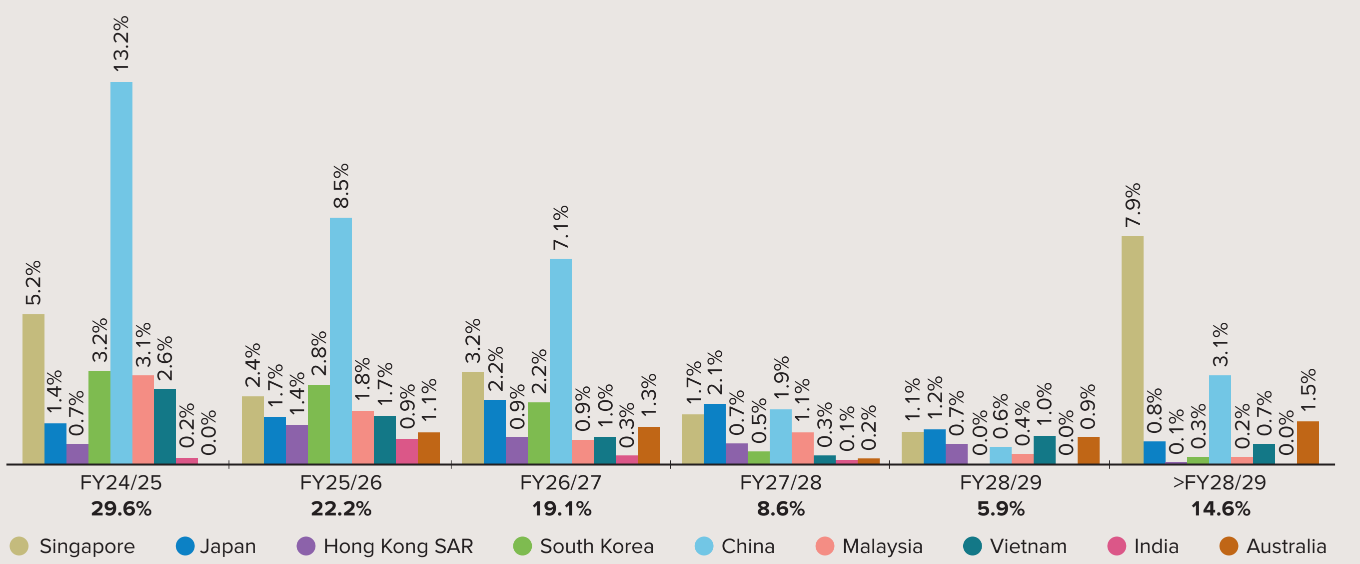
PORTFOLIO VALUATION

MLT conducted an independent valuation of its portfolio in March 2024 and the methodologies applied included the direct comparison method, discounted cash flow method and income capitalisation method to arrive at the open market value.

As at 31 March 2024, MLT's portfolio of 187 properties was valued at S$13.2 billion. This compares with a value of S$12.8 billion for 185 properties as at 31 March 2023. The higher valuation was primarily due to the acquisition of nine assets in FY23/24 and capital expenditure on existing assets and a property under redevelopment in Singapore. This was partly offset by the divestment of seven properties during the year, currency translation loss of S$470.9 million and S$1.8 million net fair value loss on investment properties.

Same-store valuations on constant currency were relatively stable on a portfolio basis, as valuation losses from

Lease Expiry Profile – Geographical Breakdown (by NLA)



Portfolio Analysis and Review

Australia, China and South Korea were largely offset by gains from the rest of the markets. Same-store assets in Australia and South Korea saw lower valuations due to capitalisation rate expansion. For the China portfolio, the lower valuation recorded was mainly due to lower market rent and occupancy rates. Same-store assets in Japan and Hong Kong SAR recorded gains in valuations primarily driven by capitalisation rate compression and rental growth respectively. Same-store assets in Singapore, Malaysia, Vietnam and India saw stable to higher valuations, supported by stable capitalisation rates and rental growth.

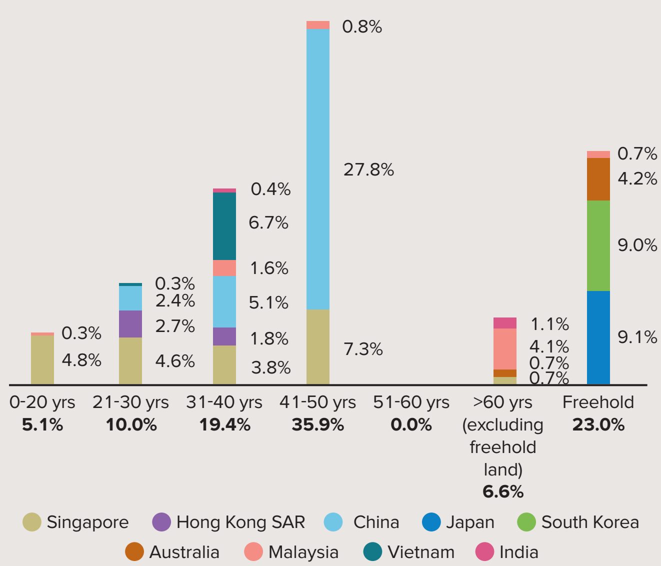
	Valuation as at 31 Mar 2024		Valuation as at 31 Mar 2023		
Country	**No. of Properties**	**Local Currency (million)**	**No. of Properties**	**Local Currency (million)**	**Variance (%)**
Singapore	49	SGD 2,559	52	SGD 2,549	0.4
Australia	14	AUD 1,119	13	AUD 1,077	3.9
China	43	CNY 13,401	43	CNY 13,548	-1.1
Hong Kong SAR	9	HKD 17,917	9	HKD 17,548	2.1
India	3	INR 6,163	2	INR 5,002	23.2
Japan	24	JPY 212,849	19	JPY 148,879	43.0
Malaysia	14	MYR 2,038	17	MYR 2,116	-3.7
South Korea	21	KRW 1,168,150	20	KRW 1,023,520	14.1
Vietnam	10	VND 6,011,800	10	VND 5,770,100	4.2
Total	**187**	**SGD 13,183[1]**	**185**	**SGD 12,769[2]**	**3.2**

1 Includes right-of-use assets of S$95 million for 31 March 2024.
2 Includes right-of-use assets of S$93 million for 31 March 2023.

For more details on the movement in valuation of the investment properties, please refer to pages 120 to 166 of MLT's Annual Report 2023/24.

The WALE of the underlying leasehold land (excluding freehold land) was approximately 41.2 years. Freehold land accounted for approximately 23.0% and 31.1% of the portfolio's NLA and asset value respectively.

Land Lease Expiry Profile (by NLA and Geographic Market)



Land Lease Expiry Profile (by Asset Value and Geographic Market)