Driving Momentum

mapletree logistics

Mapletree Logistics Trust
Annual Report **2019/2020**

Our Vision
To be the preferred real estate partner of choice to customers requiring high quality logistics and distribution spaces in Asia Pacific.

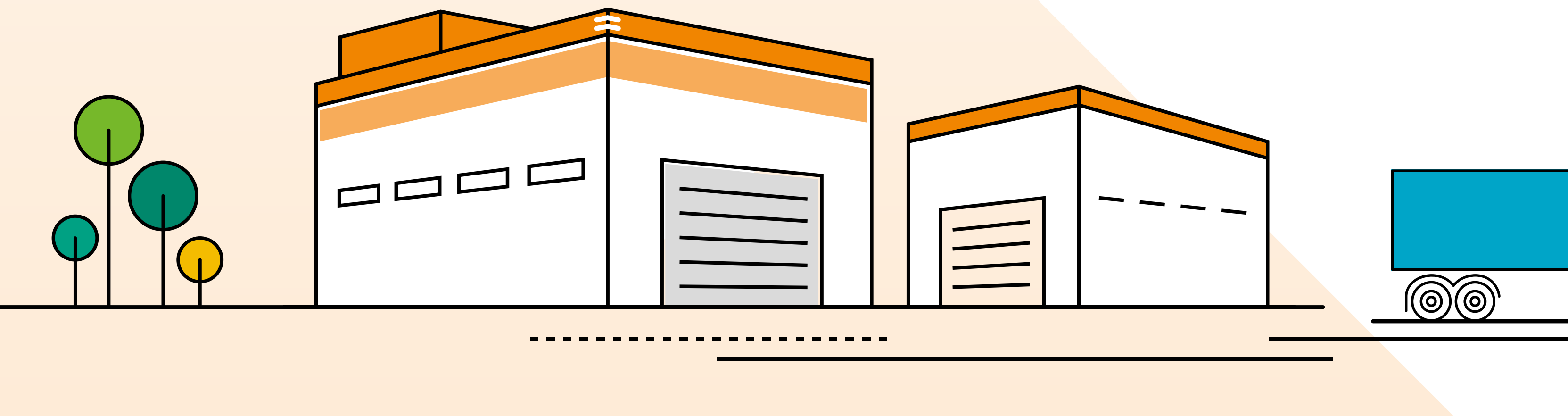
Our Mission
To provide Unitholders with competitive total returns through regular distributions and growth in asset value.

Corporate Profile
Mapletree Logistics Trust ("MLT") is Singapore's first Asia Pacific focused logistics real estate investment trust. Listed on the Singapore Exchange Securities Trading Limited in 2005, MLT invests in a diversified portfolio of quality, well-located income-producing logistics real estate in Singapore, Hong Kong SAR, Japan, China, Australia, South Korea, Malaysia and Vietnam.

MLT is managed by Mapletree Logistics Trust Management Ltd. (the "Manager"), a wholly-owned subsidiary of Mapletree Investments Pte Ltd (the "Sponsor"). The Sponsor is a leading real estate development, investment, capital and property management company headquartered in Singapore.

The Manager is committed to providing Unitholders with competitive total returns through the following strategies:

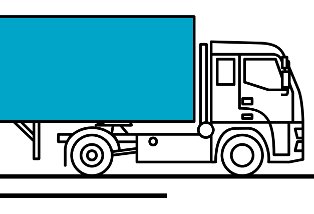
a. optimising organic growth and hence, property yield from the existing portfolio;
b. making yield accretive acquisitions of good quality logistics properties; and
c. managing capital to maintain MLT's strong balance sheet and provide financial flexibility for growth.



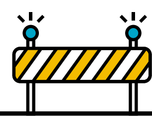
Driving Momentum

Faced with a myriad of headwinds in FY19/20, MLT delivered another year of consistent growth underpinned by our diversified and stable portfolio. With an unwavering focus on building a resilient portfolio, we continued to drive momentum in our rejuvenation strategy – adding quality assets in key logistics nodes and deepening our regional presence, while selectively divesting older properties. Looking ahead, we remain steadfast in shaping a resilient and future-ready portfolio to continue delivering value to our stakeholders.

Contents

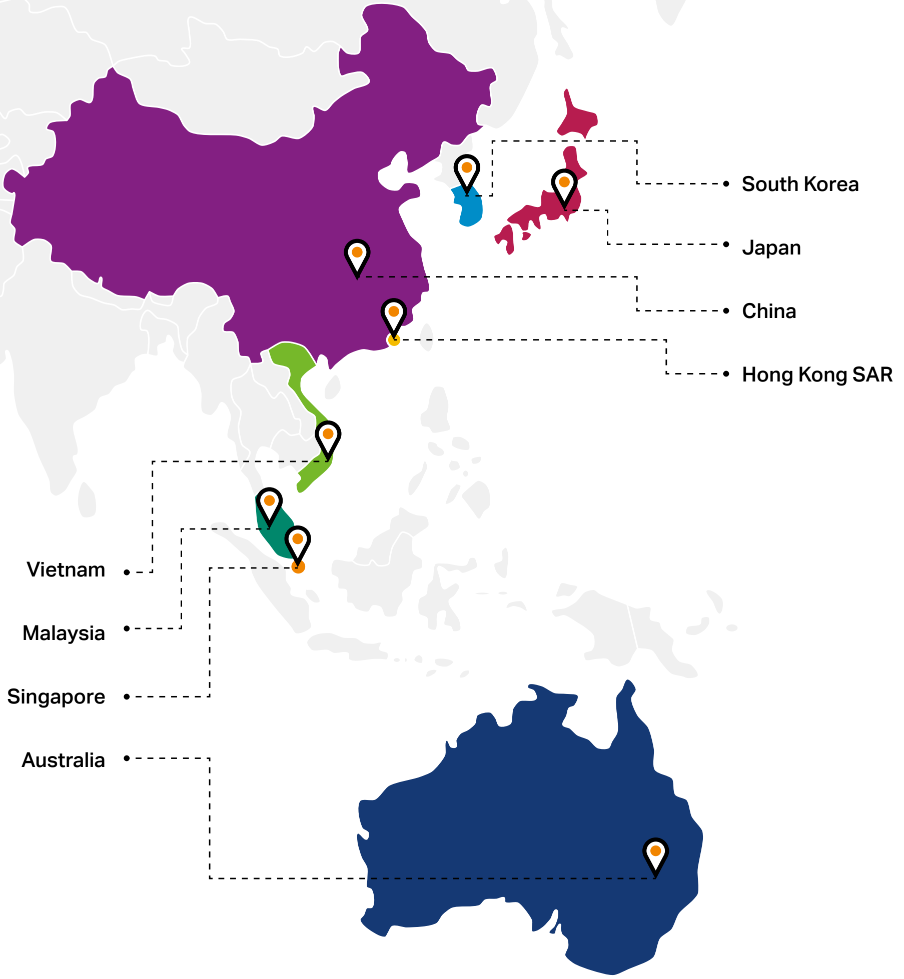


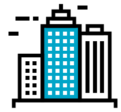
Accessibility of Annual Reports
The Annual Report for FY19/20 is available for viewing and download on our website: **www.mapletreelogisticstrust.com**



Overview
Key Highlights

Enhancing Portfolio





S$8.9B
Assets Under Management
+12.0% YoY

5.0M sqm
Gross Floor Area
+10.2% YoY

98.0%
Portfolio Occupancy
98.0% as at 31 March 2019

4.3 Years
Weighted Average Lease Expiry
(by Net Lettable Area)
3.8 years as at 31 March 2019

"MLT's well-diversified portfolio across geographies as well as tenant trade sectors has demonstrated its resilience."

Delivering Returns

S$301.7M
Amount Distributable to Unitholders
+11.7% YoY

8.142¢
Distribution Per Unit
+2.5% YoY

S$1.21
Net Asset Value Per Unit
+3.4% YoY

13.8%[1]
Total Return
FY18/19: 25.2%

Prudent Capital Management

39.3%
Aggregate Leverage
as at 31 March 2020

4.1 Years
Average Debt Maturity
as at 31 March 2020

77%
Debt Hedged into Fixed Rates
as at 31 March 2020

82%
Income Hedged for Next Financial Year

Growing Sustainably

S$200M
Sustainability-linked loan for rooftop solar installation programme

6.4%
Reduction in energy intensity in Singapore, Hong Kong SAR and Vietnam[2]

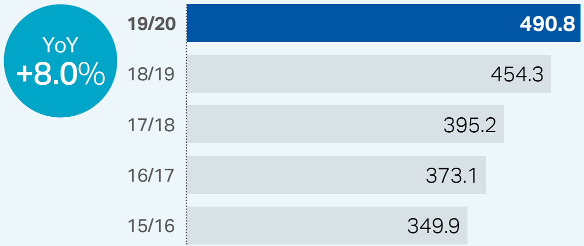
22.2%
Reduction in water intensity in Singapore[2]

6
Corporate Social Responsibility projects in Singapore, Hong Kong SAR, Japan, China and Australia

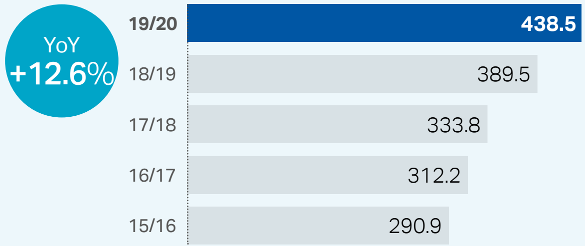
Notes:
1 Sum of distribution yield and capital appreciation for the period 31 March 2019 to 31 March 2020.
2 Based on the consumption data for the common areas in MLT's multi-tenanted buildings where the Manager has operational control. Single-user assets where the Manager does not have operational control are excluded.

Overview
Financial Highlights

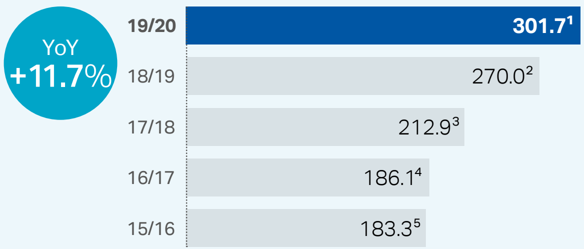
Gross Revenue (S$M)
S$490.8M



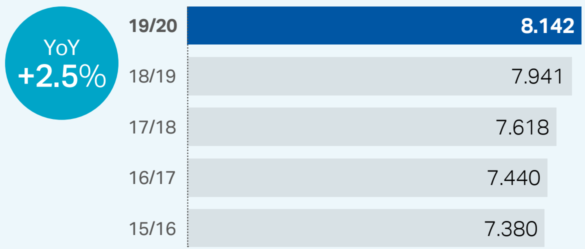
Net Property Income (S$M)
S$438.5M



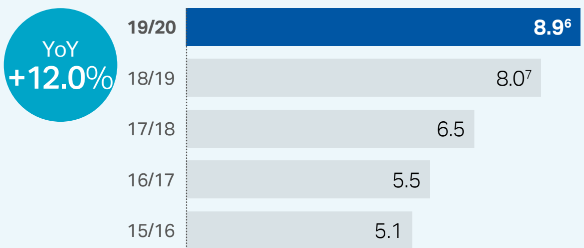
Amount Distributable to Unitholders (S$M)
S$301.7M



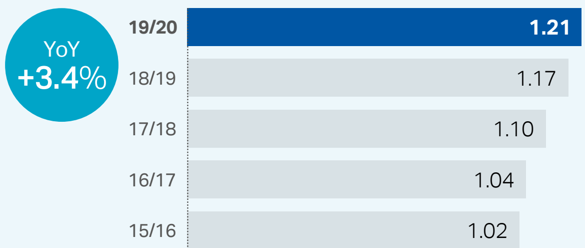
Distribution Per Unit (cents)
8.142¢



Assets Under Management (S$B)
S$8.9B



Net Asset Value Per Unit (S$)
S$1.21



Notes:

1 Included the full distribution of written back provision of capital gain tax for 134 Joo Seng Road, 20 Tampines Street 92 and 20 Old Toh Tuck Road and the partial distribution of the gain from the divestments of MapletreeLog Integrated (Shanghai) (HKSAR) Limited and its wholly-owned subsidiary, MapletreeLog Integrated (Shanghai) Co., Ltd., which owns Mapletree Waigaoqiao Logistics Park, five properties in Japan (Gyoda Centre, Iwatsuki B Centre, Atsugi Centre, Iruma Centre and Mokurenji Centre), 531 Bukit Batok Street 23, 7 Tai Seng Drive and 4 Toh Tuck Link amounting to S$18.8 million.

2 Included the partial distribution of the gain from the divestments of 531 Bukit Batok Street 23, 7 Tai Seng Drive, 4 Toh Tuck Link, Zama Centre and Shiroishi Centre amounting to S$11.1 million.

3 Included the partial distribution of the gain from the divestments of 4 Toh Tuck Link, Zama Centre, Shiroishi Centre, 20 Old Toh Tuck Road and 20 Tampines Street 92 amounting to S$6.3 million.

4 Included the partial distribution of the gain from the divestments of 134 Joo Seng Road and 20 Tampines Street 92 amounting to S$5.0 million.

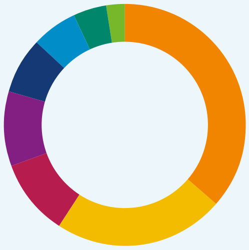
5 Included the partial distribution of the gain from the divestments of 134 Joo Seng Road and 20 Tampines Street 92 amounting to S$3.0 million.

6 Included MLT's 50% interest of the joint ventures with Mapletree Investments Pte Ltd in a portfolio of 15 properties in China.

7 Included MLT's 50% interest of the joint ventures with Mapletree Investments Pte Ltd in a portfolio of 11 properties in China.

Gross Revenue by Geography[6] (FY19/20)

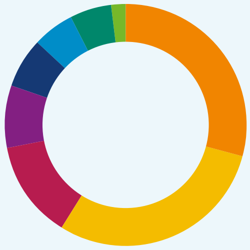
S$515.2M



Singapore	36.4%
Hong Kong SAR	23.0%
Japan	10.1%
China	10.0%
Australia	7.7%
South Korea	6.0%
Malaysia	4.3%
Vietnam	2.5%

Assets Under Management by Geography[6] (As at 31 March 2020)

S$8,946.4M



Singapore	29.3%
Hong Kong SAR	29.8%
Japan	13.1%
China	8.2%
Australia	6.7%
South Korea	5.5%
Malaysia	5.6%
Vietnam	1.8%

5-Year Financial Summary

Statement of Financial Position Highlights (S$M)	FY 15/16	FY 16/17	FY 17/18	FY 18/19	FY 19/20
Total Assets	5,207.4	5,686.7	6,678.3	8,078.3	9,051.4
Total Borrowings	2,058.3	2,184.1	2,511.8	3,090.3[7]	3,550.0[6]
Perpetual Securities	344.0	595.7	429.9[8]	429.9	430.0
Unitholders' Funds	2,528.4	2,588.1	3,376.1[9]	4,231.7[10]	4,580.2[11]
Market Capitalisation[12]	2,515.0	2,738.0	3,761.5	5,288.6	6,004.4

Key Financial Indicators	FY 15/16	FY 16/17	FY 17/18	FY 18/19	FY 19/20
Aggregate Leverage (%)	39.6	38.5	37.7	37.7[7]	39.3[6]
Interest Cover Ratio (times)[13]	5.9	5.6	5.6	4.7[7]	4.9[6]
Average Cost of Debt (%)	2.3	2.3	2.3	2.6[7]	2.6[6]
Average Debt Maturity (years)	3.5	3.9	4.5	4.1[7]	4.1[6]

Notes:

[8] This took into account the redemption of S$350.0 million 5.375% perpetual securities on 19 September 2017 and issuance of S$180.0 million 3.65% perpetual securities on 28 September 2017.

[9] On 22 September 2017, 300,881,000 units in MLT were issued via private placement exercise which raised gross proceeds of S$353.5 million. On 12 October 2017, 250,187,292 units in MLT were issued via the 1-for-10 preferential offering which raised gross proceeds of S$286.5 million. The total gross proceeds of approximately S$640.0 million were utilised to partially fund the acquisition of Mapletree Logistics Hub Tsing Yi and the redemption of the S$350.0 million perpetual securities.

[10] On 5 June 2018, 183,792,000 units in MLT were issued via private placement exercise which raised gross proceeds of S$220.0 million. On 28 September 2018, 309,917,000 units in MLT were issued via private placement exercise which raised gross proceeds of S$375.0 million. The total gross proceeds of approximately S$595.0 million were utilised to partially fund the acquisitions of a 50.0% interest in each of 11 properties in China and five logistics properties located in Singapore.

[11] On 1 November 2019, 154,608,000 units in MLT were issued via private placement exercise which raised gross proceeds of S$250.0 million that were utilised to partially fund the acquisitions of two logistics properties in Vietnam, one logistics property in Malaysia and a 50.0% interest in each of four properties in China.

[12] Based on the closing unit prices of S$1.245 on 31 March 2015, S$1.010 on 31 March 2016, S$1.095 on 31 March 2017, S$1.230 on 31 March 2018, S$1.460 on 31 March 2019 and S$1.580 on 31 March 2020.

[13] Ratio of EBITDA over interest expense for period up to balance sheet date and includes proportionate share of EBITDA and interest expense of joint ventures.

Overview
Unit Price Performance

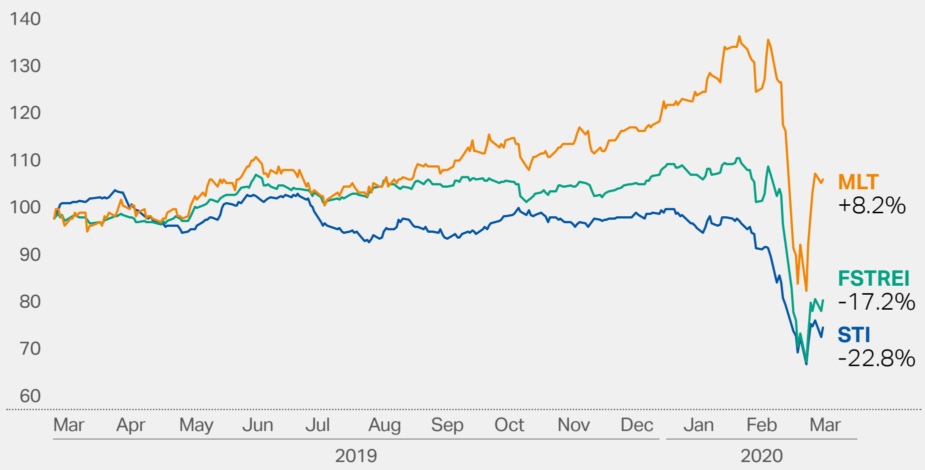
Trading Performance in FY19/20

FY19/20 was a year marked by extreme market volatilities. Despite strong headwinds in 2019 from a weak global economy, heightened trade and geopolitical tensions, global equities ended 2019 at record highs. However, the accelerating COVID-19 pandemic in the first quarter of 2020 prompted a severe sell-off in global equities and the major indices suffered one of their worst quarterly declines in history.

Against this backdrop, MLT's unit price closed at S$1.58 on 31 March 2020, an increase of 8.2% from $1.46 at the start of FY19/20. Taking into account the distribution payout of 8.142 cents for FY19/20, MLT delivered a total return of 13.8%, outperforming both the benchmark Straits Times Index ("STI") and FTSE Real Estate Investment Trust Index ("FSTREI"), which recorded negative total returns of -18.6% and -11.5%, respectively.

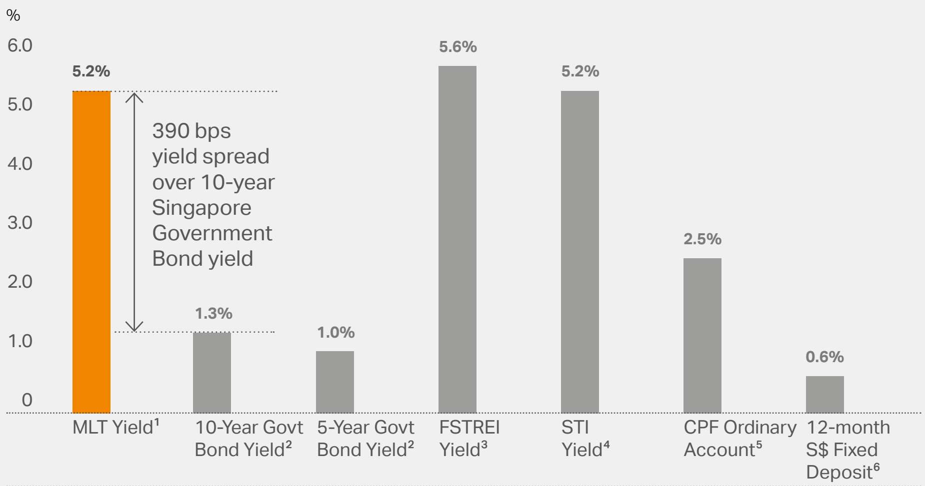
On 23 December 2019, MLT was added as a constituent of the STI, the benchmark index for the Singapore stock market that comprises the top 30 companies listed on the Singapore Exchange. The index inclusion will enhance MLT's visibility to global investors and improve its trading liquidity. MLT is also a constituent of major global indices such as the FTSE EPRA Nareit Global Developed Index and the Global Property Research (GPR) 250 Index. MLT's total trading volume for the year reached 3.6 billion units, representing an average daily trading volume of 14.4 million units, compared to 8.8 million units last year. As at 31 March 2020, MLT's market capitalisation was S$6.0 billion, an increase of 13.5% from a year ago.

Comparative Trading Performance in FY19/20



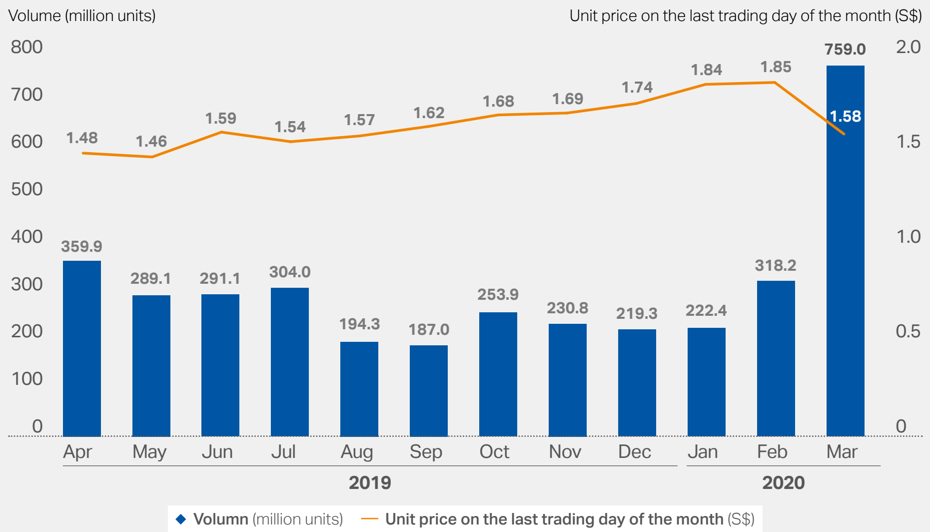
Note: Rebased closing prices on 31 March 2019 to 100.

Comparative Yields



Notes:
1 Based on actual DPU of 8.142 cents for the period 1 April 2019 to 31 March 2020 and closing unit price of S$1.58 on 31 March 2020.
2 Singapore Government Bond Yield as at 31 March 2020, Monetary Authority of Singapore.
3 12-month gross dividend yield of FTSE Straits Times REIT Index as at 31 March 2020, Bloomberg.
4 12-month gross dividend yield of Straits Times Index as at 31 March 2020, Bloomberg.
5 Prevailing interest rate on CPF Ordinary Account Savings.
6 12-month S$ fixed deposit savings rate as at 31 March 2020.

MLT Monthly Trading Performance in FY19/20



Source: Bloomberg.

> **"On 23 December 2019, MLT was added as a constituent of the STI, the benchmark index for the Singapore stock market that comprises the top 30 companies listed on the Singapore Exchange."**

MLT has Outperformed Both the FTSE REIT Index and Straits Times Index Over the Years

	1 Year From 31 March 2019		3 Years From 31 March 2017		5 Years From 31 March 2015		Since Listing From 28 July 2005	
	Price Change %	Total Return[1] %	Price Change %	Total Return[1] %	Price Change %	Total Return[1] %	Price Change %	Total Return[1] %
MLT	8.2	13.8	44.3	65.9	26.9	57.8	132.4[2]	281.3[2]
FTSE REIT Index	-17.2	-11.5	-5.7	13.3	-11.7	18.2	-4.5	70.5
Straits Times Index	-22.8	-18.6	-21.9	-10.4	-28.0	-11.1	8.8	62.4

Sources: MLT and Bloomberg.

Notes:
1 Assume dividends are not reinvested.
2 Based on MLT's IPO issue price of S$0.68.

MLT Unit Price and Trading Volume Since its Listing in 2005

Unit Price Performance (S$)	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010	FY11/12	FY12/13	FY13/14	FY14/15	FY15/16	FY16/17	FY17/18	FY18/19	FY19/20
Opening	0.885	0.960	1.220	1.090	0.355	0.785	0.960	0.945	1.210	1.040	1.245	1.010	1.100	1.230	1.460
Closing	0.955	1.190	1.090	0.350	0.785	0.965	0.945	1.215	1.045	1.245	1.010	1.095	1.230	1.460	1.580
Highest	1.120	1.190	1.480	1.090	0.785	0.965	0.995	1.240	1.350	1.250	1.255	1.100	1.380	1.460	2.020
Lowest	0.885	0.860	1.050	0.310	0.325	0.760	0.800	0.935	0.990	1.040	0.910	0.970	1.095	1.190	1.240
Trading volume (million units)	672.0	572.8	1,006.0	721.2	561.2	745.1	678.0	1,015.1	980.5	820.1	1,013.5	1,023.0	1,618.7	2,202.5	3,629.0
Market Cap[1] (S$M)	567.9	965.4	1,207.9	678.8	1,612.6	2,341.4	2,292.9	2,954.9	2,558.9	3,080.3	2,515.0	2,738.0	3,761.5	5,288.6	6,004.4

Note:
1 Based on MLT's closing unit price and total issued units as at end of the period.

Overview

Value Creation

MLT is a leading provider of logistics real estate in the Asia Pacific region owning and managing a portfolio of 145 logistics properties in eight geographic markets. With a strong track record in the region, MLT aims to be the landlord of choice offering quality logistics space and connectivity for tenants who are looking to expand regionally. Our business model seeks to create and deliver sustainable value for all our stakeholders.

Our Resources

Financial Capital
Diversified sources of funds

Manufactured Capital
Value-adding investments through acquisitions of high-quality properties and redevelopment projects

Social and Relationship Capital
Relationships with stakeholders and MLT's brand and reputation

Human Capital
Experienced and committed team of professionals

Natural Capital
Natural resources such as energy and water

Organisational Capital
Robust corporate governance and risk management framework, systems and procedures

Our Strategy

Our Strategy Pillars

In line with our mission to provide Unitholders with competitive total returns, the Manager follows a "Yield + Growth" strategy which focuses on the two key areas of optimising yield on existing assets and augmenting growth through acquisitions or development projects which offer attractive returns. Both focus areas are underpinned by a prudent risk and capital management approach.

Yield Optimisation on Existing Portfolio

Prudent Capital Management

Growth via Acquisitions and Development

Yield Optimisation on Existing Portfolio

DIVESTMENTS

6
Properties

S$**275.3**M

- Tailor leasing strategy to meet local market conditions
- Maintain a well-staggered tenancy profile
- Maintain a balanced mix of single-user assets and multi-tenanted buildings
- Improve operational efficiency of properties
- Optimise returns via asset enhancement and/or redevelopment
- Selective divestments of low-yielding properties with older specifications

Read more on page 41

Our Differentiation

Regional Network
Over the years, MLT has established an extensive network of over 140 quality and well-located logistics properties across eight geographic markets in Asia Pacific which enables us to offer customers a broad range of regional leasing options.

Our Governance Framework

Competent Leadership
Strong and competent leadership is essential in enhancing corporate accountability and long-term sustainability to preserve and maximise stakeholder value. A well-informed and fully engaged board provides strategic direction to an experienced management team which drives focused execution.

Read more on page 105

Growth via Acquisitions and Development

ACQUISITIONS

9

Modern Logistics Facilities

S$**752.8**M

- Disciplined acquisitions of quality, well-located assets that add scale and strategic value to the portfolio
- Offer attractive value propositions to customers in support of their regional expansion plans
- Supported by a committed Sponsor which has extensive development expertise and regional presence as evidenced by its strong platform of logistics development projects in Asia Pacific

Read more on page 41

Prudent Capital Management

S$**250.0**M

Equity Fund Raising

77%

Debt Hedged into Fixed Rates

82%

Income Hedged for FY20/21

- Maintain a strong balance sheet
- Diversify sources of funding
- Optimise cost of debt financing
- Manage exposure to market fluctuations in interest rate and foreign exchange through appropriate hedging strategies

Read more on page 35

Customer and Market Knowledge

Staying committed to our principle to stay close to our customers and "be the first to know", our strong on-the-ground local expertise has been advantageous in helping us to respond swiftly to evolving market conditions, meet tenants' requirements and support their regional expansion plans.

Effective Risk Management

Risk Management is an integral part of the Manager's business strategy in order to deliver competitive total returns. A proactive approach to risk management allows the Manager to safeguard and create value for Unitholders.

Read more on page 123

Our Key Stakeholders

Investors and Unitholders

We aim to provide Unitholders with competitive total returns through regular distributions and growth in asset value.

Read more on page 6

Employees

We recognise that our people are our most valuable asset and strive to be an employer of choice through fair hiring, competitive compensation, professional development and employee engagement.

Read more on page 131

Tenants

We focus on fostering strong long-term relationships with existing and potential tenants to actively understand and meet their evolving business needs.

Read more on page 42

Governance and Regulators

Ensuring high levels of corporate governance and transparency across our business operations is of utmost importance to us.

Read more on page 105

Business Partners

(e.g. Third-Party Service Providers)

We seek to create value for our business partners and as a responsible landlord, this includes safeguarding the health and safety of third-party service providers.

Read more on page 134

Overview

Year in Review

DIVESTMENTS

Divested 5 Japan properties

In line with our portfolio rejuvenation strategy to improve the quality and yield of MLT's portfolio

THE 5 PROPERTIES DIVESTED:
- Gyoda Centre, Iwatsuki B Centre, Atsugi Centre, Iruma Centre and Mokurenji Centre

AGREED PROPERTY VALUE:
JPY**17,520.0**M
(S$211.6 million)

ACQUISITIONS

Entered into a forward purchase agreement to acquire a warehouse in Truganina, Melbourne, Victoria, Australia

- To be completed by December 2020, the property is a modern logistics facility designed with Grade A specifications and is located in one of the fastest growing industrial precincts in Australia with excellent connectivity

AGREED PROPERTY VALUE:
AUD**18.4**M
(S$16.7 million)

S$**752.8**M
Total Acquisitions[1, 2]

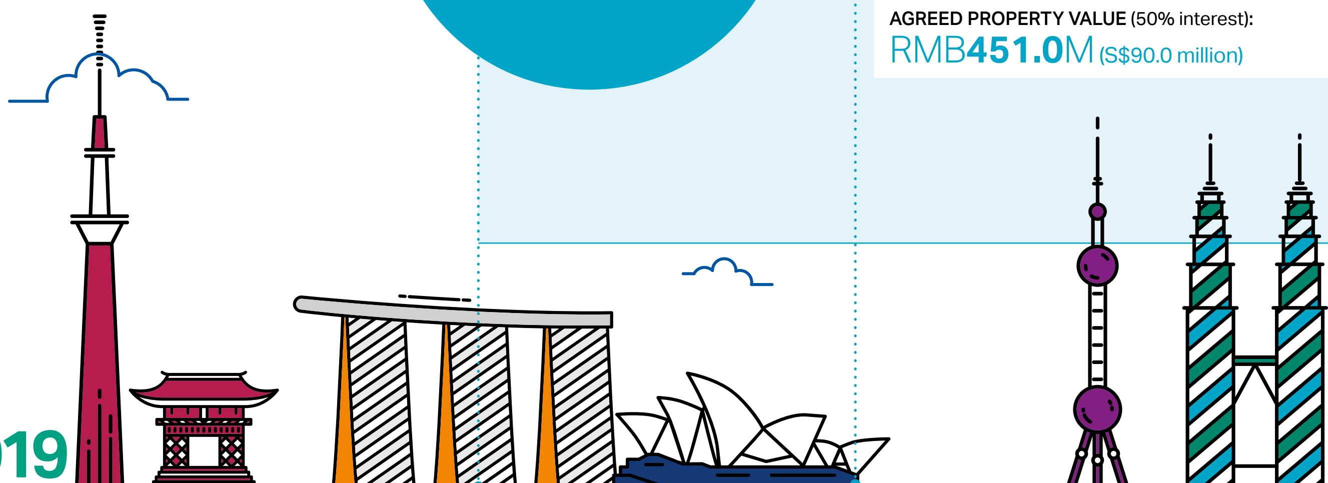
Acquired
7 High-quality modern logistics properties from the Sponsor

Enhances MLT's portfolio and regional network presence

NOV

CHINA
50% interest in each of four logistics properties in China
Located in Chengdu, Shenyang, Jinan and Changsha, which are the capitals of their respective provinces, these cities are fast-growing, densely populated and have in place established infrastructure and transport networks to support logistics functions

AGREED PROPERTY VALUE (50% interest):
RMB**451.0**M (S$90.0 million)



2019

April September October

Notes:
1 Excludes committed acquisition in Australia.
2 Represents the aggregate agreed property value for the acquisitions which differs from the total consideration paid. Total consideration paid for Vietnam and China acquisitions is comprised of the targeted entities' adjusted consolidated net asset value and shareholders' loan.

NOV

VIETNAM

Two logistics properties in Vietnam

Located in the provinces of Bac Ninh and Binh Duong, serving Hanoi and Ho Chi Minh City, the largest consumption markets in northern and southern Vietnam respectively

AGREED PROPERTY VALUE:

USD**36.0**M (S$49.9 million)

DEC

MALAYSIA

One logistics property in Malaysia

Located in Shah Alam, the prime logistics hub in Malaysia serving the largest and most affluent consumer market in the country, Klang Valley, as well as the needs of key e-commerce players such as Lazada, Shopee and Zalora

AGREED PROPERTY VALUE:

MYR**826.0**M (S$271.9 million)

DIVESTMENTS

Divested Mapletree Waigaoqiao Logistics Park[3] in China

Capital released from the divestment was redeployed into investments of modern facilities with higher growth potential

AGREED PROPERTY VALUE:

RMB**330.0**M
(S$63.7 million)

S$**275.3**M
Total Divestments[4]

ACQUISITIONS

SOUTH KOREA

Acquired a modern logistics property in Yongin-Icheon

Mapletree Logistics Centre – Hobeob 2

Located in a prime logistics cluster in the south-east region of the Seoul Metropolitan Area which is the largest logistics hub in South Korea

AGREED PROPERTY VALUE:

KRW**35.8**B (S$41.2 million)

JAPAN

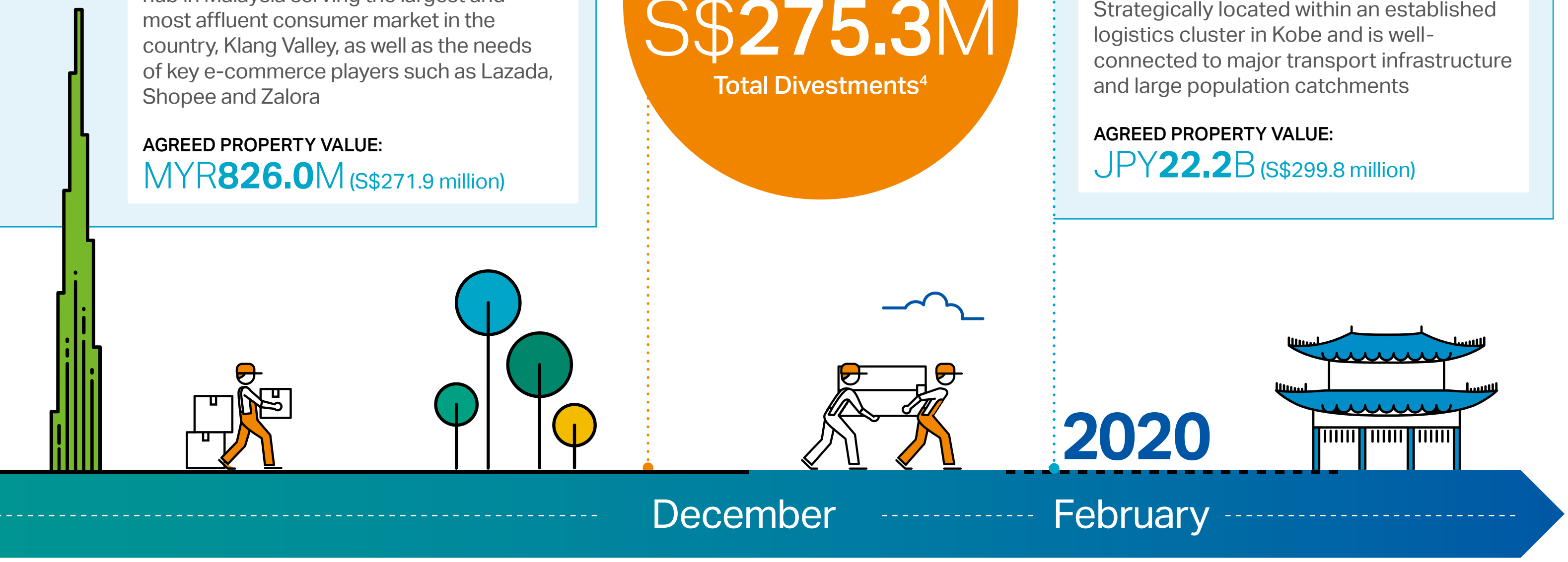
Acquired a prime modern freehold logistics property in Kobe

Mapletree Kobe Logistics Centre[5]

Strategically located within an established logistics cluster in Kobe and is well-connected to major transport infrastructure and large population catchments

AGREED PROPERTY VALUE:

JPY**22.2**B (S$299.8 million)



[3] Divested 100% equity interest in MapletreeLog Integrated (Shanghai) (HKSAR) Limited and its wholly-owned subsidiary, MapletreeLog Integrated (Shanghai) Co., Ltd, which is in turn the registered owner of Mapletree Waigaoqiao Logistics Park in China.

[4] Represents the aggregate agreed property value for the divestments which differs from divestment proceeds. Proceeds received for China divestment is comprised of the adjusted consolidated net asset value of MapletreeLog Integrated (Shanghai) (HKSAR) Limited and its wholly-owned subsidiary, MapletreeLog Integrated (Shanghai) Co., Ltd less associated divestment costs.

[5] MLT holds an effective interest of 98.47% in Mapletree Kobe Logistics Centre.

Overview
Message from the Chairman and CEO

Dear Unitholders,
FY19/20 has been a challenging year. The global economy was buffeted by a myriad of headwinds while markets in Asia faced heightened uncertainty amidst the escalation of U.S.-China trade tensions, the months-long social unrest in Hong Kong SAR, and the outbreak of COVID-19 in early 2020. In this challenging environment, we maintained a firm focus on active asset management and prudent capital management. In our quest to position Mapletree Logistics Trust ("MLT" or the "Trust") for the future, we continued driving momentum in our portfolio rejuvenation strategy through accretive acquisitions of modern logistics facilities and selective divestments of older properties.

Amidst the uncertainties, we are pleased that MLT remained resilient and delivered a set of positive results. MLT was also included as a component stock in the Straits Times Index, which enhances MLT's profile among global investors.

Sustained Performance
Gross revenue for FY19/20 registered year-on-year growth of 8.0% to reach S$490.8 million, while net property income grew 12.6% to S$438.5 million. The improved performance was due to higher revenue from existing properties, contribution from accretive acquisitions, and the completed redevelopment of Mapletree Ouluo Logistics Park Phase 1 in China. Overall growth was partially offset by the loss of contribution from six properties divested during the year as well as two properties divested in FY18/19.

Distributable income to Unitholders rose 11.7% to S$301.7 million, resulting in a 2.5% rise in distribution per unit to 8.142 cents, after accounting for an enlarged unit base. This translates to a total return of 13.8%[1] for our Unitholders in FY19/20, consisting of a distribution yield of 5.6% and 8.2% in capital appreciation based on MLT's closing unit price of S$1.58 on 31 March 2020.

As at 31 March 2020, assets under management stood at S$8.9 billion, an increase of 12.0% from S$8.0 billion a year ago. Accounting for this increase was a net fair value gain of S$117 million in investment properties and approximately S$806 million in acquisitions and capital expenditure. Consequently, net asset value per unit rose 3.4% to S$1.21 from S$1.17 in the previous year.

Diversified and Resilient Portfolio
MLT's well-diversified portfolio across geographies as well as tenant trade sectors has demonstrated its resilience. In addition, our principle to stay close to our customers and "be the first to know", which underpins our asset and lease management approach, is also key to delivering a stable operating performance.

We value the strong relationships we have built with our customers and recognise the importance of supporting them in a flexible and nimble manner in this challenging environment. Our asset management and marketing teams proactively engage customers to have in-depth and updated understanding of their evolving business requirements. By staying close to our

Note:
[1] Total return is the sum of actual distributions and capital appreciation in MLT's unit price for the period between 31 March 2019 and 31 March 2020.

customers, we are also able to identify at an early stage those who may potentially face difficulties and work with them to develop a mutually beneficial way forward.

On the back of these efforts, over 839,000 square metres of space was leased during the year and portfolio occupancy was maintained at a high level throughout FY19/20 to close the year at 98.0%. The portfolio weighted average lease expiry (by net lettable area) has been extended to 4.3 years from 3.8 years in the prior year.

We remain focused on diversifying our tenant base, adding over 50 quality tenants in the year to a total of 693 tenants. These new tenants include leading e-commerce players in Southeast Asia such as Lazada and Shopee, and strong consumer brands such as Watsons and Workman. Three quarters of MLT's tenant trade sectors are geared towards domestic consumption, while over one-third caters to essential daily needs, such as food and beverage products, consumer staples and healthcare. These portfolio attributes add resilience to MLT's revenue stream.

Rejuvenating Portfolio, Expanding Network

Consistent with our strategy to rejuvenate the portfolio, we continue to seek acquisition opportunities of well-located and modern logistics facilities to improve portfolio quality and growth potential. Concurrently, assets with outdated specifications and limited redevelopment potential may be considered for divestment. Capital released from asset divestments will be redeployed into investments of modern facilities with higher growth potential, thereby improving overall portfolio returns. These initiatives enable the Trust to build a resilient and future-ready portfolio that meets the evolving needs of our customers.

In FY19/20, MLT acquired eight modern logistics properties in Malaysia, Vietnam, China and Japan from the Sponsor, Mapletree Investments Pte Ltd, with a combined value of S$711.6 million. The year also saw MLT acquiring a KRW35.8 billion (S$41.2 million) warehouse in South Korea and making its first forward purchase of a AUD18.4 million (S$16.7 million) logistics property in Australia. The latter is slated for completion by December 2020.

These properties are strategically located within the major logistics clusters in the respective markets with excellent connectivity to key transport infrastructure. Following these acquisitions, MLT's regional footprint has expanded to 145 properties spanning 46 cities in eight geographic markets, significantly enhancing our network connectivity and competitive positioning. For instance, the acquisition in Kobe, Japan has extended MLT's footprint to Western Japan, complementing our existing platform of 16 logistics facilities which are mainly located in the Greater Tokyo area.

"Our principle to stay close to our customers and "be the first to know" is also key to delivering a stable operating performance."

In addition, these acquisitions offer good diversification across attractive logistics markets underpinned by favourable demand-supply dynamics. Notably, Vietnam and Malaysia have emerged as beneficiaries of the re-configuration of global supply chains in response to the U.S.-China trade conflict, a trend that is likely to accelerate following the COVID-19 outbreak.

In line with our portfolio rejuvenation strategy, MLT divested six low-yielding properties with older building specifications during the year, namely Gyoda Centre, Iwatsuki B Centre, Atsugi Centre, Iruma Centre and Mokurenji Centre in Japan, and Mapletree Waigaoqiao Logistics Park in China. The total net proceeds raised of approximately S$251 million were redeployed to fund the acquisitions made during the year.

Mapletree Logistics Hub – Shah Alam, Malaysia

Overview
Message from the Chairman and CEO

Prudent Capital Management
Prudent and disciplined capital management remains one of our key management focus especially in the current uncertain market conditions. During the year, we undertook several initiatives to strengthen the Trust's balance sheet while diversifying our sources of funding. These include an equity fund raising which raised S$250 million through a private placement, an issuance of MYR450 million (S$147 million) 7-year fixed rate medium term notes and an issuance of JPY8 billion (S$101 million) bond due 2027. The proceeds from these initiatives were deployed to partially fund the acquisitions made during the year. In addition, a 6-year S$200 million sustainability-linked loan was secured for general working capital purpose. Designed with reference to MLT's rooftop solar installation programme for its logistics properties in Asia Pacific, this marked MLT's first foray into sustainable financing.

We continue to maintain a robust balance sheet and MLT is well-positioned to meet its financial obligations, with the financial flexibility to fund growth opportunities as they arise.

As at 31 March 2020, MLT's aggregate leverage ratio was 39.3%. This is lower than the revised aggregate leverage limit of 50%[2] set by the Monetary Authority of Singapore. The weighted average debt maturity is maintained at 4.1 years, while approximately 90% of total debt is unsecured with minimal financial covenants. Debt due in the coming financial year amounts to S$242 million or 6% of total debt. Based on the available committed credit facilities of over S$700 million, we have ample liquidity to meet maturing debt obligations.

To mitigate the impact of foreign exchange and interest rate fluctuations on distributions, 77% of total debt has been hedged into fixed rates, while 82% of distributable income for FY20/21 has been hedged into Singapore dollars.

Continuing Our Sustainability Journey
At MLT, we believe that a sustainable approach to business is integral to our long-term success. We seek to reduce our environmental impact, engage stakeholders and contribute to the communities that we operate in, while upholding high standards of corporate governance.

During the financial year, MLT made good progress in furthering these objectives, details of which are provided in our fourth Sustainability Report in this Annual Report. Plans are underway to expand our rooftop solar installation programme beyond Japan and Singapore to other geographical markets such as Australia and China over the next three years. We have a strong commitment to embracing sustainable practices in our operations as we press on in our sustainability journey.

Board Renewal
We extend our sincere appreciation to our Board of Directors for their guidance and invaluable contributions during the course of the financial year.

On behalf of the Board, we would also like to express our heartfelt gratitude to Mrs Penny Goh, who retired as Lead Independent Non-Executive Director and Chairperson of the Nominating and Remuneration Committee ("NRC"), for her wise counsel and significant contributions during her nine years of service. We also thank Mr Hiew Yoon Khong, who stepped down as Non-Executive Director and a member of the NRC, and Mr Chua Tiow Chye, who stepped down as Non-Executive Director, for their years of dedicated service.

At the same time, Mr Tarun Kataria was redesignated as Lead Independent Non-Executive Director and the Chairman of the NRC, while Mr Wong Mun Hoong, Non-Executive Director, was appointed as a member of the NRC.

As part of the Board renewal process, we appointed three new board members. Ms Lim Mei was appointed as Independent Non-Executive Director and a member of the NRC, while Ms Wendy Koh Mui Ai and Mr Goh Chye Boon both joined as Non-Executive Directors. We would like to extend a warm welcome to our new directors and we believe that their experience and expertise will complement and add to the Board's bench strength.

Mapletree Kobe Logistics Centre, Japan

Note:
2 With effect from 16 April 2020.

"In these uncertain times, we will stay vigilant and continue to prioritise tenant retention, portfolio resilience and balance sheet strength."

Looking Ahead

The year ahead is expected to be challenging. Across the world, economic activities are being disrupted as countries implement social distancing practices as well as travel and activity lockdowns, in response to the COVID-19 pandemic. The global economy is forecast to contract by 3% in 2020[3], its steepest decline since the Great Depression, while Asia Pacific's economic growth is projected to grind to a halt at zero percent[3].

At the time of writing, most of our tenants' logistics business across MLT's respective geographic markets have remained operational except where strict government lockdowns were mandated. Within MLT's tenant mix, tenants who serve essential daily needs, such as groceries and healthcare, are seeing healthy levels of activity. This is especially so for businesses with an online platform. For tenants who are affected by the COVID-19 situation, particularly those from the retail, hospitality and travel industries, we are working closely with them to provide support and relief measures in a targeted manner. During this period, we also leveraged network connectivity across the eight markets to provide solutions for tenants who are looking to diversify or seek alternative distribution channels.

The COVID-19 crisis is unprecedented and evolving. There is significant uncertainty over its duration and the magnitude of its impact on the logistics property market. We are cognisant that in a softening economic environment, demand for warehouse space, occupancy and rental rates may be negatively impacted. In these uncertain times, we will stay vigilant and continue to prioritise tenant retention, portfolio resilience and balance sheet strength.

Notwithstanding the uncertainties we currently face, the logistics market in Asia Pacific remains a bright spot in the medium to longer term. The COVID-19 crisis is likely to accelerate several positive structural trends benefitting the logistics market that were already evident prior to the pandemic.

The growing e-commerce market, a key demand driver for modern logistics space, has gained more prominence as COVID-19 spurs a major uptick in online shopping, which is likely to persist even when the pandemic is contained. This translates to higher demand for modern logistics space, in particular facilities located in close proximity to consumers. Supply chain disruptions during the COVID-19 situation have also forced businesses to re-assess supply chain contingency plans and resilience. The diversification of supply chains to alternative locations in Southeast Asia, a trend witnessed during the U.S.-China trade war, is expected to intensify. This will benefit the logistics markets in Vietnam and Malaysia where MLT also has a strong presence. In addition, firms are likely to explore a partial reversion of existing lean supply chain models and increase safety-stock levels, leading to greater demand for warehouse space.

A quality portfolio and a strong regional network have supported MLT's resilient performance throughout the years. We remain confident that these attributes will position us well to ride through the current challenges. We continue to stay focused on enhancing the resilience of our portfolio through active asset management and accretive acquisitions of high quality properties, while maintaining a strong financial position.

MLT's consistent performance in FY19/20 was attained on the back of collective contributions from diverse groups. We would like to thank our management and employees for their hard work and dedication, as well as our Unitholders, customers and business partners for their unwavering support during the past year. We look forward to journeying with all of you as we navigate the challenges ahead, while continuing to drive momentum in delivering sustainable value to our stakeholders.

Mr Lee Chong Kwee
Non-Executive Chairman and Director

Ms Ng Kiat
Executive Director and CEO

Note:
[3] International Monetary Fund, World Economic Outlook, April 2020.

Overview
Corporate Structure

Mapletree Logistics Trust

- **MapleTreeLog Treasury Company Pte. Ltd.**
  - MapletreeLog Treasury Company (HKSAR) Ltd. [1]
    (Incorporated in Cayman Islands)
- **MapletreeLog Gyoda (Japan) (HKSAR) Limited**
  (Incorporated in Hong Kong SAR)
- **MapletreeLog Sazanka Pte. Ltd.**
  - MapletreeLog Hinageshi Pte. Ltd.
- **MapletreeLog Frontier Pte. Ltd.**
  - MapletreeLog Frontier Trust [2]
    (Constituted in Victoria, Australia)
    - WS Asset Trust
      (Constituted in Victoria, Australia)
    - NSW Assets Trust
      (Constituted in Victoria, Australia)
    - VIC Assets Trust
      (Constituted in Victoria, Australia)
    - QLD Assets Trust
      (Constituted in Victoria, Australia)
      - Alset Forest Lake Trust
        (Constituted in Victoria, Australia)
- **MapletreeLog Ouluo (Shanghai) Ltd.**
  (Incorporated in Cayman Islands)
  - Mapletree Ouluo Logistics (Shanghai) Co., Ltd.
    (Incorporated in China)
- **MapletreeLog AIP (Guangzhou) Ltd.**
  (Incorporated in Cayman Islands)
  - MapletreeLog AIP (Guangzhou) (HKSAR) Limited
    (Incorporated in Hong Kong SAR)
    - Guangzhou Mapletree Eastern American Log Limited
      (Incorporated in China)
- **MapletreeLog Seastar (Xian) Ltd.**
  (Incorporated in Cayman Islands)
  - MapletreeLog Seastar (Xian) (HKSAR) Limited
    (Incorporated in Hong Kong SAR)
    - Mapletree Logistics Warehouse (Xian) Co., Ltd.
      (Incorporated in China)
- **MapletreeLog Northwest (Shanghai) Ltd.**
  (Incorporated in Cayman Islands)
  - MapletreeLog Northwest (Shanghai) (HKSAR) Limited
    (Incorporated in Hong Kong SAR)
    - MapletreeLog Jinda Warehouse (Shanghai) Co., Ltd.
      (Incorporated in China)
- **MapletreeLog Integrated (Shanghai) (Cayman) Ltd.**
  (Incorporated in Cayman Islands)
- **Mapletree WND (Wuxi) (HKSAR) Limited**
  (Incorporated in Hong Kong SAR)
  - Mapletree Logistics Development (Wuxi) Co., Ltd.
    (Incorporated in China)
- **MapletreeLog GTC (HKSAR) Ltd.** [1]
  (Incorporated in Cayman Islands)
- **MapletreeLog PF (HKSAR) Ltd.** [1]
  (Incorporated in Cayman Islands)
- **Mapletree Topaz Ltd.**
  (Incorporated in Cayman Islands)
  - Mapletree Opal Ltd. [1]
    (Incorporated in Cayman Islands)
- **Greatdeal Finance Limited**
  (Incorporated in BVI)
  - Genright Investment Limited
    (Incorporated in Hong Kong SAR)
- **Mapletree Lingang Ltd.**
  (Incorporated in Cayman Islands)
  - Mapletree Lingang Logistics Warehouse (Shanghai) Co., Ltd.
    (Incorporated in China)
- **Mapletree Emerald (HKSAR) Limited**
  (Incorporated in Hong Kong SAR)
  - Mapletree Emerald (ZILP) Limited
    (Incorporated in China)
- **Mapletree Titanium Ltd.**
  (Incorporated in Cayman Islands)
  - Mapletree TY (HKSAR) Limited
    (Incorporated in Hong Kong SAR)
- **SD Licheng (HKSAR) Limited** [3]
  (Incorporated in Hong Kong SAR)
  - Fengcheng Logistics Development (Jinan) Co., Ltd.
    (Incorporated in China)
- **Changsha Development II (HKSAR) Limited** [3]
  (Incorporated in Hong Kong SAR)
  - Fengyi Warehouse (Changsha) Co., Ltd.
    (Incorporated in China)
- **Chengdu DC Development (HKSAR) Limited** [3]
  (Incorporated in Hong Kong SAR)
  - Digital China (Chengdu) Science Park Co., Ltd.
    (Incorporated in China)
- **Shenyang SYEDA Development (HKSAR) Limited** [3]
  (Incorporated in Hong Kong SAR)
  - Fengda Warehouse (Shenyang) Co., Ltd.
    (Incorporated in China)

First Tier Subsidiaries
Second Tier Subsidiaries
Third Tier and Below Subsidiaries
Trusts

Notes:
[1] The Company has established a principal place of business in Hong Kong SAR.
[2] 99% owned by Mapletree Logistics Trust and 1% owned by MapletreeLog Frontier Pte. Ltd.
[3] Joint venture with Mapletree Investments Pte Ltd.

Wuxi EMZ (HKSAR) Limited[3]
(Incorporated in Hong Kong SAR)

- Fengshuo Warehouse Development (Wuxi) Co., Ltd.
(Incorporated in China)

Hangzhou Development (HKSAR) Limited[3]
(Incorporated in Hong Kong SAR)

- Fengzhou Warehouse (Hangzhou) Co., Ltd.
(Incorporated in China)

Nantong Development (HKSAR) Limited[3]
(Incorporated in Hong Kong SAR)

- Fengrui Logistics (Nantong) Co., Ltd.
(Incorporated in China)

Changshu IDZ (HKSAR) Limited[3]
(Incorporated in Hong Kong SAR)

- Changshu Fengjia Warehouse Co., Ltd.
(Incorporated in China)

Changsha Development (HKSAR) Limited[3]
(Incorporated in Hong Kong SAR)

- Fengshun Logistics Development (Changsha) Co., Ltd.
(Incorporated in China)

Yangluo EDZ (HKSAR) Limited[3]
(Incorporated in Hong Kong SAR)

- Fengying Logistics (Wuhan) Co., Ltd.
(Incorporated in China)

Jurong Development (HKSAR) Limited[3]
(Incorporated in Hong Kong SAR)

- Fengzhen Logistics (Zhenjiang) Co., Ltd.
(Incorporated in China)

Mapletree Xi'an Falcon II (HKSAR) Limited[3]
(Incorporated in Hong Kong SAR)

- Fenghang Logistics Development (Xi'an) Co., Ltd.
(Incorporated in China)

TWDA (HKSAR) Limited[3]
(Incorporated in Hong Kong SAR)

- Fengquan Warehouse (Tianjin) Co., Ltd.
(Incorporated in China)

Jiaxing Development (HKSAR) Limited[3]
(Incorporated in Hong Kong SAR)

- Jiaxing Fengyue Warehouse Co., Ltd.
(Incorporated in China)

Nanchang ETDZ Development (HKSAR) Limited[3]
(Incorporated in Hong Kong SAR)

- Fengqi Warehouse (Nanchang) Co., Ltd.
(Incorporated in China)

MapletreeLog Oakline (Korea) Pte. Ltd.

- MapletreeLog First Korea (Yujoo) Co., Ltd.
(Incorporated in South Korea)

MapletreeLog MQ (Korea) Pte. Ltd.

- MapletreeLog Korea (Yongin) Co., Ltd.
(Incorporated in South Korea)

Kingston (Korea) Pte. Ltd.

- MapletreeLog Kingston Co., Ltd.
(Incorporated in South Korea)

Pyeongtaek (Korea) Pte. Ltd.

- MapletreeLog Pyeongtaek Co., Ltd.
(Incorporated in South Korea)

Iljuk (Korea) Pte. Ltd.

- MapletreeLog Iljuk Korea Co., Ltd.
(Incorporated in South Korea)

Dooil (Korea) Pte. Ltd.

- MapletreeLog Dooil Co., Ltd.
(Incorporated in South Korea)

Jungbu Jeil (Korea) Pte. Ltd.

- MapletreeLog Jungbu Jeil Co., Ltd.
(Incorporated in South Korea)

Miyang (Korea) Pte. Ltd.

- MapletreeLog Miyang Co., Ltd.
(Incorporated in South Korea)

Seoicheon (Korea) Pte. Ltd.

- Seoicheon Logistics Co., Ltd.
(Incorporated in South Korea)

Baekam (Korea) Pte. Ltd.

- Baekam Logistics Korea Co., Ltd.
(Incorporated in South Korea)

Wonsam 1 (Korea) Pte. Ltd.

- Wonsam 1 Logistics Korea Co., Ltd.
(Incorporated in South Korea)

Majang 1 (Korea) Pte. Ltd.

- Majang 1 Logistics Korea Co., Ltd.
(Incorporated in South Korea)

Hobeob 1 (Korea) Pte. Ltd.

- Hobeob 1 Logistics Korea Co., Ltd.
(Incorporated in South Korea)

Hobeob 2 (Korea) Pte. Ltd.

- Hobeob 2 Logistics Korea Co., Ltd.
(Incorporated in South Korea)

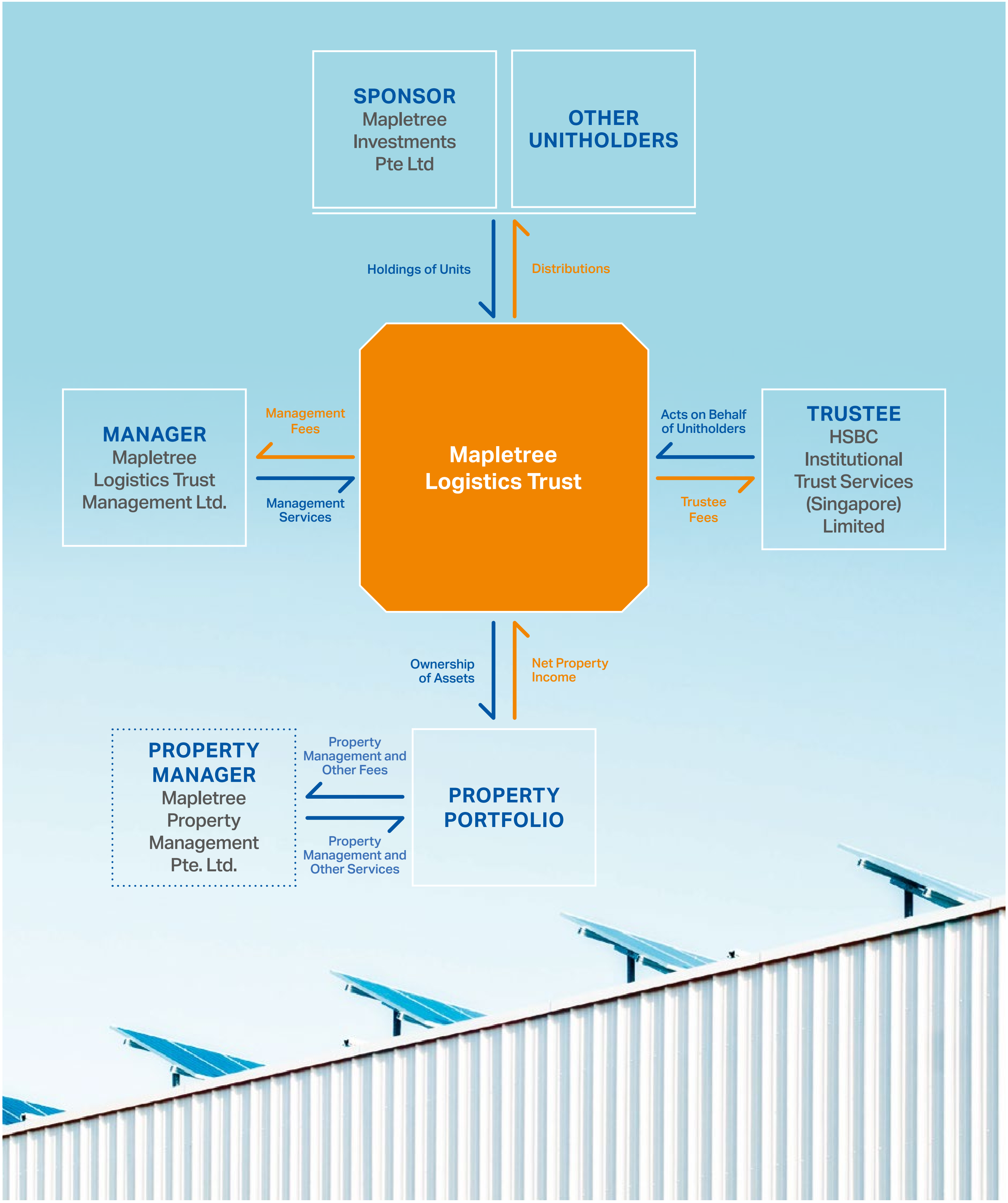
MapletreeLog Malaysia Holdings Pte. Ltd.

- MapletreeLog (M) Holdings Sdn. Bhd.
(Incorporated in Malaysia)

MapletreeLog VSIP 1 Warehouse Pte. Ltd.

- Mapletree VSIP 1 Warehouse (Cayman) Co. Ltd.
(Incorporated in Cayman Islands)
  - Mapletree First Warehouse (Vietnam) Co., Ltd.
  (Incorporated in Vietnam)
- Mapletree VSIP Bac Ninh Phase 1 (Cayman) Co. Ltd.
(Incorporated in Cayman Islands)
  - Mapletree Logistics Park Bac Ninh Phase 1 (Vietnam) Co., Ltd.
  (Incorporated in Vietnam)
- Mapletree VSIP 2 Phase 2 (Cayman) Co. Ltd.
(Incorporated in Cayman Islands)
  - Mapletree Logistics Park Phase 2 (Vietnam) Co., Ltd.
  (Incorporated in Vietnam)
- Mapletree VSIP Bac Ninh Phase 2 (Cayman) Co. Ltd.
(Incorporated in Cayman Islands)
  - Mapletree Logistics Park Bac Ninh Phase 2 (Vietnam) Co., Ltd.
  (Incorporated in Vietnam)
- Mapletree VSIP 2 Phase 1 (Cayman) Co. Ltd.
(Incorporated in Cayman Islands)
  - Mapletree Logistics Park Phase 1 (Vietnam) Co., Ltd.
  (Incorporated in Vietnam)

Overview
Trust Structure



Organisation Structure

MAPLETREE LOGISTICS TRUST MANAGEMENT LTD.

Board of Directors

Mr Lee Chong Kwee	Non-Executive Chairman and Director
Mr Tarun Kataria	Lead Independent Non-Executive Director
Mr Lim Joo Boon	Independent Non-Executive Director
Ms Lim Mei	Independent Non-Executive Director
Mr Loh Shai Weng	Independent Non-Executive Director
Mr Tan Wah Yeow	Independent Non-Executive Director
Mr Wee Siew Kim	Independent Non-Executive Director
Mr Goh Chye Boon	Non-Executive Director
Ms Wendy Koh Mui Ai	Non-Executive Director
Mr Wong Mun Hoong	Non-Executive Director
Ms Ng Kiat	Executive Director and Chief Executive Officer

Audit and Risk Committee ("AC")

Mr Lim Joo Boon Chairman
Mr Loh Shai Weng
Mr Tan Wah Yeow
Mr Wee Siew Kim

Nominating and Remuneration Committee ("NRC")

Mr Tarun Kataria Chairman
Ms Lim Mei
Mr Wong Mun Hoong

Joint Company Secretaries

Mr Wan Kwong Weng
Ms See Hui Hui

Chief Executive Officer
Ms Ng Kiat

Chief Financial Officer
Ms Charmaine Lum

Head, Asset Management
Ms Jean Kam

Head, Investment
Ms Fion Ng

Headquarters

FINANCE
Ms Sandra Chia
Director

TREASURY
Ms Khoo Geng Foong
Vice President

INVESTOR RELATIONS
Ms Lum Yuen May
Director

INTERNATIONAL MARKETING
Mr James Sung
Director

TECHNICAL SERVICES
Mr Victor Liu
Director

Geographic Markets

AUSTRALIA
Mr Marc Lucas
General Manager

CHINA
Mr Edward Chen
General Manager

HONG KONG SAR
Mr David Won
General Manager

JAPAN
Ms Yuko Shimazu
General Manager

MALAYSIA
Mr Shankar Arasaratnam
General Manager

SINGAPORE
Ms Chua Hwee Ling
General Manager

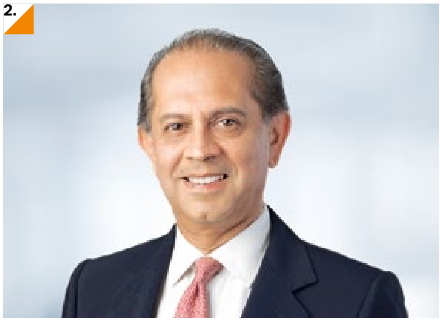
SOUTH KOREA
Mr Jacob Chung
General Manager

VIETNAM
Mr Bui Anh Tuan
General Manager

Overview

Board of Directors

1.

2.

3.

4.

5.

6.


1. Mr Lee Chong Kwee

Non-Executive Chairman and Director

Mr Lee Chong Kwee is the Non-Executive Chairman of the Board of Directors of the Manager.

Mr Lee is also a Member of the Board of Directors of Mapletree Investments Pte Ltd, and the Chairman of its Audit and Risk Committee and its Transaction Review Committee.

In addition, Mr Lee is a Corporate Advisor to Temasek Holdings (Private) Limited. Mr Lee is also the Senior Independent Non-Executive Director of DKSH Holdings (Malaysia) Berhad (listed on the Bursa Malaysia Main Market) and the Chairman of both its Audit Committee and Nominating and Remuneration Committee. He had previously served on the Governing Council of the Singapore Institute of Directors and the Advisory Boards of the National University of Singapore Business School and The Logistics Institute – Asia Pacific.

Mr Lee was formerly the Asia Pacific Chief Executive Officer of Exel (Singapore) Pte Ltd and is a fellow of the Singapore Institute of Directors.

Past Directorships on Listed Entities over the last three years:
Nil.

2. Mr Tarun Kataria

Lead Independent Non-Executive Director and Nominating and Remuneration Committee Chairman

Mr Tarun Kataria is the Lead Independent Non-Executive Director and the Chairman of the Nominating and Remuneration Committee of the Manager. Mr Kataria is also the Independent Chairman of the Investment Committee of the Mapletree US & EU Logistics ("MUSEL") Private Trust.

Mr Kataria is a Non-Executive Director of HSBC Bank (Singapore) Limited and the Chairman of its Audit Committee. He is also a Non-Executive Director of Eagle Hospitality REIT Management Pte. Ltd. and Eagle Hospitality Business Trust Management Pte. Ltd. (the manager and trustee-manager of Eagle Hospitality Trust respectively) and a Member of the Audit Committee of Eagle Hospitality REIT Management Pte. Ltd. In addition, Mr Kataria is on the board of Jubilant Pharma Ltd (as well as a Member of its Audit Committee) and two Indian listed companies, Westlife Development Ltd and Sterlite Investment Managers Limited (the investment manager for India Grid Trust).

Mr Kataria was until 2013, CEO India, Religare Capital Markets, a regional investment banking and institutional equities business. Prior to joining Religare Capital Markets, Mr Kataria held various senior positions within HSBC Group which included the roles of Managing Director and Chief Executive of Global Banking and Markets with HSBC India, Vice-Chairman of HSBC Securities and Capital Markets India Pvt. Limited, Non-Executive Director of HSBC InvestDirect Limited and Managing Director, Head of Institutional Sales, HSBC Global Markets.

Mr Kataria holds a MBA (Finance) from The Wharton School, University of Pennsylvania. He is a Chartered Accountant of Institute of Chartered Accountants of India. His philanthropic work is directed at environmental conservation and the health and education of women and girl children.

Past Directorships on Listed Entities over the last three years:
Poddar Housing and Development Limited

3. Mr Lim Joo Boon

Independent Non-Executive Director and Audit and Risk Committee Chairman

Mr Lim Joo Boon is an Independent Non-Executive Director and the Chairman of the Audit and Risk Committee of the Manager.

Mr Lim is the Chairman of Singapore Turf Club. In addition, he is an Adjunct Associate Professor at National University of Singapore Business School and an Advisor to OWW II Private Equity Fund. Mr Lim started his career with Accenture in 1978 and had held various senior leadership positions in Accenture Singapore and in the Asia Pacific region. Mr Lim was a Senior Partner of Accenture Singapore before his retirement in 2003.

Between 2005 and 2006, he was the Honorary Chief Executive Officer of SATA (Singapore Anti-Tuberculosis Association) on a voluntary basis and he was a Member of the Committee to Develop the Accounting Sector between 2008 and 2010. Mr Lim had also served as the Chairman of Pteris Global Limited and Director of Singapore Pools (Private) Limited, Asia Philanthropic Ventures Pte. Ltd., SIA Engineering Company Limited and Inland Revenue Authority of Singapore.

Past Directorships on Listed Entities over the last three years:
Nil.

4. Ms Lim Mei

Independent Non-Executive Director and Nominating and Remuneration Committee Member

Ms Lim Mei is an Independent Non-Executive Director and a Member of the Nominating and Remuneration Committee of the Manager.

Ms Lim is currently the Co-Head of the Corporate Mergers & Acquisitions Department at Allen & Gledhill LLP, a leading law firm in Singapore. She has extensive experience in mergers and acquisitions and has advised on numerous landmark domestic and cross-border mergers and acquisitions. Her areas of practice include local and cross-border mergers and acquisitions, equity capital markets and derivatives.

Ms Lim holds a Bachelor of Law (Honours) degree from the National University of Singapore and is a member of the Singapore Bar.

Past Directorships on Listed Entities over the last three years:
Nil.

5. Mr Loh Shai Weng

Independent Non-Executive Director and Audit and Risk Committee Member

Mr Loh Shai Weng is an Independent Non-Executive Director and a Member of the Audit and Risk Committee of the Manager.

Mr Loh is also the Independent Chairman of the Investment Committee of Mapletree China Opportunity Fund II Pte. Ltd. and an Independent Member of the Investment Committee of Mapletree India China Fund Ltd.

Mr Loh held various positions in CIMB Investment Bank Berhad ("CIMB Bank") including Head of International Banking and Transaction Service, Head of Capital Markets Division and Co-Head of Corporate Finance, spanning more than 25 years of service from 1982 until 2007. Mr Loh was Advisor to Head of International Banking and Transaction Service from 2008 to 2009 until his retirement from CIMB Bank.

Mr Loh holds a diploma in Financial Management (Accounting) from the Tunku Abdul Rahman University College. Mr Loh is a Fellow of the Association of Chartered and Certified Accountants (UK) and a Chartered Accountant of the Malaysian Institute of Accountants. He is also an Associate of the Institute of Chartered Secretaries and Administrators.

Past Directorships on Listed Entities over the last three years:
Nil.

6. Mr Tan Wah Yeow

Independent Non-Executive Director and Audit and Risk Committee Member

Mr Tan Wah Yeow is an Independent Non-Executive Director and a Member of the Audit and Risk Committee of the Manager.

Mr Tan is Singapore's Non-Resident Ambassador to the Kingdom of Norway. He is currently a Non-Executive Director of Genting Singapore Limited and Sembcorp Marine Ltd. He also serves as Board Director of M1 Limited, the Public Utilities Board Singapore (PUB), Gardens by the Bay and VIVA Foundation for Children with Cancer. In addition, he is an Executive Committee Member of MILK (Mainly I Love Kids) Fund.

Mr Tan was formerly the Deputy Managing Partner of KPMG Singapore and Head of Healthcare Practice of KPMG Asia Pacific.

Past Directorships on Listed Entities over the last three years:
M1 Limited
(delisted on 24 April 2019)

Overview
Board of Directors

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7. Mr Wee Siew Kim
Independent Non-Executive Director and
Audit and Risk Committee Member

Mr Wee Siew Kim is an Independent Non-Executive Director and a Member of the Audit and Risk Committee of the Manager.

Mr Wee is the Group CEO of Nipsea group which manufactures and sells decorative and industrial paint and coatings for buildings, construction, automobile and industrial applications. In addition, he is a Director of SIA Engineering Company Limited, which is listed on the Mainboard of the SGX-ST. Between 2001 and 2011, Mr Wee was a Member of Parliament for the Ang Mo Kio Group Representative Constituency in Singapore.

Prior to joining the Nipsea group, Mr Wee had held various appointments in the engineering, business development and management functions within the Singapore Technologies group since 1984 which involved operating stints in the United States of America, China, Europe and Singapore. From 2002 to 2009, he served as the Deputy CEO and President (Defence Business) of Singapore Technologies Engineering Limited, which is listed on the Mainboard of the SGX-ST.

Mr Wee holds a Bachelor of Science (Aeronautical Engineering) (First Class Honours) degree from the Imperial College of Science and Technology and a Master of Business Administration degree from the Graduate School of Business, Stanford University. He is a Fellow of the City and Guilds Institute.

Past Directorships on Listed Entities over the last three years:
- ES Group (Holdings) Limited
- SBS Transit Ltd

8. Mr Goh Chye Boon
Non-Executive Director

Mr Goh Chye Boon is a Non-Executive Director of the Manager.

Mr Goh is currently the Regional Chief Executive Officer of China of the Sponsor and oversees the whole of the Sponsor's China business. He has direct responsibility over the Sponsor's non-REIT business in China, driving investments and operations for the region's business platform. Prior to this appointment, Mr Goh was the Chief Executive Officer, Logistics Development, China of the Sponsor.

Mr Goh's 24 years of wide-ranging work experience included stints at the Ministry of Finance, Monetary Authority of Singapore and Ministry of Trade and Industry. He also worked at Sino-Singapore Tianjin Eco-City Investment & Development Co Ltd and GIC China.

Past Directorships on Listed Entities over the last three years:
Nil.

9. Ms Wendy Koh Mui Ai
Non-Executive Director

Ms Wendy Koh Mui Ai is a Non-Executive Director of the Manager.

Ms Koh is currently the Group Chief Financial Officer of the Sponsor. She oversees the Finance, Tax, and Treasury functions of the Sponsor. She is also a Non-Executive Director of Mapletree Commercial Trust Management Ltd. (the manager of Mapletree Commercial Trust), Mapletree Industrial Trust Management Ltd. (the manager of Mapletree Industrial Trust) and Mapletree North Asia Commercial Trust Management Ltd. (the manager of Mapletree North Asia Commercial Trust).

Prior to her role as the Group Chief Financial Officer of the Sponsor, she was the Regional Chief Executive Officer, South East Asia (August 2014 to July 2019), heading the Sponsor's business in South East Asia and Head, Strategy and Research (2014), overseeing strategy, planning and research for the Sponsor. She was also previously engaged by the Sponsor as an advisor to review the Sponsor's strategy implementation from FY09/10 to FY13/14, and was involved in the formulation of its second Five-Year Plan.

Before joining the Sponsor, Ms Koh was Co-head, Asia-Pacific Property Research, at Citi Investment Research. With 20 years of experience as a real estate equities analyst, she was involved in many IPOs and capital raising deals including for Mapletree Logistics Trust, Mapletree Industrial Trust and Mapletree Commercial Trust.

Ms Koh holds a Bachelor of Business (Honours) degree specialising in Financial Analysis from the Nanyang Technological University, Singapore, and the professional designation of Chartered Financial Analyst from the CFA Institute.

Past Directorships on Listed Entities over the last three years:
Nil.

10. Mr Wong Mun Hoong

Non-Executive Director and Nominating and Remuneration Committee Member

Mr Wong Mun Hoong is a Non-Executive Director and a Member of the Nominating and Remuneration Committee of the Manager.

Mr Wong is the Regional Chief Executive Officer of Australia & North Asia of the Sponsor, and responsible for the Sponsor's non-REIT businesses in Australia and North Asia (Japan, Hong Kong SAR and South Korea).

Mr Wong serves as the Chairman of SMU Real Estate Programme Advisory Board. He was formerly a Non-Executive Director of Mapletree Commercial Trust Management Ltd. (the manager of Mapletree Commercial Trust) and Mapletree Industrial Trust Management Ltd. (the manager of Mapletree Industrial Trust).

From 2006 to July 2019, Mr Wong was the Group Chief Financial Officer of the Sponsor, overseeing the Finance, Tax, Treasury and Private Funds Management functions, amongst others, of the Sponsor. Prior to joining the Sponsor in 2006, Mr Wong had over 14 years of investment banking experience in Asia, of which the last 10 years were with Merrill Lynch & Co, having worked at its Singapore, Tokyo and Hong Kong SAR offices.

Mr Wong graduated with a Bachelor of Accountancy (Honours) degree from the National University of Singapore in 1990 and holds the professional designation of Chartered Financial Analyst from the CFA Institute. He attended the Advanced Management Programme at INSEAD Business School.

Past Directorships on Listed Entities over the last three years:
- Mapletree Commercial Trust Management Ltd. (the manager of Mapletree Commercial Trust)
- Mapletree Industrial Trust Management Ltd. (the manager of Mapletree Industrial Trust)

11. Ms Ng Kiat

Executive Director and Chief Executive Officer

Ms Ng Kiat is an Executive Director and Chief Executive Officer of the Manager. Prior to this appointment in July 2012, Ms Ng was Chief Investment Officer, Southeast Asia of the Sponsor where she was responsible for managing the acquisitions, development and operations of the Sponsor's investment portfolio in the region.

Ms Ng has over 20 years of experience in real estate and investment. Prior to joining the Sponsor in 2007, she was with Temasek Holdings (Private) Limited for five years managing private equity fund investments. Preceding that, Ms Ng was Vice President at the Capitaland group where she was responsible for real estate investments and cross-border mergers and acquisitions activities in Southeast Asia and Europe.

Ms Ng was awarded the Singapore Technologies scholarships for her undergraduate and postgraduate studies at Imperial College of Science and Technology, University of London, where she graduated with Masters in Engineering (First Class Honours) in Aeronautical Engineering.

Past Directorships on Listed Entities over the last three years:
Nil.

Overview
Management Team

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1. Ms Ng Kiat
Chief Executive Officer

Ms Ng Kiat is an Executive Director and CEO of the Manager. Please refer to her profile under the Board of Directors section of this Annual Report on page 23.

2. Ms Charmaine Lum
Chief Financial Officer

Ms Charmaine Lum is responsible for financial reporting, budgeting, treasury and taxation matters.

Ms Lum has more than 20 years of auditing, financial and management reporting experience, with the last 14 years in the Mapletree Group. Prior to joining the Manager, Ms Lum was the Director of Finance at Mapletree Industrial Trust Management Ltd. (the manager of Mapletree Industrial Trust) where she had supported the business in various financial management functions, including corporate reporting, management accounting, tax planning and capital management, since 2010.

Ms Lum holds a Bachelor of Accountancy from Nanyang Technological University and is a Chartered Accountant of the Institute of Singapore Chartered Accountants.

3. Ms Jean Kam
Head, Asset Management

Ms Jean Kam is responsible for overseeing the operational and asset performance of MLT's portfolio of properties across the eight geographic markets.

Ms Kam has over 20 years of experience in the real estate industry covering investment, asset management, marketing and leasing of industrial facilities in Singapore. She has been with the Singapore logistics team since September 2007. Prior to joining the Manager, Ms Kam began her career with JTC Corporation, where she was involved in the development, marketing and lease management of JTC's industrial facilities for 10 years.

Ms Kam holds a Bachelor of Science (Estate Management) (Second Upper Class Honours) from the National University of Singapore.

4. Ms Fion Ng
Head, Investment

Ms Fion Ng is responsible for sourcing and evaluating acquisition opportunities for MLT, including markets where MLT does not have a presence.

Ms Ng has over 15 years of experience in the real estate industry. She started her career in JTC Corporation before moving on to Ascendas Land where her main duty was to review business development opportunities including bid submissions and manage development projects in Singapore. Ms Ng has been with the Manager's investment team since 2013 and was previously responsible for reviewing investment opportunities in Japan, China, Malaysia and Vietnam.

Ms Ng holds a Bachelor of Science (Real Estate) (Second Upper Class Honours) from the National University of Singapore and a Master of Business Administration (Finance) from Nanyang Business School.

5. Ms Sandra Chia
Director, Finance

Ms Sandra Chia is responsible for financial and management reporting, finance operations and tax matters.

Ms Chia has more than 20 years of experience in accounting, finance, budgeting, tax, compliance and reporting. Prior to joining the Manager, Ms Chia was the Vice President, Finance at FEO Hospitality Asset Management Pte Ltd (the Manager of Far East Hospitality Trust) and had held various positions with Ascendas Property Fund Trustee Pte Ltd (the trustee-manager of Ascendas India Trust), Equinix Asia Pacific Pte Ltd and Acma Ltd.

Ms Chia holds an ACCA professional qualification. She is also a non-practising member of the Institute of Singapore Chartered Accountants.

6. Ms Khoo Geng Foong
Vice President, Treasury

Ms Khoo Geng Foong is responsible for MLT's treasury and capital management functions.

Ms Khoo has more than 10 years of experience in corporate finance, equity fund raising, capital market transactions and handling complex investment structures across various countries. Prior to joining the Manager, she spent five years as an auditor at KPMG Malaysia where she covered various industries and was also involved in due diligence work.

Ms Khoo holds a Bachelor of Science (Applied Accounting) from Oxford Brookes University, United Kingdom. She is a Fellow Member of the Association of Chartered Certified Accountants, United Kingdom (FCCA).

7. Ms Lum Yuen May
Director, Investor Relations

Ms Lum Yuen May is responsible for maintaining timely and transparent communications with MLT's Unitholders, investors, analysts and the media.

Ms Lum has over 20 years of experience in investor relations, capital markets and research. Prior to joining the Manager, she spent five years as an equity research analyst and 10 years managing investor relations at various SGX-ST listed companies, including a real estate investment trust.

Ms Lum holds a Bachelor of Economics (Second Upper Class Honours) from Monash University and a Master of Business Administration from the National University of Singapore.

Overview
Management Team

8. Mr James Sung
Head, International Marketing

Mr James Sung is responsible for driving client relationship management and business development with MLT's global and regional customers to expand MLT's footprint and key customer base.

Mr Sung has over 20 years of experience in business development, customer relationship management and sales in the real estate, logistics and air cargo industries. Prior to joining the Manager, Mr Sung spent five years in Shanghai as Managing Director of Exel China's global forwarding unit, and subsequently as Managing Director of TCI, a major Chinese international airfreight consolidator. Prior to that, he was Exel Singapore's General Manager for Business Development and Sales Manager at Singapore Airlines Cargo.

Mr Sung holds a Bachelor of Science (Physics) (Second Upper Class Honours) from the University of Canterbury, New Zealand and a Master of Business Administration (Banking and Finance) from Nanyang Business School.

9. Mr Victor Liu
Head, Technical Services

Mr Victor Liu is responsible for overseeing the daily operations, technical services, tenancy and other related supporting services for assets managed by the Manager.

Mr Liu has more than 30 years of experience in the construction and real estate industries in the region. He has been with the Manager since November 2012 and was formerly General Manager, Vietnam, where he was responsible for sourcing and evaluating business opportunities for MLT as well as managing the existing assets in Vietnam. Prior to joining the Manager, he was with the Sponsor (since April 2008) and was based in Vietnam where he was involved in various development projects including the development of logistics parks in Binh Duong and Bac Ninh.

Mr Liu holds a Bachelor of Applied Science in Civil Engineering from University of Ottawa, Canada and a Master Degree in Construction Engineering and Management from Asian Institute of Technology, Thailand.

10. Mr Marc Lucas
General Manager, Australia

Mr Marc Lucas is responsible for sourcing and evaluating acquisition opportunities for MLT as well as managing the existing assets in Australia.

Mr Lucas has over 15 years of professional experience in real estate within the Australian market. Prior to joining the Manager in 2017, Mr Lucas was working with Woolworths Group where his main duty was to review and manage development opportunities. Mr Lucas also has a background in Asset Management working for Mirvac and Australian Property Growth Fund.

Mr Lucas holds a Master of Property Development from the University of Technology Sydney and is a licenced Valuer.

11. Mr Edward Chen
General Manager, China

Mr Edward Chen is responsible for the overall management of MLT's logistics assets in China.

Mr Chen has over 16 years of professional experience in real estate within the China market. He started his appointment with the Manager in February 2015 as Asset Manager of the China logistics team.

Prior to joining the Manager, Mr Chen was Senior Manager of Asset Management of the Real Estate Group with CITIC Capital. Prior to that, he was Asset Manager of the Property and Facility Management with Bank of East Asia (China).

Mr Chen holds a Bachelor of Economics from the Shanghai University of Finance and Economics (China).

12. Mr David Won
General Manager, Hong Kong SAR

Mr David Won is responsible for sourcing and evaluating acquisition opportunities for MLT as well as managing the existing assets in Hong Kong SAR.

Prior to his appointment as General Manager, Hong Kong SAR in October 2011, Mr Won was Head of Investment and Asset Management of the Hong Kong SAR logistics team since April 2010. He started his appointment with the Manager in May 2006 as Finance Manager of the Hong Kong SAR logistics team. Prior to joining the Manager, Mr Won was Assistant Manager of Budgetary and Forecasting with the Hong Kong Housing Authority.

Mr Won holds a Bachelor of Commerce (Accountancy) from the University of Wollongong (Australia) and a Master of Business Administration from the Australian Graduate School of Management. He is also a Fellow Member of the Hong Kong Institute of Certified Public Accountants and a Member of the CPA (Australia).

13. Ms Yuko Shimazu

General Manager, Japan

Ms Yuko Shimazu is responsible for managing the existing assets in Japan as well as establishing business relationship with Japanese customers for off-shore opportunities for MLT.

Ms Shimazu has been in the real estate industry for more than 20 years. She started her career in CB Richard Ellis before moving on to Colliers, where she gained extensive market and industry knowledge nationwide, providing real estate consultancy and leasing services to foreign capital companies. Her other real estate business experience includes asset management of hotel and retail properties with Panorama Hospitality, a subsidiary of the Morgan Stanley group.

Ms Shimazu has the national qualification of real estate transaction called Real Estate Notary.

14. Mr Shankar Arasaratnam

General Manager, Malaysia

Mr Shankar Arasaratnam is responsible for sourcing and evaluating acquisition opportunities for MLT as well as managing the existing assets in Malaysia.

Mr Shankar has more than 18 years of working experience in the real estate industry. Prior to joining the Manager in August 2017, he was with Sunway REIT Management Sdn Bhd as Investment and Business Development Manager and was responsible for developing investment strategies and growing the portfolio through strategic acquisitions. Prior to that, he was with Ravindra Dass Property Services as a General Manager and Head of Business Development and Strategic Planning.

Mr Shankar holds a Bachelor of Engineering (Electrical & Electronics) (Honours) from The Nottingham Trent University, United Kingdom.

15. Ms Chua Hwee Ling

General Manager, Singapore

Ms Chua Hwee Ling is responsible for overseeing the operational and asset performance of MLT's property portfolio in Singapore.

Ms Chua has over 20 years of experience in the real estate industry covering asset management, marketing and leasing of mostly industrial facilities. She started her career in the Housing & Development Board (HDB) before moving on to Tuan Sing Holdings Ltd and subsequently Ascendas Services Pte Ltd. She has been with the Manager since September 2007, where in addition to Singapore, she has also previously covered Vietnam, Malaysia and Australia in the areas of asset management and marketing.

Ms Chua holds a Bachelor of Science (Estate Management) (Second Lower Class Honours) from the National University of Singapore.

16. Mr Jacob Chung

General Manager, South Korea

Mr Jacob Chung is responsible for sourcing and evaluating acquisition opportunities for MLT as well as managing the existing assets in South Korea.

Mr Chung has over 28 years of professional experience in real estate with various companies. Prior to joining the Manager in 2013, Mr Chung was Vice President of SK Networks where his main duty was to review development opportunities and implement real estate liquidation plan.

Mr Chung started his career as a town planner in 1992 in Korea and has also held various positions in companies including Samsung C&T, CBRE, LG S&I, Pacific Star & PS Asset Management.

Mr Chung holds a Bachelor of Engineering (Urban Engineering) from Hanyang University in Korea and a Master of Environmental Planning from the Arizona State University (U.S.A).

17. Mr Bui Anh Tuan

General Manager, Vietnam

Mr Bui Anh Tuan is responsible for sourcing and evaluating acquisition opportunities for MLT as well as managing the existing assets in Vietnam.

Mr Anh Tuan has over 15 years of professional experience in real estate with various companies. Prior to joining the Manager in 2017, he was the Associate Director of DTZ Debenham Tie Leung where he was in charge of the company's business development and expansion in North Vietnam. Mr Anh Tuan started his career in real estate as a Manager of Business Development and Assets Management in 2003 with the Ascott Group in Vietnam. Since then, he has held several senior positions mainly in investment and business development for both local and international corporations such as Sunway Group, NC Group and Colliers International.

Mr Anh Tuan holds a Bachelor in Business Management from the Vietnam University of Commerce and a Master of Business Administration from Columbia Southern University (U.S.A). He is also a professional member of the Royal Institution of Chartered Surveyors (RICS).

Overview
Management Team

CORPORATE SERVICES TEAM

18. Mr Wan Kwong Weng
Joint Company Secretary

Mr Wan Kwong Weng is the Joint Company Secretary of the Manager as well as the other three Mapletree REIT managers, and concurrently Group Chief Corporate Officer of the Sponsor, where he is responsible for all legal, compliance and corporate secretarial matters, as well as corporate communications, human resource and administration matters across all business units and countries. In addition, Mr Wan is Secretary and Member of the Singapore Management University Real Estate Programme Advisory Board.

Prior to joining the Sponsor, Mr Wan was Group General Counsel – Asia at Infineon Technologies for seven years, where he was a key member of its Asia-Pacific management team. He started his career as a litigation lawyer with one of the oldest law firms of Singapore, Wee Swee Teow & Co., and was subsequently with the Corporate & Commercial/Private Equity practice group of Baker & McKenzie in Singapore and Sydney.

Mr Wan has an LL.B. (Honours) (Newcastle upon Tyne), where he was conferred the Wise Speke Prize, as well as an LL.M. (Merit) (London). He also attended the London Business School Senior Executive Programme. He is called to the Singapore Bar, where he was awarded the Justice FA Chua Memorial Prize, and is also the Rolls of Solicitors (England & Wales). Mr Wan was conferred the Public Service Medal (P.B.M.) in 2012 and Public Service Star (B.B.M.) in 2017 for his contributions to Central Singapore CDC.

19. Ms See Hui Hui
Joint Company Secretary

Ms See Hui Hui is the Joint Company Secretary of the Manager, as well as the Director, Legal of the Sponsor.

Prior to joining the Sponsor in 2010, Ms See was in the Corporate/Mergers & Acquisitions practice group of Wong Partnership LLP, one of the leading law firms in Singapore. She started her career as a litigation lawyer with Tan Kok Quan Partnership.

Ms See holds an LL.B. (Honours) from the National University of Singapore, and is admitted to the Singapore Bar.

PROPERTY MANAGEMENT TEAM

20. Mr Tan Wee Seng
Group Chief Development Officer of the Sponsor

Mr Tan is in charge of the Group Development Management unit where he oversees the execution of all development projects, including asset enhancement initiatives undertaken within the Mapletree Group across all business units and countries.

Prior to joining Mapletree in 2012, he spent 18 years with Lendlease Group in various senior positions. Mr Tan has over 30 years of design, project/construction management experience in the industrial, logistics, pharmaceutical, telecommunications, institutional, retail, hospitality and commercial sectors across different geographies.

21. Mr Foo Say Chiang
Head, Group Property Management of the Sponsor

Mr Foo oversees the daily operations, technical services, tenancy and other related supporting services like procurement for the assets under the Sponsor.

Mr Foo has more than 30 years of estate and asset management experience. Prior to joining the Sponsor, he held the position of Senior Vice President, Property Management with Marina Properties Pte Ltd, which provided property management and maintenance services to Pontiac Land Group's properties. In that role, he was responsible for the company's operational and financial performance. Before Marina Properties Pte Ltd, he was the General Manager of EM Services Pte Ltd, providing township management services to the East Coast and Tanjong Pagar Town Councils.

Under the auspices of the Colombo Plan, Mr Foo graduated from the University of Auckland with a Diploma in Valuation (Honours). He also holds a Master of Business Administration degree from Heriot-Watt University (United Kingdom) and is qualified as a Registered Valuer in New Zealand.

Performance
Financial Review

Statements of Profit or Loss	GROUP 12 mths ended 31 Mar 2020 (S$'000)	12 mths ended 31 Mar 2019 (S$'000)	Increase/ (Decrease) %
Gross revenue	490,777	454,263	8.0
Property expenses	(52,233)	(64,797)	(19.4)
Net property income	**438,544**	**389,466**	**12.6**
Interest income	9,816	8,670	13.2
Manager's management fees	(54,796)	(49,804)	10.0
Trustee's fee	(1,103)	(1,018)	8.3
Other trust expenses, net	(5,168)	(15,014)	(65.6)
Borrowing costs	(82,830)	(72,544)	14.2
Net investment income	**304,463**	**259,756**	**17.2**
Share of results of joint ventures	**5,235**	**(1,546)**	**NM**
Amount distributable	**318,773**[1]	**287,048**[2]	**11.1**
- To Perpetual securities holders	17,067	17,020	0.3
- To Unitholders of MLT	301,706	270,028	11.7
Available distribution per unit (cents)	**8.142**	**7.941**	**2.5**

Notes:

1 This includes full distribution of written back provision of capital gain tax for 134 Joo Seng Road and 20 Tampines Street 92 of S$513,000 per quarter (for 4 quarters from 1Q FY19/20) and 20 Old Toh Tuck Road of S$387,000 and partial distribution of the gains from the divestments of Mapletree Waigaoqiao Logistics Park of S$1,799,000 per quarter (for 12 quarters from 3Q FY19/20), 5 properties in Japan of S$990,000 per quarter (for 8 quarters from 1Q FY19/20), 531 Bukit Batok Street 23 of S$379,000 per quarter (for 4 quarters from 3Q FY18/19), 7 Tai Seng Drive of S$1,924,000 per quarter (for 12 quarters from 1Q FY18/19) and 4 Toh Tuck Link of S$322,000 per quarter (for 8 quarters from 2Q FY17/18).

2 This includes partial distribution of the gains from the divestments of 531 Bukit Batok Street 23 of S$379,000 per quarter (for 4 quarters from 3Q FY18/19), 7 Tai Seng Drive of S$1,924,000 per quarter (for 12 quarters from 1Q FY18/19), 4 Toh Tuck Link of S$322,000 per quarter (for 8 quarters from 2Q FY17/18) and Zama Centre and Shiroishi Centre of S$466,000 per quarter (for 6 quarters from 2Q FY17/18).

Percentage of Total Operating Expenses to Net Assets

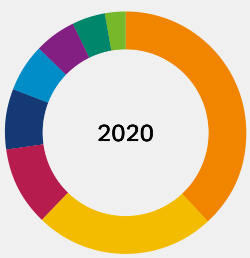
	FY19/20	FY18/19
Total operating expenses, including all fees, charges and reimbursables paid to the manager and interested parties[3] (S$'000)	114,196	120,917
Net Assets[4] (S$'000)	5,017,491	4,667,188
Percentage of total operating expenses to Net Assets (%)	2.3%	2.6%

Notes:

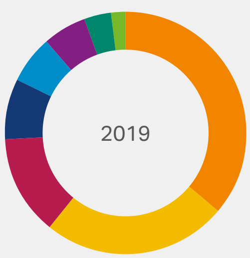
3 Excludes net foreign exchange gain or loss and borrowing costs. Including the land rent expense paid during the year which has been reclassified as borrowing costs arising from SFRS(I) 16, the percentage of total operating expenses to net assets is 2.5%.

4 Net assets as at 31 March 2020 and 31 March 2019 respectively.

Gross Revenue (12 months ended 31 March)

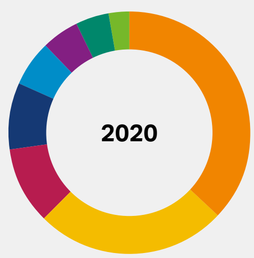


Singapore	38.2%
Hong Kong SAR	24.1%
Japan	10.6%
Australia	8.1%
South Korea	6.3%
China	5.5%
Malaysia	4.5%
Vietnam	2.7%

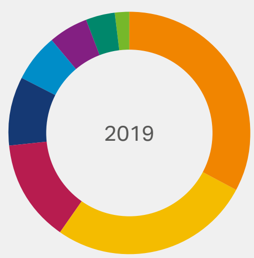


Singapore	36.2%
Hong Kong SAR	24.7%
Japan	13.4%
Australia	8.1%
South Korea	6.3%
China	5.8%
Malaysia	3.8%
Vietnam	1.7%

Net Property Income (12 months ended 31 March)



Singapore	37.2%
Hong Kong SAR	25.3%
Japan	10.4%
Australia	8.8%
South Korea	6.1%
China	5.0%
Malaysia	4.5%
Vietnam	2.7%



Singapore	32.8%
Hong Kong SAR	27.1%
Japan	13.6%
Australia	9.1%
South Korea	6.4%
China	5.4%
Malaysia	3.9%
Vietnam	1.7%

Performance
Financial Review

Gross Revenue

Gross revenue for FY19/20 was S$490.8 million, an increase of S$36.5 million or 8.0% year-on-year ("y-o-y"). The increase was mainly attributed to higher revenue from existing properties, full year contributions from the completed redevelopment of Mapletree Ouluo Logistics Park Phase 1 in China and accretive acquisitions.

These acquisitions include two properties in Vietnam (Mapletree Logistics Park Phase 1 and Mapletree Logistics Park Bac Ninh Phase 2), one property each in Malaysia (Mapletree Logistics Hub – Shah Alam), South Korea (Mapletree Logistics Centre – Hobeob 2) and Japan (Mapletree Kobe Logistics Centre) acquired in FY19/20, as well as full-year contribution from acquisitions in FY18/19. The properties acquired in FY18/19 were five properties in Singapore (4 Pandan Avenue, 52 Tanjong Penjuru, 6 Fishery Port Road, 5A Toh Guan Road East, 38 Tanjong Penjuru), one property in Australia (Coles Brisbane Distribution Centre), one property in South Korea (Mapletree Logistics Centre – Wonsam 1) and one property in Vietnam (Unilever VSIP Distribution Centre).

Overall revenue growth was partly offset by the absence of contribution from the divestments of five properties in Japan (Gyoda Centre, Iwatsuki B Centre, Atsugi Centre, Iruma Centre and Mokurenji Centre) and one property in China (Mapletree Waigaoqiao Logistics Park). Weaker currencies, mainly the Australian Dollar, Korean Won and Chinese Renminbi also impacted revenue growth.

Property Expenses

Property expenses for FY19/20 amounted to S$52.2 million, a decrease of S$12.6 million or 19.4% y-o-y, largely due to exclusion of land rent expenses arising from the adoption of Singapore Financial Reporting Standards (International) 16 *Leases* ("SFRS(I) 16") effective from 1 April 2019, and absence of expenses in relation to divested properties completed in FY19/20. The decrease was partly offset by higher property expenses attributable to acquisitions completed in FY19/20 and FY18/19.

Gross Revenue by Market

	FY19/20 (S$'000)	FY18/19 (S$'000)	Change (%)
Singapore	187,619	164,259	14.2
Hong Kong SAR	118,437	112,095	5.7
Japan	52,136	60,833	(14.3)
Australia	39,662	36,899	7.5
South Korea	30,695	28,846	6.4
China	27,060	26,499	2.1
Malaysia	22,044	17,302	27.4
Vietnam	13,124	7,530	74.3
MLT Group	**490,777**	**454,263**	**8.0**

MLT's 50% interest in joint ventures' gross revenue is shown below for information:

	FY19/20 (S$'000)	FY18/19 (S$'000)	Change (%)
China's Joint Ventures	24,431	18,581	31.5

Net Property Income by Market

	FY19/20 (S$'000)	FY18/19 (S$'000)	Change (%)
Singapore	163,071	127,624	27.8
Hong Kong SAR	110,794	105,530	5.0
Japan	45,770	53,042	(13.7)
Australia	38,384	35,230	9.0
South Korea	26,965	25,018	7.8
China	21,764	21,142	2.9
Malaysia	19,956	15,281	30.6
Vietnam	11,840	6,599	79.4
MLT Group	**438,544**	**389,466**	**12.6**

MLT's 50% interest in joint ventures' net property income is shown below for information:

	FY19/20 (S$'000)	FY18/19 (S$'000)	Change (%)
China's Joint Ventures	19,177	14,566	31.7

Net Property Income

Consequently, net property income ("NPI") for FY19/20 was S$438.5 million, an increase of S$49.1 million or 12.6% y-o-y. Singapore remained the largest contributor, accounting for 37.2% of NPI, followed by Hong Kong SAR and Japan, which accounted for 25.3% and 10.4% of NPI respectively.

Net Investment Income

Borrowing costs increased by S$10.3 million or 14.2% to S$82.8 million. This was mainly attributable to incremental borrowings to fund acquisitions and recognition of interest expense on lease liabilities arising from the adoption of SFRS(I) 16, partly offset by lower borrowing costs from loans which had been partially repaid with proceeds from divestments.

After accounting for the Manager's management fees and other trust expenses, which include unrealised foreign exchange loss mainly due to the revaluation of foreign currency receivable and borrowings denominated in Chinese Renminbi and US Dollar, net investment income increased by S$44.7 million or 17.2% to S$304.5 million.

Share of Results of Joint Ventures

In FY19/20, MLT acquired a 50% interest in four joint ventures, each of which indirectly owns a logistics property located in China. Consequently, as at 31 March 2020, MLT has a 50.0% interest in 15 joint ventures, each of which indirectly owns a logistics property located in China. The results of the joint ventures were equity accounted for at the Group level. Share of joint ventures profit was S$5.2 million, mainly attributed to fair value gain on investment properties (net of deferred tax). Collectively, total contribution from joint ventures amounted to S$15.1 million, comprising share of interest income from shareholders' loan of S$9.1 million, rent free reimbursement of S$0.8 million included in other trust expenses and share of profit of S$5.2 million.

Distributions to Unitholders

Amount distributable to Unitholders of MLT was S$301.7 million, an increase of S$31.7 million or 11.7% y-o-y largely due to higher contributions from existing properties, acquisitions and distribution of divestment gains (refer to page 29 footnote). The overall increase was partly offset by the absence of contributions from divested properties and higher borrowing costs.

During FY19/20, MLT issued 177,938,083 new units in respect of the private placement announced on 22 October 2019, the distribution reinvestment plan ("DRP"), and payment of management fees, acquisition fees and disposal fees to the Manager and Property Manager.

Distributions to Unitholders

	FY19/20 ('000)	FY18/19 ('000)
Units in issue at beginning of the year	3,622,335	3,058,168
New units issued:		
Distribution Reinvestment Plan	9,617	59,832
Settlement of acquisition fees	841	855
Settlement of disposal fees	187	279
Settlement of management fees	12,686	9,492
Private placement	154,608	493,709
Total issued units at end of the year	**3,800,274**	**3,622,335**

After taking into account the enlarged issued unit base, which increased 4.9% y-o-y mainly due to the private placement, distribution per unit ("DPU") increased by 2.5% y-o-y to 8.142 cents.

A breakdown of the Unitholders' DPU by quarter for FY19/20 as compared to FY18/19 is as follows:

Quaterly DPU (cents)	1Q (1 Apr to 30 Jun)	2Q (1 Jul to 30 Sep)	3Q (1 Oct to 31 Dec)	4Q (1 Jan to 31 Mar)	Total
FY19/20	2.025	2.025	2.044	2.048	8.142
FY18/19	1.957	1.958	2.002	2.024	7.941
% Change y-o-y	3.5%	3.4%	2.1%	1.2%	2.5%

1Q

In 1Q FY19/20, DPU was 3.5% higher compared to the same quarter in prior year. The increase was mainly due to contributions from the completed redevelopment of Mapletree Ouluo Logistic Park Phase 1 in China and FY18/19 acquisitions in Singapore, Australia, South Korea and Vietnam. Overall growth was partly offset by absence of contributions from five properties divested in April 2019 and two properties divested in FY18/19, as well as higher borrowing costs incurred to fund acquisitions completed in 3Q FY18/19.

2Q

In 2Q FY19/20, DPU rose by 3.4% y-o-y, with a performance similar to 1Q FY19/20.

3Q

In 3Q FY19/20, DPU increased by 2.1% y-o-y. The increase was mainly due to higher NPI from existing properties, initial contributions from two properties in Vietnam and one property in Malaysia acquired in 3Q FY19/20 and contributions from acquisitions completed in FY18/19. The growth was partly offset by absence of contributions from five properties divested in 1Q FY19/20.

4Q

4Q FY19/20 DPU increased by 1.2% y-o-y due to full quarter contributions from acquisitions completed in 3Q FY19/20 and initial contributions from two properties in South Korea and Japan acquired in 4Q FY19/20, partly offset by absence of contributions from six properties divested in FY19/20 and higher borrowing costs from additional loans drawn to fund FY19/20 acquisitions.

Performance
Financial Review

As at 31 March 2020, total assets for MLT Group were S$9,051.4 million, S$973.0 million or 12.0% higher compared to S$8,078.3 million as at 31 March 2019. The increase was primarily attributable to the acquisitions of five properties in Vietnam, Malaysia, South Korea and Japan, capital expenditure and recognition of right-of-use assets on land leases arising from the adoption SFRS(I) 16; and net increase in valuation of investment properties of S$116.7 million mainly from Hong Kong SAR. The investments in and shareholders' loans extended to four joint ventures acquired in 3Q FY19/20 had also contributed to the increase in total assets. The increase in total assets was partly offset by the divestment of five properties in Japan and one property in China. The total number of properties as at 31 March 2020 was 130[1] with a value of S$8,548.4 million.

Total liabilities of S$4,033.9 million was 18.3% or S$622.7 million higher y-o-y mainly due to an increase in borrowings and recognition of lease liabilities following the adoption of SFRS(I) 16. As at 31 March 2020, total borrowings stood at S$3,426.0 million[2], S$432.3 million or 14.4% higher y-o-y. The increased borrowings were used to fund the acquisitions in Malaysia, Vietnam, China, South Korea and Japan, ongoing redevelopment projects and capital expenditure, partly offset by partial repayment of loans with proceeds from divestment of five properties in Japan and one property in China.

As at 31 March 2020, MLT Group's net assets was S$4,580.2 million, representing an increase of 8.2% over the previous year. Net asset value per unit was S$1.21 as at 31 March 2020, an increase of 3.4% y-o-y.

Cash Flows

As at 31 March 2020, cash and cash equivalents of MLT Group stood at S$151.0 million, as compared to S$103.3 million as at 31 March 2019. Cash flows generated from operating activities was S$15.2 million or 4.3% higher, as a result of the better performance y-o-y. Cash flows used in investing activities were mainly for the purchase of investment properties and capital expenditure, acquisitions of subsidiaries and joint ventures, partly offset by the proceeds from divestment of investment properties. Net cash flows from financing activities were mainly proceeds from equity private placement and net bank borrowings, partly offset by distributions paid to Unitholders of MLT.

Accounting Policies

The financial statements have been prepared in accordance with the Singapore Financial Reporting Standards International ("SFRS(I)"), and the applicable requirements of the Code on Collective Investment Schemes ("CIS") issued by the Monetary Authority of Singapore ("MAS") and the provisions of the Trust Deed.

The MAS has granted the Group a waiver from compliance with the requirement under Paragraph 4.3 of Appendix 6 to the CIS to prepare its financial statements in accordance with the Singapore Financial Reporting Standards. The Group has adopted SFRS(I) for the financial year beginning 1 April 2018.

Net Assets Attributable to Unitholders

	GROUP		
	As at 31 March 2020 (S$'000)	As at 31 March 2019 (S$'000)	Change (%)
Total assets	9,051,373	8,078,336	12.0
Total liabilities	4,033,882	3,411,148	18.3
Total borrowings	3,425,955	2,993,672	14.4
Net assets attributable to Unitholders	4,580,231	4,231,731	8.2
Net asset value per Unit (S$)	1.21	1.17	3.4

Notes:

1 Including MLT's 50.0% interest of the joint ventures with Mapletree Investments Pte Ltd in a portfolio of 15 properties in China, MLT's total number of properties would be 145 with a total value of S$8,946.4 million, inclusive of right-of-use assets arising from the adoption of SFRS(I) 16.

2 Total borrowings including 50% interest of 15 joint venture borrowings were S$3,550.0 million.

Financial Performance for FY15/16 to FY18/19

FY18/19

In FY18/19, MLT further strengthened its portfolio with acquisitions of 19 modern logistics facilities in China, Singapore, Australia, South Korea and Vietnam. The addition of these new properties deepens MLT's presence in its core markets, as well as enhances the portfolio's quality and growth potential.

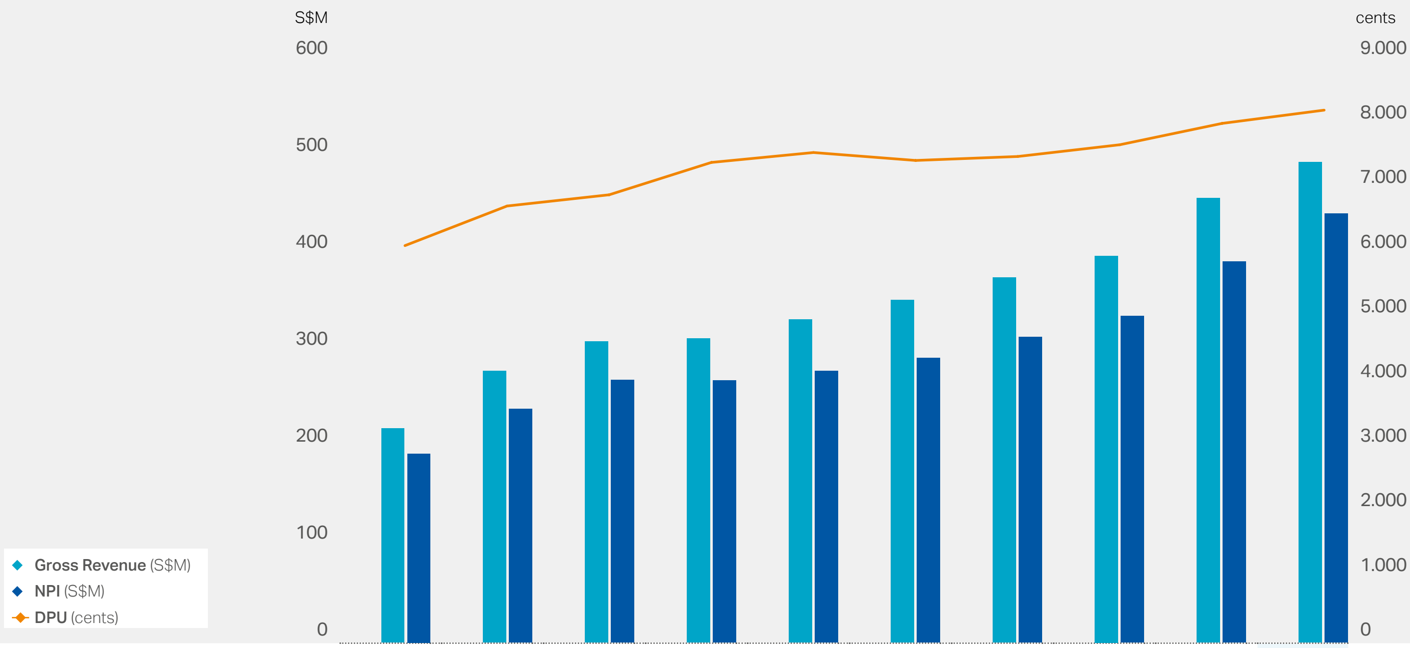
Gross revenue for FY18/19 was S$454.3 million, an increase of S$59.1 million or 15.0% y-o-y. The increase was mainly attributed to higher revenue from existing properties, contributions from two completed redevelopments (Mapletree Pioneer Logistics Hub in Singapore and Mapletree Ouluo Logistics Park Phase 1 in China), acquisitions in FY18/19 and full-year contribution from Hong Kong SAR properties acquired in FY17/18 (Mapletree Logistics Hub Tsing Yi and 38% of Shatin No. 3).

The revenue increase was partly offset by the absence of contribution from two divestments in Singapore during the year (7 Tai Seng Drive and 531 Bukit Batok Street 23) and four divestments in the prior year (Zama Centre and Shiroishi Centre in Japan, 4 Toh Tuck Link and 20 Old Toh Tuck Road in Singapore). Weaker currencies, mainly the Australian Dollar, also impacted revenue growth.

In tandem with the revenue increase, property expenses was S$3.5 million or 5.6% higher y-o-y, partly offset by divestments. Consequently, NPI for FY18/19 grew 16.7% or S$55.6 million.

Accordingly, amount distributable to Unitholders increased by 26.8% y-o-y to S$57.1 million. DPU increased by 4.2% to 7.941 cents, after accounting for an enlarged issued unit base following an equity fund raising exercise during the year.

10 Year Performance



	FY2010	FY11/12*	FY12/13	FY13/14	FY14/15	FY15/16	FY16/17	FY17/18	FY18/19	FY19/20
Gross Revenue (S$M)	218.9	277.3	307.8	310.7	330.1	349.9	373.1	395.2	454.3	490.8
NPI (S$M)	193.0	238.9	268.1	267.6	277.4	290.9	312.2	333.8	389.5	438.5
DPU (cents)	6.090	6.690	6.860	7.350	7.500	7.380	7.440	7.618	7.941	8.142

Note:

* This reflects the performance for the 12-month period from 1 April 2011 to 31 March 2012. For the 15-month period ended 31 March 2012 (due to a change in financial year-end from 31 December to 31 March), Gross Revenue, NPI and DPU were S$339.5 million, S$293.6 million and 8.240 cents respectively.

Performance
Financial Review

FY17/18

In FY17/18, MLT expanded its footprint in Hong Kong SAR, a high-growth market, with two acquisitions of quality and well-located assets. In line with its ongoing efforts to improve its portfolio quality and growth potential, MLT also completed its third redevelopment project, Mapletree Pioneer Logistics Hub, in Singapore.

Gross revenue for FY17/18 was S$395.2 million, an increase of S$22.0 million or 5.9% from FY16/17. The increase was mainly attributable to contribution from Mapletree Logistics Hub Tsing Yi, Hong Kong SAR which was acquired in FY17/18 and full-year contributions from three assets in Australia, Malaysia and Vietnam acquired in FY16/17. The completed redevelopment at Mapletree Pioneer Logistics Hub in Singapore and higher translated revenue on account of the stronger Korean Won and Australian Dollar had also added to revenue growth.

The overall growth was partly offset by lower revenue from a converted multi-tenanted building ("MTB") in South Korea (Mapletree Logistics Hub – Pyeongtaek), absence of revenue from one block in Ouluo Logistics Centre, China (currently known as Mapletree Ouluo Logistics Park) which was undergoing redevelopment, and four properties divested in FY17/18. A weaker Japanese Yen, Hong Kong Dollar and Malaysian Ringgit also impacted revenue growth.

In tandem with revenue growth, NPI was 6.9% or S$21.7 million higher compared to the previous year.

Accordingly, amount distributable to Unitholders increased by 14.4% y-o-y to S$212.9 million. DPU increased by 2.4% to 7.618 cents, after accounting for an enlarged issued unit base following an equity fund raising exercise during the year.

FY16/17

In FY16/17, MLT scaled up its presence in high growth markets in Australia, Malaysia and Vietnam through four accretive acquisitions. The year also saw a stabilisation in the performance of MTBs that were converted from single-user assets ("SUAs") in previous years.

Gross revenue for FY16/17 was S$373.1 million, an increase of S$23.2 million or 6.6% y-o-y. The increase was mainly due to contributions from ten properties acquired during FY16/17 (a portfolio of four properties in Sydney, Australia; Mapletree Shah Alam Logistics Park in Malaysia; Mapletree Logistics Park Phase 2 in Vietnam and a portfolio of four properties in Victoria, Australia) and full-year contributions from three properties acquired in FY15/16.

The higher revenue was also attributed to the completed redevelopment of Mapletree Logistics Hub Toh Guan, Singapore and building extension in Moriya Centre, Japan. A better performance from existing properties in Hong Kong SAR and MTBs converted in previous years coupled with higher translated revenue, mainly from a stronger Japanese Yen, further added to revenue growth.

The revenue growth was partly offset by the absence of contributions from two properties divested in FY15/16 and a property undergoing redevelopment. Lower revenue from certain properties in Singapore and South Korea impacted by transitional downtime and a weaker Chinese Renminbi also slowed revenue growth.

Consequently, NPI for FY16/17 was S$312.2 million, S$21.3 million or 7.3% higher than the previous year.

Amount distributable to Unitholders increased by 1.5% y-o-y to S$186.1 million while DPU grew 0.8% to 7.440 cents.

FY15/16

In FY15/16, MLT made its first acquisition in Australia, adding further geographic diversification for the Trust. The Singapore portfolio registered a weaker performance attributable to downtime caused by the conversions of SUAs to MTBs, as well as challenging market conditions due to excess supply.

Gross revenue for FY15/16 was S$349.9 million, an increase of S$19.8 million or 6.0% from FY14/15. The increase was mainly attributed to the contributions from Mapletree Logistics Centre – Hobeob 1 in South Korea, Mapletree Logistics Park Bac Ninh Phase 1 in Vietnam and Coles Chilled Distribution Centre in Australia which were all acquired during the year, full-year contributions from six properties acquired in FY14/15, stronger results from Hong Kong SAR and China, and higher translated revenue from a stronger Hong Kong Dollar.

The revenue increase was partly offset by lower revenue from Singapore due to downtime from converting SUAs to MTBs, loss of contributions from two divested properties and a property undergoing redevelopment, and the impact of a weaker Japanese Yen and Malaysian Ringgit.

Accordingly, NPI for FY15/16 was S$290.9 million, S$13.4 million or 4.8% higher than the previous year.

Amount distributable to Unitholders decreased by 0.9% y-o-y to S$183.3 million and DPU declined 1.6% to 7.380 cents. The results reflect the impact of a weaker performance in Singapore due to the SUA to MTB conversions, higher borrowing costs incurred for incremental borrowings to fund acquisitions and capital expenditure, partly offset by higher distribution of gains from divestments.

Capital Management

The Manager continues to adopt a prudent and disciplined approach in its capital management strategy to maintain a healthy balance sheet as well as diversified sources of funding. On an ongoing basis, besides working to achieve a balanced debt maturity profile and minimise funding cost, the Manager also actively monitors and manages its cash flow position to ensure sufficient liquidity and financial capacity, while mitigating the impact of interest rate and foreign exchange volatilities.

Strong Financial Resources

The Manager proactively secures funding from both financial institutions and capital markets. These sources allow the Manager to address refinancing requirements, support portfolio growth initiatives and working capital requirements.

This is evident from the S$1,386.8 million credit facilities procured and medium term notes ("MTNs")/bond issued during the year, with tenures of up to 8 years. Notably, a 6-year S$200.0 million sustainability-linked loan was secured in November 2019 for general working capital purpose. Designed with reference to MLT's rooftop solar installation programme for its logistics properties in Asia Pacific, this marked MLT's first foray into sustainable financing.

Key Financial Metrics and Indicators

	As at 31 March 2020	As at 31 March 2019
Total Borrowings (S$M)[1]	**3,550.0**[2]	3,090.3
Total Deferred Consideration (S$M)	**5.8**	3.0
Total Assets (S$M)[1]	**9,134.4**[2]	8,202.1
Aggregate Leverage (%)[1,3]	**39.3**[4]	37.7
	FY19/20	FY18/19
Average Cost of Debt (%)	**2.6**	2.6
EBITDA (S$M)[1]	**392.6**	350.7
Interest Expenses (S$M)[1]	**79.6**	74.7
Interest Cover Ratio (times)[1,5]	**4.9**	4.7

Notes:

1 Includes MLT's 50% interest of the joint ventures with Mapletree Investments Pte Ltd.

2 Total borrowings excluding joint venture borrowings is S$3,426.0 million. Total assets excluding joint venture assets is S$9,051.4 million.

3 In accordance with Property Fund Guidelines, the aggregate leverage ratio includes MLT's proportionate share of borrowings and deposited property values of the joint ventures.

4 In accordance with the Monetary Authority of Singapore guidance, the aggregate leverage ratio also includes lease liabilities that are entered into in the ordinary course of MLT's business and are in effect after 1 April 2019.

5 Ratio of EBITDA over interest expense for period up to balance sheet date.

Financial Resources and Liquidity

	As at 31 March 2020
Undrawn committed credit facilities (S$M)	733.7
Undrawn uncommitted credit facilities (S$M)	527.7
Total available credit facilities (S$M)[1]	1,261.4
Cash and cash equivalents (S$M)[1]	177.5
Total (S$M)	**1,438.9**
Issue Capacity under Euro Medium Term Notes Programme (S$M)	**2,820.0**

Note:

1 Includes MLT's 50% interest of the joint ventures with Mapletree Investments Pte Ltd.

As at 31 March 2020, MLT has available committed credit facilities of S$733.7 million. Together with available uncommitted credit facilities and cash, MLT is well positioned with S$1,438.9 million of financial resources and liquidity to capitalise on potential acquisition opportunities as well as withstand any liquidity crunch in the credit market that may arise.

MLT also has in place a S$3.0 billion Euro Medium Term Notes Programme that can be tapped for the issuance of MTNs and perpetual securities in various currencies. The Programme's available capacity currently stands at S$2,820.0 million.

Diversified Funding Channels

MLT enjoys continued access to different funding channels including bank borrowings, MTNs issuance and equity fund raising.

During the year, the Manager undertook several initiatives to strengthen MLT's balance sheet while diversifying sources of funding to fund MLT's acquisitions and capital expenditure on redevelopment and other building improvements totalling S$806.0 million.

In October 2019, the Manager launched a private placement of S$250.0 million to partly fund the acquisition of a portfolio of seven properties in Malaysia, Vietnam and China. Despite the issue price being fixed at a tight discount, the equity fund raising garnered strong participation from new and existing institutional, accredited and other investors, resulting in an order book that was over 13 times covered. Its success bears testament to investors' confidence in MLT.

In December 2019, MLT issued MYR450.0 million (approximately S$147.5 million) of 7-year fixed rate senior MTNs to part finance its Malaysia acquisition. These MTNs were issued pursuant to the MYR5.0 billion asset-backed securitisation programme newly set up by MLT's bankruptcy-remote special purpose vehicle incorporated in Malaysia.

In February 2020, MLT issued its first generally secured specified bond with principal amount of JPY8.0 billion (approximately S$101.2 million) due 2027 through its indirect wholly-owned subsidiary in Japan. The proceeds were utilised to partially fund its Japan acquisition and the bond is secured by the general statutory lien over the acquired Japan property.

Other than the proceeds from equity fund raising and issuance of MTNs/bond, capital from the divestment of six properties in Japan and China was also recycled into MLT's acquisitions and capital expenditure. Such divestments were conducted in the interest of MLT's unitholders after evaluating all viable options and

Performance
Capital Management

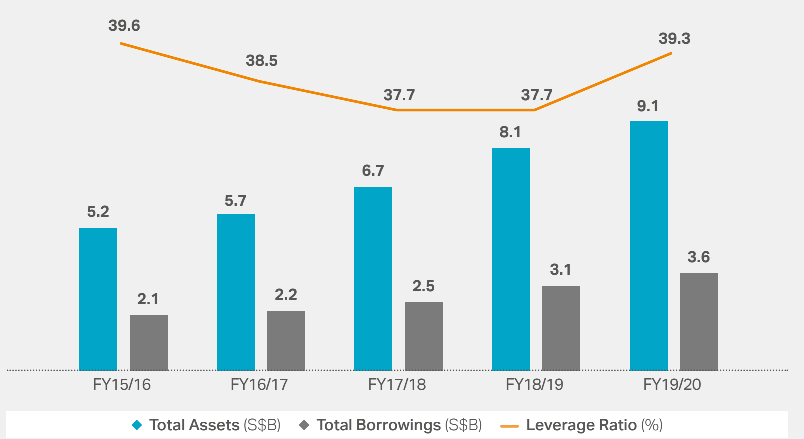
taking into consideration the properties' older warehouse specifications, limited future income growth and lack of redevelopment potential.

Additional bank loans were also drawn from new and existing credit facilities to fund the balance requirements from acquisitions and capital expenditure. Together with the MYR450.0 million (approximately S$147.5 million) MTNs and JPY8.0 billion (approximately S$101.2 million) bond issued, as well as S$95.9 million higher translated borrowings due to stronger HKD and JPY (partially offset by a weaker AUD), MLT's total debt increased by S$459.7 million from the prior year.

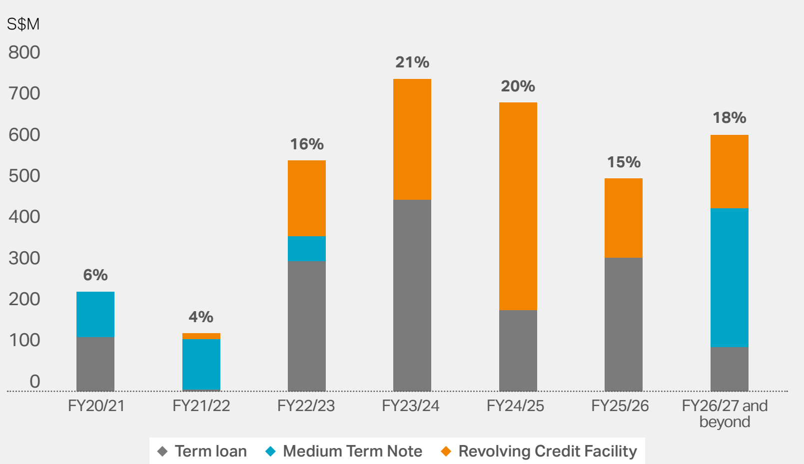
Aggregate Leverage Ratio Well Below Regulatory Limit

While the leverage ratio as at 31 March 2020 of 39.3% is above prior year's 37.7%, there is no material impact to MLT's risk profile and it is well below the regulatory limit of 50.0%[1]. At a leverage ratio of 39.3%, MLT has debt headroom of about S$944.9 million and S$1,952.8 million before the leverage ratio reaches 45.0% and 50.0%, respectively. The relatively large headroom provides for a greater flexibility for MLT to manage its capital structure. Total debt (including perpetual securities) to net asset value ratio and total debt (including perpetual securities) less cash and cash equivalent to net asset value ratio as at 31 March 2020 were 77.1% and 77.0% respectively.

Aggregate Leverage Ratio



Debt Maturity Profile as at 31 March 2020 (% of Total Debt)



No Refinancing Risk and Well Staggered Debt Maturity Profile

As part of its prudent capital management strategy, the Manager continues to actively explore refinancing of loans ahead of their maturities to extend MLT Group's debt maturity and mitigate refinancing risks. Debt due in the coming financial year amounts to S$242.3 million or 6% of total debt. Based on the available committed credit facilities of approximately S$733.7 million, MLT has more than sufficient facilities to meet its maturing debt obligations in the coming financial year.

MLT Group's debt maturity profile remains well staggered with a weighted average debt duration of approximately 4.1 years as at 31 March 2020. The Group's refinancing risk exposure in any one financial year is no more than 21% of total debt. About 90% of total debt are unsecured with minimal financial covenants.

Debt Maturity Profile as at 31 March 2020 (% of Total Debt)

	As at 31 March 2020
Total Borrowings (S$M)[2]	3,550.0
Average Debt Duration (years)	4.1

Credit Rating: Investment Grade

Moody's Investors Service ("Moody's") has affirmed MLT's long term corporate rating of Baa2 with a stable outlook on 8 May 2020 after taking into consideration the challenging global business climate arising from the COVID-19 outbreak. The rating reflects MLT's stable and recurring rental income from its diversified portfolio of logistics assets across eight markets within Asia Pacific and its excellent liquidity.

Moody's believes MLT's credit profile will remain resilient as the increased demand for logistics and warehouse space driven by third-party logistics, e-commerce and pharmaceutical companies will support occupancy rates and rental income. Additionally, MLT has minimal exposure to tenants in sectors severely affected by COVID-19, with around 10% of its revenue derived from such sectors, whereas over 30% is derived from tenants that provide essential consumer goods. Moody's also highlighted that MLT's ownership by its financially strong Sponsor, Mapletree Investments Pte Ltd, allows it to leverage the Sponsor's expertise, track record and strong network of relationship banks.

Notes:

1 The Monetary Authority of Singapore ("MAS") had on 16 April 2020 raised the leverage limit for real estate investment trusts listed on the Singapore Exchange from 45% to 50% (up to 31 December 2021) and deferred up to 1 January 2022, the requirement to have a minimum adjusted interest coverage ratio of 2.5 times before the leverage limit can be increased from the then prevailing 45% limit (up to a maximum of 50%).

2 Includes MLT's 50% interest of the joint ventures with Mapletree Investments Pte Ltd.

Prudent Hedging Strategies

In view of MLT's diversified geographic presence across eight regional markets, the Trust's operations is subject to various market risks, including foreign exchange rate and interest rate volatilities, amongst others. The Manager continues to employ various hedging strategies through the use of derivative financial instrument to mitigate the impact of foreign exchange rate and interest rate volatilities on distributable income.

Managing Interest Rate Risk

The average cost of debt for FY19/20 was 2.6% per annum while interest cover ratio stood at a healthy 4.9 times. MLT hedges its exposure to interest rate volatilities through interest rate swaps or draw its loans on fixed rate basis. With 77% of MLT's total debt being hedged into fixed rate, any movement in base interest rates will have minimal impact on interest expense.

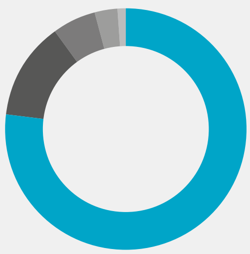
Sensitivity Analysis

A 0.25% movement in the base rate would have an estimated SGD 0.05 cents impact on DPU per annum.

Estimated DPU impact per annum (SGD cents)

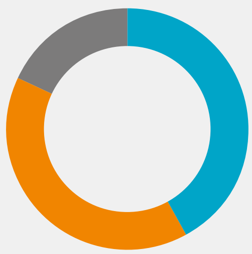
0.25% increase in interest rate	-0.05
0.25% decrease in interest rate	+0.05

Interest Rate Hedging Profile as at 31 March 2020



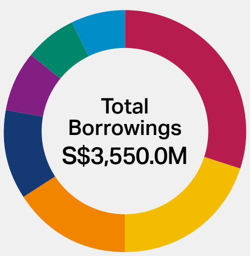
Hedged/Fixed Rate	77%
Unhedged	23%
Japan	13%
Singapore	6%
China	3%
Malaysia	1%

Foreign Exchange Rate Risk Management Profile as at 31 March 2020



Hedged (JPY, HKD, KRW, RMB, AUD, MYR)	42%
SGD	40%
Unhedged	18%

Debt Profile (Currency Breakdown) as at 31 March 2020



Currency	S$M	% of total debt
JPY	1,077	30%
HKD	687	20%
SGD	573	16%
AUD	421	12%
RMB	289	8%
MYR	247	7%
KRW	246	7%
USD	10	0%
Total	3,550[1]	100%

Note:
[1] Includes MLT's 50% interest of the joint ventures with Mapletree Investments Pte Ltd.

Managing Foreign Exchange Rate Risk

To mitigate the impact of foreign exchange rate risk, the Manager adopts various strategies that include:
- The use of foreign currency denominated borrowings to match the currency of the underlying assets as a natural hedge, where feasible, after taking into account cost, tax and other considerations;
- The use of cross currency swaps to swap a portion of debt in another currency into the currency of the underlying assets; and
- Entering into currency forward contracts to hedge the foreign currency income received or to be received into SGD.

As at 31 March 2020,
- About 82% of MLT's projected income stream for the next 12 months has been hedged into or will be derived in SGD.
- About 30% of MLT's loans were denominated in JPY, 54% in other foreign currencies such as HKD, AUD, RMB, KRW, USD and MYR, and the balance 16% in SGD.

Net Fair Value of Financial Derivatives

The fair value derivatives for FY19/20 included in the financial statements as derivative financial instruments in total assets and total liabilities were S$16.1 million and S$81.1 million, respectively. This represents a net derivative financial liabilities of S$65.0 million in MLT Group as at 31 March 2020.

Navigating through COVID-19

In this challenging market environment, the Manager remains committed to maintaining MLT's healthy credit profile and liquidity position.

This is demonstrated through MLT's robust balance sheet with healthy aggregate leverage ratio of 39.3% and long debt maturity profile of 4.1 years. The aggregate leverage ratio of 39.3% is considerably lower than the revised aggregate leverage limit of 50.0% set by the MAS, leaving a sufficiently large debt headroom for MLT to manage its capital structure.

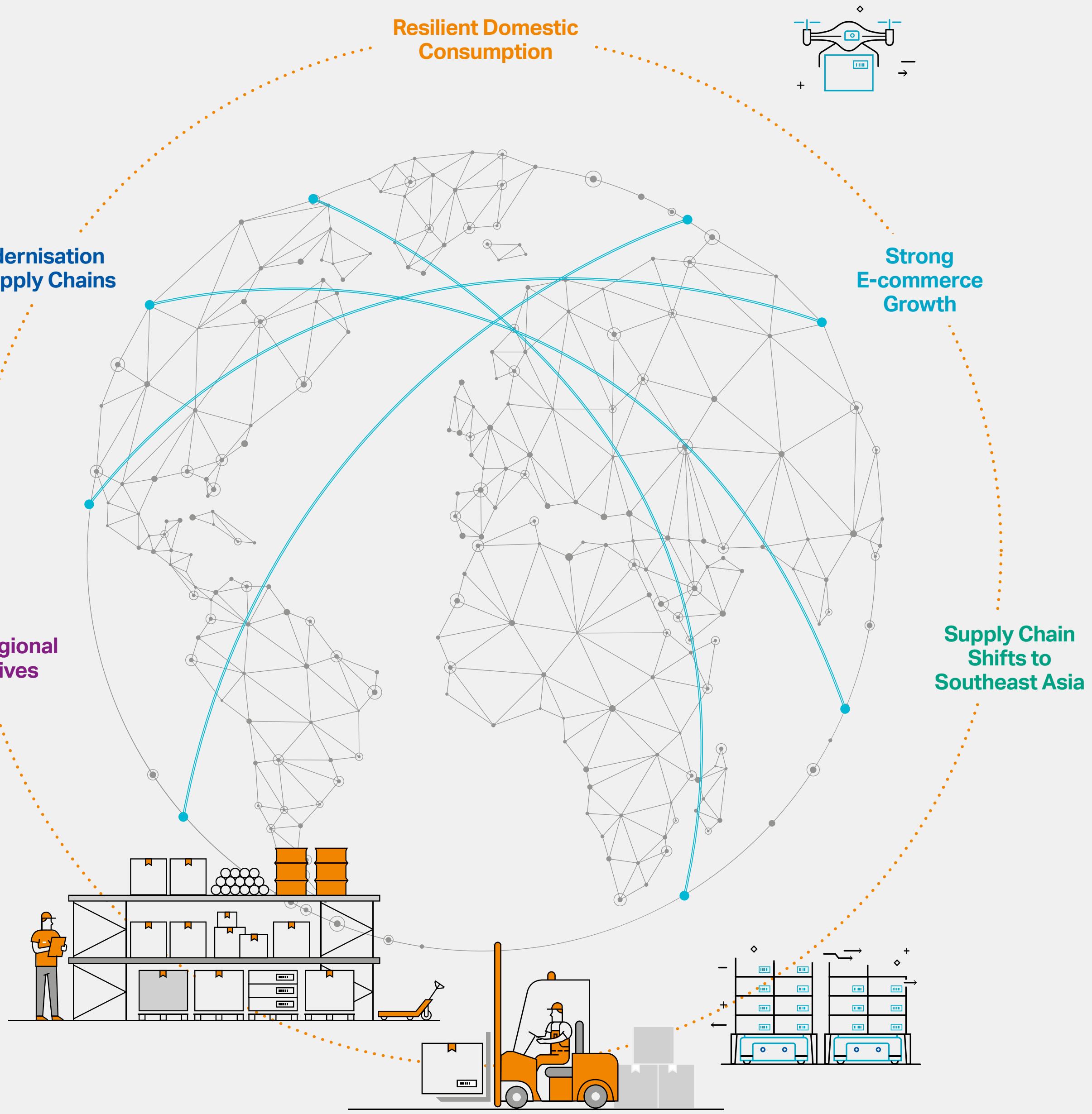
Debt due in the coming financial year amounts to S$242.3 million (or 6% of total debt). Based on the available committed credit facilities of S$733.7 million, MLT is in a good position to meet its financial obligations, with the financial flexibility to fund growth opportunities as they arise. Furthermore, MLT's ability to refinance its debt maturities ahead of time highlights its good track record of fund accessibility and established banking relationships.

The Manager will continue to remain vigilant and closely monitor any potential vulnerabilities to its capital management positions.

Performance

Megatrends

Understanding and addressing the issues which are most pertinent to the resilience of our business is critical to our long-term success.



Resilient Domestic Consumption

Domestic consumption in Asia is expected to remain resilient in the medium term, supported by growing populations, increasing urbanisation rates and a burgeoning middle class in some of the fastest-growing emerging market economies, such as Malaysia, Vietnam and China.

What it means for MLT

Rising affluence and the growing middle class have fuelled the demand for consumer goods, which in turn is driving demand for warehouse space. Domestic consumption remains one of the key demand drivers for MLT's business, with close to three quarters of our business derived from consumer-related sectors, such as food and beverage products, consumer staples and e-commerce.

Strong E-commerce Growth

Asia Pacific's e-commerce market is forecast to grow by 25% in 2019, representing 64% of global e-commerce spending[1]. The region is home to six of the top 10 fastest-growing e-commerce countries, including China, Malaysia and South Korea. Notably, the COVID-19 pandemic has accelerated e-commerce growth as more consumers become accustomed to online shopping.

What it means for MLT

The rapid rise of e-commerce has provided further impetus to the growth in demand for logistics space, particularly modern logistics properties in prime locations. With the ongoing efforts to rejuvenate the portfolio through acquisitions of modern properties and asset enhancement initiatives, MLT is in a strong position to meet the requirements of e-commerce tenants.

Modernisation of Supply Chains

Logistics operators are constantly looking towards extracting more efficiency from their supply chains as a competitive differentiator. Furthermore, e-commerce demands unprecedented levels of efficiency and speed of order fulfillment. The focus on greater supply chain efficiency has led to the increasing automation of warehouse operations which requires logistics facilities with modern specifications.

What it means for MLT

Modern warehouse specifications include features such as large floor plates, high ceilings, strong floor load, high power capacity and super-flat floors. However, the supply of modern logistics space in Asia Pacific is relatively limited, as compared to mature markets such as the U.S.. This presents a strategic opportunity for MLT to fill the market gap in these markets.

Global and Regional Trade Initiatives

The proliferation of regional and bi-lateral free trade agreements in Asia Pacific continue to boost cross border trade flows. Notably, the Regional Comprehensive Economic Partnership, representing the world's largest trading bloc by population and GDP, is slated to be signed in 2020.

What it means for MLT

Growing cross border trade and strong economic integration continue to open up opportunities for the logistics sector in Asia Pacific. MLT's extensive network of logistics facilities located across key transportation nodes in Asia Pacific provides a competitive advantage for the Trust. It supports our ability to deliver a broad range of regional leasing options for our customers as they expand regionally to capture growth opportunities.

Supply Chain Shifts to Southeast Asia

Huge trade diversion effects caused by the U.S.-China trade war and escalated by the COVID-19 outbreak are reshaping global supply chains. In a bid to diversify their supply base and build operational resilience, companies are looking beyond China to Southeast Asia as alternative manufacturing sites.

What it means for MLT

As manufacturers shift production to Southeast Asian countries, Vietnam and Malaysia have emerged as key beneficiaries due to their lower labour costs, presence of established manufacturing ecosystems and pro-investment policies. With a geographically diversified portfolio, including a strong presence in Vietnam and Malaysia, MLT is well-positioned to respond swiftly to tenants' evolving business needs driven by shifting supply chains.

Note:

[1] Global Ecommerce 2019, May 2019, eMarketer.

Performance

Portfolio Analysis and Review

Portfolio Highlights

5,049,412 sqm
Total Gross Floor Area

5,000,770 sqm
Total Net Lettable Area

98.0%
Portfolio Occupancy

145
Number of Properties

S$8.9B
Total Assets Under Management

69%
Tenant Retention

33%
of leased area accounted for by multi-location tenants

839,089 sqm
of leases renewed or replaced, representing a success rate of 93%

The figures, charts and tables presented in this section set out the salient information on MLT's portfolio as at 31 March 2020 and are inclusive of its 50% interest in 15 properties in China.

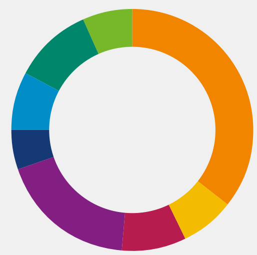
Portfolio Summary

MLT is a leading logistics space provider in Asia Pacific with a geographically diversified portfolio of 145 properties across eight markets – Singapore, Hong Kong SAR, Japan, China, Australia, South Korea, Malaysia and Vietnam. Located predominantly in key gateway cities or logistics hubs with direct access to large consumption markets, this extensive network of logistics facilities provides a key competitive advantage for MLT. It enables MLT to offer its customers a broad range of regional leasing options, as they expand regionally to capture growth opportunities presented by the large consumption markets.

Value Creation through Active Portfolio Management

MLT is committed to augmenting growth through disciplined acquisitions of quality, well-located assets that add scale and strategic value to the portfolio as well as asset enhancement initiatives that unlock and optimise value from our existing properties.

Geographical Breakdown (by NLA)



Singapore	35.6%
Hong Kong SAR	7.4%
Japan	8.4%
China	18.5%
Australia	5.3%
South Korea	7.8%
Malaysia	10.5%
Vietnam	6.5%

Acquisitions

In FY19/20, MLT acquired nine modern logistics facilities in Malaysia, Vietnam, China, South Korea and Japan with total value of S$752.8[1] million, as well as entered into a AUD18.4 million (S$16.7 million) forward purchase agreement for a Grade A warehouse facility in Australia.

The aforesaid acquisitions added 560,114 sqm of net lettable area ("NLA") in modern warehouse space and enhances MLT's geographic diversification. In FY19/20, total NLA of MLT's portfolio increased by 9.6% from 4.6 million sqm to 5.0 million sqm. Post-acquisitions, developed markets continue to account for the majority of MLT's portfolio, contributing approximately 84.4% and 83.2% to the enlarged portfolio's assets under management and gross revenue respectively.

Asset Enhancement Initiatives

The Manager remains committed to unlock value within its portfolio via asset enhancement initiatives. Phase two of the redevelopment of Mapletree Ouluo Logistics Park in Pudong New District, Shanghai, China is slated for completion in May 2020. The property is being rebuilt into a modern, two-storey ramp-up facility with a 2.4 times increase in gross floor area to 80,700 sqm.

Divestments

As part of its portfolio rejuvenation efforts, the Manager continually reviews the relevance and positioning of each property. Properties that are no longer relevant to customer's requirements are considered for redevelopment or divestment as a last resort. The divestments free up capital and provide the financial flexibility for MLT to pursue investments of higher-yielding, modern facilities. In FY19/20, the Manager divested five properties in Japan and one property in China.

> "We continue to stay focused on enhancing the resilience of our portfolio through active asset management and accretive acquisitions of high quality properties, while maintaining a strong financial position."

Note:

1 Represents the aggregate agreed property value for the acquisitions which differs from the total consideration paid. Total consideration paid for Vietnam and China acquisitions is comprised of the targeted entities' adjusted consolidated net asset value and shareholders' loan.

Acquisitions in FY19/20

Property	Country	Agreed Property Value	Acquisition Completion Date
50% interest in four properties[1]	China	RMB902.0 million[2] (S$180.1 million)	November 2019
Mapletree Logistics Park Bac Ninh Phase 2 and Mapletree Logistics Park Phase 1[1]	Vietnam	USD36.0 million[3] (S$49.9 million)	November 2019
Mapletree Logistics Hub – Shah Alam[1]	Malaysia	MYR826.0 million[4] (S$271.9 million)	December 2019
Mapletree Logistics Centre – Hobeob 2	South Korea	KRW35.8 billion[5] (S$41.2 million)	February 2020
Mapletree Kobe Logistics Centre	Japan	JPY22,200.0 million[6] (S$299.8 million)	February 2020
Warehouse in Truganina, Melbourne, Victoria[7]	Australia	AUD18.4 million (S$16.7 million)	By December 2020[8]

Notes:

1 The properties were acquired from Mapletree Investments Pte Ltd. The total acquisition fee paid in Units to the Manager for the acquisitions amounts to S$1.9 million, being 0.5% of the total acquisition price of S$382.6 million.

2 The agreed property value represents 100.0% interest in the four properties and a discount of approximately 3.9% and 3.7% to the independent valuations conducted by Cushman & Wakefield International Property Advisers (Shanghai) Co., Ltd (commissioned by the Trustee) and Knight Frank Petty Limited (commissioned by the Manager) respectively. Cushman & Wakefield International Property Advisers (Shanghai) Co., Ltd relied on the discounted cash flow approach and direct capitalisation approach and Knight Frank Petty Limited relied on the discounted cash flow approach and sales comparison approach.

3 The agreed property value represents a discount of approximately 3.0% and 3.4% to the independent valuations conducted by Jones Lang LaSalle Vietnam Company Limited (commissioned by the Trustee) and CBRE (Vietnam) Co., Ltd (commissioned by the Manager) respectively. Jones Lang LaSalle Vietnam Company Limited relied on the discounted cash flow approach and direct capitalisation approach and CBRE (Vietnam) Co., Ltd relied on the discounted cash flow approach, direct capitalisation approach, sales comparison approach and cost approach.

4 The agreed property value represents a discount of approximately 1.1% and 1.4% to the independent valuations conducted by Knight Frank Malaysia Sdn Bhd (commissioned by the Trustee) and First Pacific Valuers Property Consultants Sdn Bhd (commissioned by the Manager) respectively. Knight Frank Malaysia Sdn Bhd relied on the discounted cash flow approach and cost approach and First Pacific Valuers Property Consultants Sdn Bhd relied on the discounted cash flow approach, direct capitalisation approach and cost approach.

5 The property was acquired from DC Deokpyung LLC and was valued by an independent valuer, Colliers International (Hong Kong) Limited, at KRW38.7 billion based on the market approach, discounted cash flow method and direct capitalisation method. The acquisition fee paid in cash to the Manager amounts to KRW358 million, being 1.0% of the purchase consideration.

6 The agreed property value represents a discount of approximately 0.4% and 2.2% to the independent valuations conducted by CBRE K.K. (commissioned by the Trustee) and International Appraisals Incorporated (commissioned by the Manager) respectively. CBRE K.K. relied on the income approach and cost approach and International Appraisals Incorporated relied on the income approach, sales comparison approach and cost approach. The acquisition fee paid in Units to the Manager amounts to JPY109.3 million (approximately S$1.4 million), being 0.5% of the effective consideration of JPY21,860.3 million. MLT acquired a 98.47% effective interest in Mapletree Kobe Logistics Centre from Ajisai TMK, an associate of Mapletree Investments Pte Ltd.

7 A conditional forward purchase agreement was entered into with Wooreddy Investments Pty Ltd. The property was valued by an independent valuer, CBRE Valuations Pty Limited, at AUD18.5 million based on the market capitalisation and discounted cash flow methods. The acquisition fee paid in cash to the Manager amounts to AUD184,000, being 1% of the purchase price of the purchase consideration.

8 Subject to fulfilment of the relevant conditions precedent, which include Australian Foreign Investment Review Board's approval and practical completion of the warehouse being achieved.

Asset Enhancement Initiative in FY19/20

Property	Country	Cost (S$ million)	Status
Mapletree Ouluo Logistics Park	China	70	• Phase 1 completed in September 2018 • Phase 2 to be completed in May 2020

Performance
Portfolio Analysis and Review

Divestments in FY19/20

Property	Country	Agreed Property Value	Divestment Completion Date
Gyoda Centre, Iwatsuki B Centre, Atsugi Centre, Iruma Centre, Mokurenji Centre[1, 2]	Japan	JPY17,520 million (S$211.6 million)	April 2019
Mapletree Waigaoqiao Logistics Park[1, 3, 4]	China	RMB333.0 million (S$63.7 million)	December 2019

Notes:
1 In accordance with MLT's Trust Deed, the Manager is entitled to a divestment fee of 0.5% of the sale price of the property or the sale consideration.
2 The properties were divested to Godo Kaisha T&C on 10 April 2019. The latest appraised value of the five properties as at 31 March 2019 was JPY14,427 million. The valuation methods undertaken by independent valuer, Colliers International Japan KK, are the discounted cash flow and direct capitalisation methods.
3 Divested 100% equity interest in MapletreeLog Integrated (Shanghai) (HKSAR) Limited and its wholly-owned subsidiary, MapletreeLog Integrated (Shanghai) Co., Ltd, which is in turn the registered owner of Mapletree Waigaoqiao Logistics Park, to GDS Holdings Limited.
4 Represents MapletreeLog Integrated (Shanghai) (HKSAR) Limited's indirect interest in Mapletree Waigaoqiao Logistics Park. The valuation of the property as at 31 March 2019 was RMB196.9 million. Two independent valuations were obtained from Jones Lang LaSalle Property Consultants Pte Ltd (commissioned by the Trustee) and CBRE Limited (commissioned by the Manager) respectively. Both valuers relied on the capitalisation approach and discounted cash flow analysis.

Major End-User Industry (By Gross Revenue)

- 19% Food and Beverage Products
- 15% Others
- 13% Consumer Staples
- 12% Electronics and IT
- 5% Fashion, Apparel and Cosmetics
- 5% Retail
- 4% Materials, Construction and Engineering
- 4% Information Communications Technology
- 4% Automobiles
- 4% Oil, Gas, Energy and Marine
- 3% Furniture and Furnishings
- 3% Chemicals
- 3% Healthcare
- 3% Commodities
- 2% Commercial Printing and Packaging
- 1% Document Storage

Top 10 Customers (By Gross Revenue)

1. CWT	8.7%
2. Coles Group	3.9%
3. Equinix	3.9%
4. Nippon Express	1.8%
5. adidas Hong Kong Limited	1.7%
6. XPO Worldwide Logistics	1.6%
7. Nippon Access Group	1.6%
8. Ever Gain Company Ltd	1.6%
9. Bidvest Group	1.4%
10. Taiun Co., Ltd	1.2%

Well-Diversified and High Quality Tenant Base

MLT has a tenant base of 693 high quality tenants, with more than three quarters of our tenants operating in the consumer sectors which provide income resilience across market cycles. Additionally, MLT has minimal exposure to tenants in sectors severely affected by COVID-19, with around 10% of its revenue derived from such sectors, whereas over 30% is derived from tenants that provide essential consumer goods.

New quality tenants added during the year include established consumer brands and e-commerce players such as Watsons, Lazada and Shopee. The top 10 tenants account for just 27.4% of MLT's gross revenue, offering income diversity within the MLT's portfolio.

Strong Portfolio Occupancy and High Tenant Retention

MLT maintained high and stable occupancy rates across its eight markets throughout the year. The portfolio occupancy ended the financial year at 98.0%, unchanged from the prior year. The Australia, Malaysia and Vietnam portfolios were maintained at 100% occupancy while the Hong Kong SAR and Japan portfolios were operating at near-full occupancy of 99.9%. MLT's properties continue to attract healthy leasing demand due to their high quality and prime locations. In addition, the Manager adopts a customer-centric approach to build strong customer relationships and drive long-term value.

In this period of heightened market uncertainty, it is more pertinent than ever to stay close to customers. Embodied in the motto of "Be the first to know", the asset management and marketing teams strive to develop an in-depth understanding of the business needs of customers. This approach also helps the teams to identify early customers who may potentially face difficulties in the current environment and work with them to develop a mutually beneficial arrangement. To address customers' changing business needs, the Manager continues to provide flexible and customised leasing solutions. The Manager also works closely with customers who have been affected by the COVID-19 outbreak, to provide support and relief measures in a targeted manner. Multi-pronged measures to support customers in cash flow management have been implemented, including granting rental rebates and deferrals, allowing rent payment by instalments and using security deposits to offset rent obligations. As a testament of the Manager's continued efforts on active lease management, tenant retention rate was maintained at a healthy level of 69%.

During the year, the Manager secured 214 new and renewal leases (excluding forward renewals) amounting to 839,089 sqm of NLA, representing a success rate of 93%. These leases have a weighted average lease term of 2.6 years (by revenue) and accounted for 17.3% of gross revenue for the month of March 2020. MLT's portfolio achieved weighted average rental reversions ranging from 0.0% to 3.6% across the eight markets. Overall, the portfolio's weighted average rental reversion was 1.8% for the year.

Stable Lease Structure and Profile

As at 31 March 2020, about 35.7% of MLT's portfolio revenue is contributed by single-user assets ("SUAs") with the balance 64.3% contributed by multi-tenanted buildings ("MTBs"). SUA leases provide portfolio stability and income visibility with their longer lease periods while MTBs enable MLT to achieve tenant diversification.

In FY19/20, 18 out of 20 SUA leases due for expiry were successfully renewed, one SUA in Singapore was converted to a MTB while the remaining SUA in Japan was divested.

The Manager actively manages the portfolio lease expiry profile to reduce the concentration of SUA lease expiries in any one year. This helps to mitigate 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 FY20/21, 20.5% of MLT's gross revenue is due for renewal, with only 1.9% being leases of SUA and the remaining 18.6% being leases of MTBs. The Manager is proactively engaging with existing tenants on lease renewal negotiations.

Well-Staggered Lease Expiry Profile

The lease expiry profile of MLT remained well spread-out with a weighted average lease expiry ("WALE") (by NLA) of about 4.3 years, and no more than 22.8% of leases are expiring in any single financial year over the next five years. The portfolio WALE (by revenue) was approximately 4.0 years.

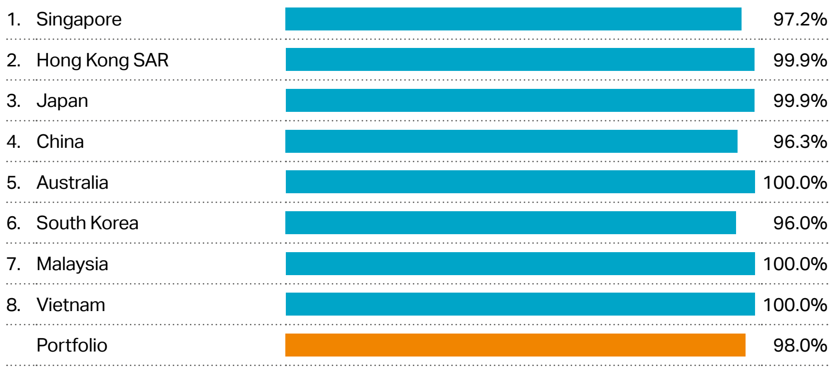
The portfolio WALE based on the date of commencement of the leases[1] was at 4.1 years by NLA and 3.9 years by revenue.

Stable Land Lease Expiry Profile

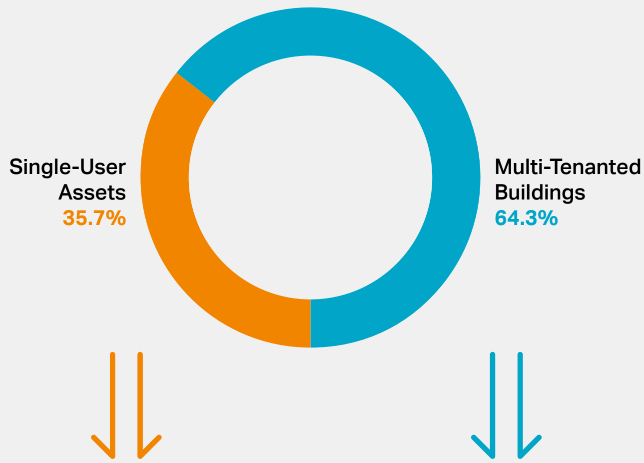
The WALE of the underlying leasehold land (excluding freehold land) was approximately 44.6 years, compared to 43.8 years in the prior year. Freehold land accounted for approximately 22.2% of the portfolio's NLA, with the remaining 77.8% on leasehold terms.

Note:
[1] Excluding fit-out periods and forward renewals.

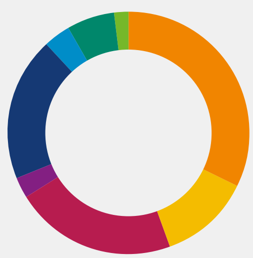
Portfolio Occupancy



SUA vs MTB Breakdown (By Gross Revenue)

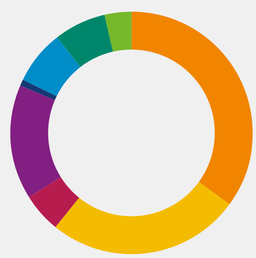


SUA Revenue Contribution by Geography



Singapore	32.3%
Hong Kong SAR	12.2%
Japan	21.7%
China	2.9%
Australia	19.2%
South Korea	3.6%
Malaysia	6.2%
Vietnam	1.9%

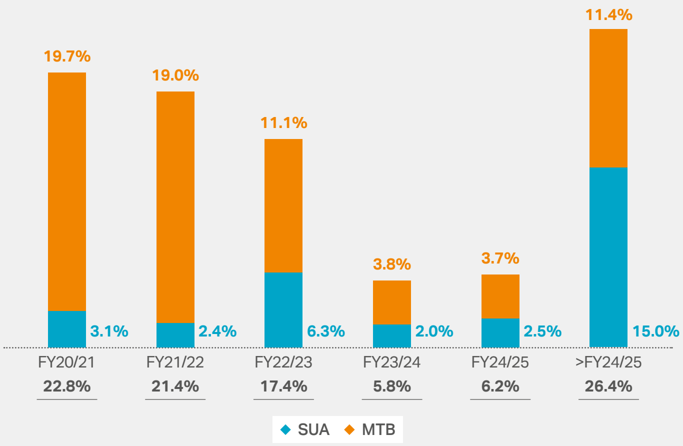
MTB Revenue Contribution by Geography



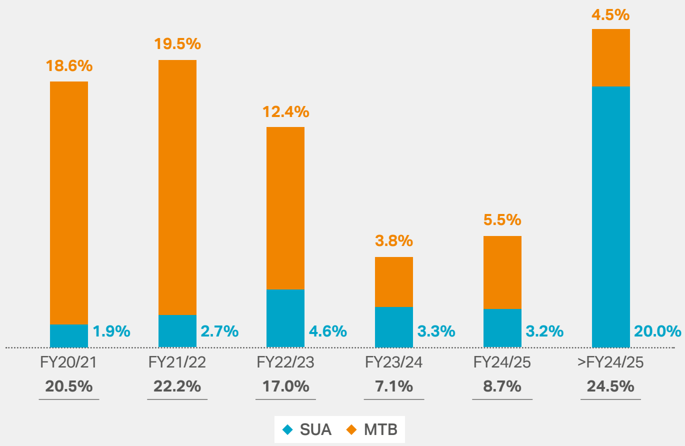
Singapore	35.1%
Hong Kong SAR	26.0%
Japan	5.1%
China	15.2%
Australia	1.0%
South Korea	7.3%
Malaysia	6.7%
Vietnam	3.6%

Performance
Portfolio Analysis and Review

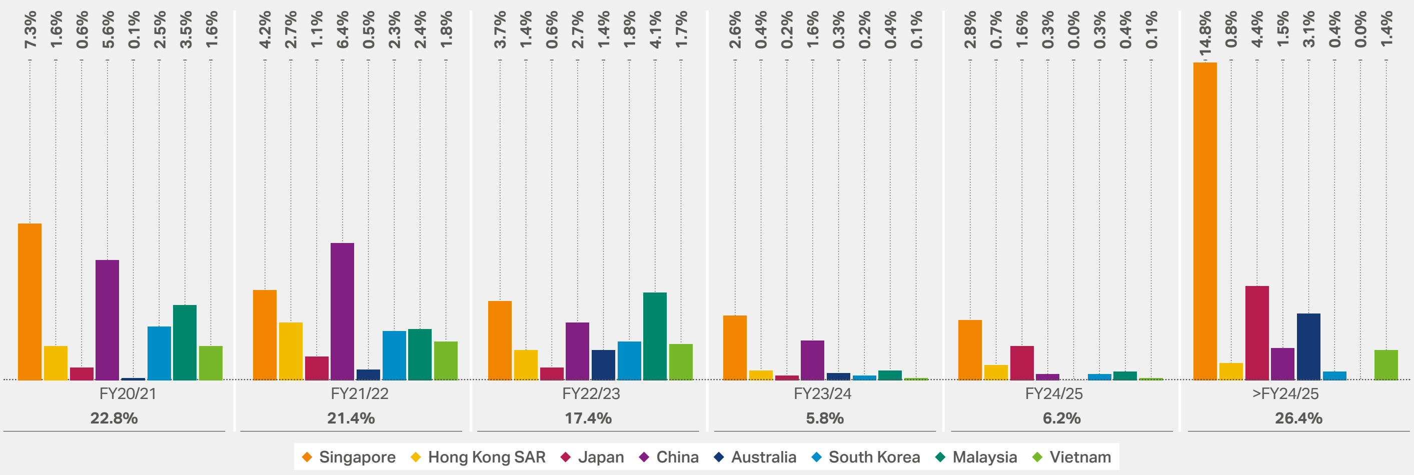
Lease Expiry Profile by NLA – SUA vs MTB Breakdown



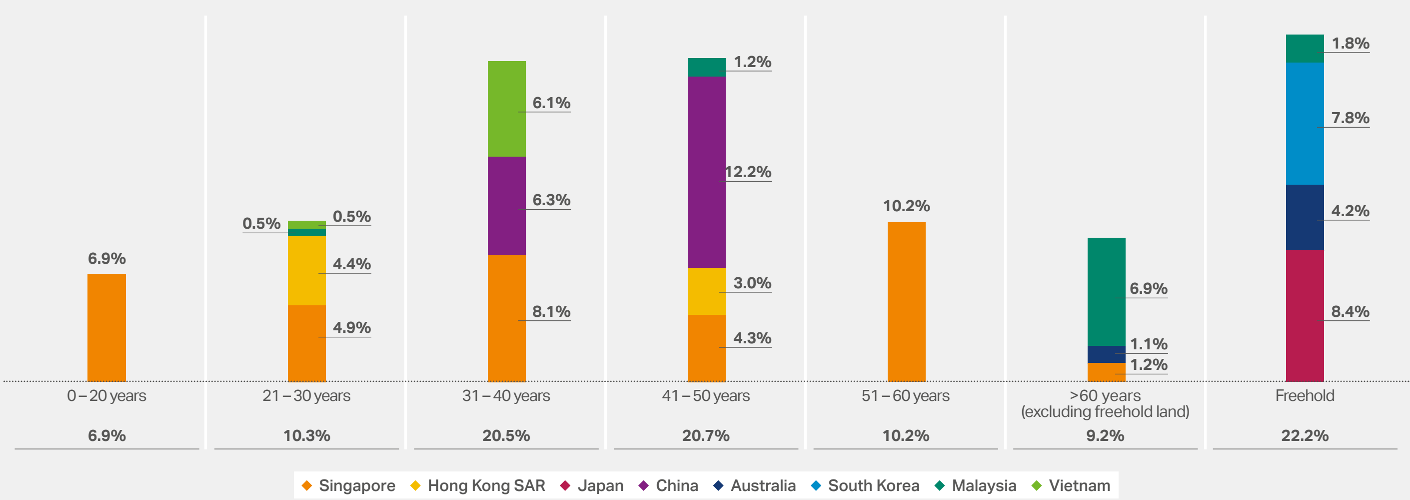
Lease Expiry Profile by Gross Revenue – SUA vs MTB Breakdown



Lease Expiry Profile by NLA - Geographical Breakdown



Land Lease Expiry Profile by NLA - Geographical Breakdown



Singapore

Singapore's economy expanded by 0.7% in 2019, a sharp slowdown from the 3.4% growth in 2018[1], and its slowest since 2009. Singapore's export-oriented economy was adversely affected by the drawn-out trade war between the U.S. and China, as well as a cyclical downturn in the electronics sector. The COVID-19 outbreak has led to an even sharper deterioration in the economic situation both externally and domestically since Q1 2020.

Amidst the subdued economic environment, leasing activity in the logistics market was relatively muted throughout 2019, consisting of mainly renewals and relocations. The island-wide net absorption for warehouse space was 1.06 million square feet ("sqft") in 2019, lower than the net new warehouse supply of 3.25 million sqft. Consequently, islandwide warehouse vacancy rate rose from 10.5% in the prior year to 12.0% as of Q4 2019, which is equivalent to a vacant stock volume of 14.2 million sqft[2].

Against the climate of uncertainty, the Manager maintained its focus on active marketing and leasing. Of the 229,275 square metres ("sqm") of leases that expired during FY19/20, 87% were renewed or replaced by the end of the financial year. This translated to a portfolio occupancy rate of 97.2% as at 31 March 2020, which is above the national average occupancy of 87.5%. As part of MLT's renewable energy programme, the Manager completed a 2.2 MWp rooftop solar installation at Mapletree Benoi Logistics Hub in FY19/20. This is MLT's second solar installation in Singapore.

Looking ahead, Singapore's GDP growth forecast for 2020 has been downgraded to a range of -4.0% to -1.0%[3], in light of the country's COVID-19 measures and risks to the global economy. The projected sharp economic contraction, both domestically and globally, is likely to place pressure on the logistics industry. Nonetheless, a limited supply pipeline and short-term demand for storage space for stock-piling of essentials in response to COVID-19 are expected to partially cushion the adverse economic impact of the pandemic. The projected supply of new warehouse space over the next four years (2020-2023) amounts to 6.14 million sqft. This translates to an average annual new supply of 1.53 million sqft, which is significantly below the 5-year historical average supply of 5.53 million sqft[2].

In the coming year, leases for about 341,557 sqm of net lettable area ("NLA") are due to expire. The Manager will continue to focus on maintaining a healthy portfolio occupancy, through retaining existing tenants and attracting new tenants with flexible leasing packages, as well as facilitating the expansion of strategic tenants. In light of the COVID-19 situation, the Manager has also stepped up its support for tenants, especially the small-and medium-sized enterprises that have been impacted by the crisis.

	FY18/19	FY19/20
No. of Properties	52	**52**
Book Value	S$2,504.1M	**S$2,499.0M[4]**
Occupancy Rate (%)	97.4	**97.2**
WALE by NLA (years)	5.1	**6.8**
WALE by Revenue (years)	5.2	**5.1**
NLA (sqm)	1,780,378	**1,778,761**

Notes:
1. MTI Downgrades 2020 GDP Growth Forecast to "-0.5 to 1.5 Per Cent", Ministry of Trade and Industry, 17 February 2020.
2. Independent Market Research by CBRE, March 2020.
3. Singapore's GDP Contracted by 2.2 Per Cent in the First Quarter of 2020. MTI Downgrades 2020 GDP Growth Forecast to "-4.0 to -1.0 Per Cent", Ministry of Trade and Industry, 26 March 2020.
4. Excludes right-of-use (ROU) assets of S$119.2 million.


6 Fishery Port Road

Performance
Operations Review

Hong Kong SAR

The Hong Kong SAR economy contracted by 1.2% in 2019, compared to 2.9% growth in 2018, marking its first annual decline since 2009[1]. The protracted trade frictions between China and the U.S., coupled with the city's anti-government protests, had negatively affected economic sentiment, domestic consumption and tourism-related activities. Hong Kong SAR, a key regional trading and logistics hub, recorded a year-on-year contraction of 4.7% in exports in 2019, while imports of goods fell by 7.4% over the same period[1].

In the logistics market, demand for warehouse space was impacted by the slowdown in retail sales and trade performance. Vacancy rate for modern warehouses increased from 0.5% in Q3 2019 to 0.9% in Q4 2019[2].

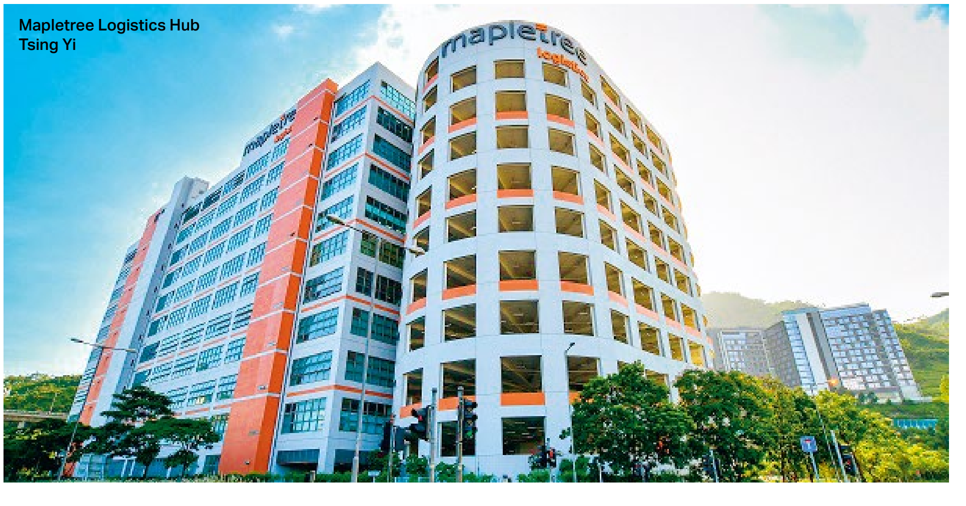
Against this backdrop, MLT's Hong Kong SAR portfolio continued to deliver a set of creditable operating performance in FY19/20. Leases of approximately 99,278 sqm were due for expiry during the year. On the back of proactive lease management, the Manager had successfully renewed or replaced 97.0% of these at an average positive rental reversion of 2.8% by year-end. Overall occupancy rate for Hong Kong SAR portfolio edged higher to 99.9% as at 31 March 2020, up from 98.8% a year ago.

Looking ahead, the COVID-19 outbreak in early 2020 has inflicted significant uncertainty on the global economy. Hong Kong SAR's economy is forecasted to grow by -1.5% to 0.5% in 2020[1], contingent on the COVID-19 situation coming under control, no significant re-escalation of the U.S.-China trade tensions and easing of geopolitical tensions. In view of the market uncertainty, landlords are expected to be more flexible when negotiating lease renewals to retain tenants. Consequently, warehouse rents are expected to decline moderately in 2020 before picking up in 2021[2] should the global economy recovers. While the uncertainty from both internal and external environments is expected to put pressure on occupancy rates, any further increase in vacancy rate is expected to be modest due to the limited warehouse supply over the next few years[2].

The Manager continues to prioritise tenant engagement and leasing efforts in this market environment. The Manager expects to maintain MLT's Hong Kong SAR portfolio performance, with stable occupancy and rental rates. In FY20/21, leases for approximately 100,196 sqm of NLA will be expiring. The Manager has successfully forward renewed or replaced approximately 25% of the leases and is confident of securing renewal or replacement leases for the remaining space. In addition, the Manager will continue to pursue acquisitions of quality and well-located properties to enhance the quality of the portfolio.

	FY18/19	FY19/20
No. of Properties	9	9
Book Value	HKD14,324M (S$2,474.6M)	HKD14,975M (S$2,671.7M)
Occupancy Rate (%)	98.8	99.9
WALE by NLA (years)	2.4	2.5
WALE by Revenue (years)	2.3	2.6
NLA (sqm)	368,361	368,361

Notes:
1 The Government of the Hong Kong Special Administrative Region, April 2020.
2 Independent Market Research by Savills Research & Consultancy, March 2020.



Mapletree Logistics Hub Tsing Yi

Japan

Japan's economy shrank by an annualised 7.1% in the October 2019 to December 2019 period as the consumption tax rate hike in October dented private spending. In fiscal 2019, Japan's real GDP is estimated to be approximately JPY 533.1 trillion, representing 0.7% growth from the previous year. However, the Japanese economy is projected to contract by 5.2% in 2020[1], its worst downturn since 2009, as the impact of COVID-19 and postponement of the 2020 Tokyo Olympic Games deals a severe blow to the economy.

In spite of the subdued economic situation, the Japan logistics property market saw continued strong leasing activities in 2019. According to Japan Logistics Field Institute, new supply of logistics facilities nationwide in 2019 was approximately 3,800,000 sqm while demand was approximately 4,300,000 sqm, outpacing supply. Demand for logistics space was fuelled by the growth of third party logistics service providers ("3PLs") and e-commerce companies. Consequently, the nationwide vacancy rate for the logistics property market declined to approximately 3.1% at the end of 2019, from approximately 5.4% at the end of 2018.

Against this backdrop, MLT's Japan portfolio continued to deliver a stable performance in FY19/20. As at 31 March 2020, portfolio occupancy was at 99.9% with a weighted average lease expiry of 5.3 years by NLA and 5.2 years by gross revenue. In FY19/20, the Manager had also successfully renewed all of its leases due for expiry.

As part of its proactive asset management approach, the Manager divested five properties with older warehouse building specifications and limited redevelopment potential in April 2019. In February 2020, the Manager completed the acquisition of a prime Grade A logistics facility, Mapletree Kobe Logistics Centre, from the Sponsor. Strategically located in an established logistics hub in Kobe, the newly built 4-storey logistics facility with double rampways and large floorplates of over 20,000 sqm is well positioned to capture the growing demand from 3PLs and e-commerce players.

MLT's Japan portfolio of 17 properties comply with seismic safety standards and have a Probable Maximum Loss[2] value of less than 15%, indicative of low exposure to earthquake risks. In line with the general market practice in Japan, they do not have specific earthquake insurance coverage.

Looking ahead, demand for well-located modern large-scale multi-tenant logistics facilities is expected to remain strong, underpinned by growth in e-commerce and expanding requirements for warehouse automation. However, the government's restrictions on economic activities to contain COVID-19 are expected to slow down the pace of take-up of warehouse space. The projected economic recession in 2020 may also negatively affect leasing demand and rental rates. The vacancy rate for the Greater Tokyo area may stay the same or increase slightly in view of the upcoming new supply. In the Greater Osaka area, any impact on rent rates is expected to be mitigated by the limited supply of warehouse space. In the Greater Nagoya area, demand is likely to decrease due to the decline in exports, particularly from the automotive industry.

In view of the market uncertainties, the Manager has taken proactive steps to mitigate leasing risks and minimise downtime. The team engages tenants in active negotiations 12 to 18 months prior to the lease expires. For FY20/21, there are three leases expiring with total NLA of 82,602 sqm. The team is in advanced negotiation with the tenants and is confident of renewing the leases with positive rental reversions.

	FY18/19	FY19/20
No. of Properties	20	**17**
Book Value	JPY77.7B (S$945.5M)	**JPY86.6B (S$1,169.7M)**
Occupancy Rate (%)	100	**99.9**
WALE by NLA (years)	4.9	**5.3**
WALE by Revenue (years)	5.0	**5.2**
NLA (sqm)	419,196	**418,689**

Notes:

1 International Monetary Fund, World Economic Outlook, April 2020.

2 Probable Maximum Loss ("PML") is a gauge commonly used to assess a property's seismic resistance. A PML of 15% is deemed to be sufficiently safe from earthquakes.


Mapletree Kobe Logistics Centre

Performance
Operations Review

China

China's economic growth slowed from 6.6% in 2018 to 6.1% in 2019, its weakest expansion in 29 years but within the government's target of 6.0% to 6.5%. Growth was considerably affected by the ongoing trade war with the U.S. which brought down exports substantially and weakened sentiments and confidence. In the first quarter of 2020, the COVID-19 outbreak led to full or partial lockdown of several provinces in China, resulting in significant disruptions of economic activities across the country.

Nevertheless, in the logistics property sector, China's Grade A warehouse market continues to experience strong growth on the back of the country's shift towards a domestic consumption driven economy. Healthy demand from 3PLs and e-commerce players are primary drivers of warehouse rental growth. Overall occupancy rate remained stable at around 87% in 2019 as compared to the previous year, while overall rental growth was about 3%. The rental index gap of logistics centres in Tier I and Tier II cities have also narrowed further in 2019 following the spill-over of demand from Tier I cities to nearby Tier II cities. Tier II cities are gaining favour as attractive locations for logistics operations due to their improving infrastructure and rising consumption power.

To capitalise on the long term prospects of China's logistics market, MLT is pursuing both organic and inorganic growth strategies. In November 2019, MLT acquired a 50% interest in four well-located Grade A logistics facilities from the Sponsor at an aggregate agreed property value of RMB902 million (S$180.1 million). Post-acquisition, e-commerce revenue exposure of MLT's China portfolio has increased from 39% to 43%. In line with the Manager's active portfolio rejuvenation efforts to improve the quality of its portfolio, MLT divested one property with older warehouse specifications and limited potential for redevelopment, Mapletree Waigaoqiao Logistics Park[1]. Meanwhile, the ongoing development of Phase 2 of Mapletree Ouluo Logistics Centre is scheduled for completion by May 2020.

In FY19/20, MLT's China portfolio maintained a steady performance. Portfolio occupancy increased to 96.3%, an improvement from 95.5% in the previous year. Out of the 237,155 sqm of leases due for renewal in FY19/20, 90% were renewed or replaced at an average rental reversion of 1.9%.

Looking ahead, China's 2020 growth outlook has been slashed to 1.2%[2] as the global economy, reeling from the effects of the COVID-19 outbreak, is forecast to face one of the worst recessions since the Great Depression. In view of the evolving COVID-19 situation, the warehouse leasing market is expected to face uncertainty in the short-term. However, the rise of e-commerce, especially in online retail and food delivery services, is expected to cushion the impact of COVID-19. As the economy recovers, demand from 3PLs, new e-commerce platforms and retailers (especially those in the fresh food and pharmaceutical sectors) is forecast to increase steadily and underpin demand for warehouse space. In addition, several new growth engines such as B2B e-commerce and social e-commerce platforms have recently emerged and will drive demand in the longer term.

For MLT's portfolio, leases for approximately 259,453 sqm of NLA will be due for expiry in FY20/21. The Manager will continue its active lease management to renew or replace them, focusing on maintaining a stable occupancy rate.

	FY18/19[3]	FY19/20[4]
No. of Properties	20	**23**
Book Value	RMB3,221M (S$650.9M)	**RMB3,689M (S$736.3M)**
Occupancy Rate (%)	95.5	**96.3**
WALE by NLA (years)	2.3	**2.0**
WALE by Revenue (years)	2.3	**2.1**
NLA (sqm)	843,150	**926,371**


Mapletree Wuxi New District Logistics Park

Notes:
1 On 31 December 2019, MLT divested its 100% equity interest in MapletreeLog Integrated (Shanghai) (HKSAR) Limited and its wholly-owned subsidiary, MapletreeLog Integrated (Shanghai) Co., Ltd., which is in turn the registered owner of Mapletree Waigaoqiao Logistics Park.
2 International Monetary Fund, 15 April 2020.
3 Inclusive of MLT's 50% interest in 11 properties in China.
4 Inclusive of MLT's 50% interest in 15 properties in China.

Australia

The Australian economy grew 2.2%[1] in 2019, recording its 28th consecutive year of positive economic growth. The economic growth was supported by population growth, low interest rates, government-led investments in public infrastructure spending, a strong residential property market and a depreciating exchange rate which has resulted in higher export volumes.

However, the economic outlook for 2020 has turned decidedly more grim following the summer bushfire crisis in December 2019, and is further weighed down by the COVID-19 outbreak in early 2020. The IMF projected that the Australian economy will contract by 6.7% in 2020 due to the economic fallout from the coronavirus[2].

Nonetheless, the medium to longer term outlook for the logistics property market in Australia remains positive. Demand for logistics space in Australia is underpinned by several stable long-term drivers, including: rapid growth in e-commerce, rising demand for consumer goods, particularly food, groceries and pharmaceuticals, as well as supply chain outsourcing which has led to third-party logistics growth. Consequently, the Australian logistics property market remains one of the most sought-after sectors by both domestic, regional and global investors.

To capitalise on the positive long-term trends for logistics real estate, in September 2019, MLT entered into its first forward purchase agreement in Australia for a AUD18.4 million (S$16.7 million) warehouse in the western industrial precinct of Melbourne. The modern facility with Grade A specifications will span a net lettable area of 15,100 sqm and its construction is scheduled to complete by September 2020. The property is situated in Truganina, one of the fastest growing industrial precincts in Australia and home to several major logistics operators such as CEVA, Toll and DHL.

MLT's Australia portfolio comprises ten properties located in well-established logistics hubs in Sydney (five properties), Melbourne (three properties), Wodonga (one property) and Brisbane (one property). In FY19/20, MLT's portfolio continued to provide a stable income stream with organic growth. With a proactive leasing strategy, the Manager achieved a 96% tenant retention rate for its Australia portfolio. Of the 18,922 sqm of leases due for expiry in FY19/20, all were successfully renewed or replaced by year-end. In addition, the team renewed a SUA (57,439 sqm) lease ahead of its expiry in 2021 for seven years. Portfolio occupancy rate was maintained at 100% while the weighted average lease expiry (by revenue) was extended to 8.2 years as at 31 March 2020, from 7.9 years a year ago.

With a tenant mix that is 100% focused on domestic consumption, MLT's Australia portfolio is well-positioned to weather the coronavirus-induced uncertainties. Close to 70% of the portfolio revenue base is contributed by tenants operating in the food and beverage products sector, including supermarket giants Coles and Woolworths. They have reported a strong pick-up in online groceries sales since the COVID-19 outbreak, a trend that could persist well beyond the pandemic as consumers get accustomed to online shopping.

Looking ahead, the Manager expects leasing demand to remain healthy in 2020 with supply tightening across the country due to the pick-up in e-commerce and retail consumption. MLT's well-located portfolio concentrated around key logistics nodes in Sydney, Melbourne and Brisbane is well-positioned to benefit from this trend and will continue to provide stable income streams. Approximately 2% of the portfolio leases (by revenue) are due for expiry in the coming year. The Manager will actively seek to secure renewal or replacement tenants for these upcoming lease expiries to ensure stable occupancy and income. In addition, the Manager will maintain focus on seeking acquisitions of quality and well-located properties to augment its portfolio.

	FY18/19	FY19/20
No. of Properties	10	**10**
Book Value	AUD650.2M (S$623.7M)	**AUD661.8M (S$618.5M)**
Occupancy Rate (%)	100	**100**
WALE by NLA (years)	5.9	**6.6**
WALE by Revenue (years)	7.9	**8.2**
NLA (sqm)	268,065	**268,065**

Coles Chilled Distribution Centre

Notes:
1 Australian Bureau of Statistics.
2 International Monetary Fund, World Economic Outlook, April 2020.

Performance
Operations Review

South Korea

The South Korea economy grew 2.0% in 2019 as compared to 2.7% in 2018, its slowest growth since the Global Financial Crisis in 2009[1]. The export-driven economy was adversely affected by the prolonged U.S.-China trade war and the downturn in the global semiconductor industry. In early 2020, the COVID-19 outbreak resulted in a plunge in global business and consumer confidence which led to a further slowdown in domestic consumption.

Nevertheless, the logistics real estate market in South Korea continues to benefit from structural trends such as the growth in e-commerce and the 3PL market. The e-commerce market has been expanding rapidly at an annual growth rate of 20% or higher since 2016[2] due to the growing popularity of internet and mobile shopping. Along with the development of e-commerce, demand for 3PL services has been rising. The growth of the 3PL industry is also heavily supported by government incentives such as tax exemption and subsidies. Another notable trend is the increasing popularity of fresh food delivery that has led to higher demand for cold-chain logistics warehouse space. Consequently, there continues to be strong demand for large-scale warehouse space with modern specifications and good access to Seoul. Driven by higher demand for warehouse space, supply in the Seoul Metropolitan Area ("SMA") had increased by 1.9 million sqm in 2019 to a total of 19.8 million sqm, representing an 8% compound annual growth rate since 2010[2]. Despite the substantial increase in logistics centre supply, the average vacancy rate in SMA logistics centres has remained tight, at below 5%, over the last five years[2].

For MLT's portfolio, of the 114,371 sqm of leases that were due for expiry in FY19/20, all were renewed or replaced at an average rental reversion of 0.7%. As at 31 March 2020, MLT's South Korea portfolio occupancy was 96.0%. To capture the market's growing demand for quality logistics space in prime locations, MLT expanded its presence in South Korea with the acquisition of Mapletree Logistics Centre - Hobeob 2 for KRW35.8 billion (S$41.2 million) in February 2020. The property consists of four blocks of multi-tenanted dry warehouse and an ancillary building, and is located in Yongin-Icheon, a prime logistics cluster in the south-east region of SMA.

The COVID-19 pandemic has had a bipolarising effect on the Korean logistics industry. The virus outbreak has significantly boosted the domestic e-commerce market as more consumers stay home and opt to make purchases online, thus benefitting related logistics service providers. However, growth in the e-commerce market has come at the expense of traditional offline retailers and catering services, thus negatively impacting logistics firms serving the affected markets. Furthermore, the leasing market has started to show signs of over-supply with longer downtime required to secure tenants in new properties. This has also led to downward pressure on rents. Nevertheless, in Yongin-Icheon area, the largest logistics cluster in Korea where majority of MLT's properties are located, supply remains relatively limited. With new supply expected to be concentrated in the southwest area, rents and vacancy rates in the Yongin-Icheon sub-market are expected to remain stable.

Looking ahead, the South Korea economy is projected to contract by 1.2% in 2020[3] as the pandemic-induced measures disrupt global businesses and significantly impact consumer demand. To-date, COVID-19 has had a minimal impact on MLT's Korea portfolio performance as most of the tenants, which cater to domestic consumption, have not been materially affected. The Manager will closely monitor tenants' business activities to mitigate or minimise any unexpected leasing downtime. Leases for approximately 138,359 sqm of space are due to expire in FY20/21. The Manager will continue to focus on maintaining stable portfolio occupancy and rental rates. In addition, the Manager will also seek acquisition opportunities for quality assets in core logistics locations to strengthen the portfolio.

	FY18/19	FY19/20
No. of Properties	12	**13**
Book Value	KRW383.5B (S$460.2M)	**KRW425.8B (S$490.0M)**
Occupancy Rate (%)	99.1	**96.0**
WALE by NLA (years)	1.9	**1.9**
WALE by Revenue (years)	1.9	**1.9**
NLA (sqm)	358,118	**388,628**


Mapletree Logistics Centre – Iljuk

Notes:
1 "Gross National Income: Fourth Quarter and Annual 2019", Bank of Korea, 3 March 2020.
2 Independent Market Research by Colliers, March 2020.
3 International Monetary Fund, 14 April 2020.

Malaysia

The Malaysian economy expanded by 4.3% in 2019, compared to 4.7% in 2018[1]. Despite the challenging external environment, growth was fuelled by resilient private sector spending and continued expansion in the services and manufacturing sectors, offset by supply disruptions in the commodities sector and a fall in exports amid the U.S.-China trade war.

Following the COVID-19 outbreak in early 2020, from 18 March 2020 to 3 May 2020[2], the Malaysia government imposed a nation-wide lockdown, also known as the Movement Control Order ("MCO"), limiting social and economic activities. To cushion the impact of the MCO, the Malaysian government also introduced several stimulus packages totalling MYR260 billion to preserve public welfare, support businesses including small and medium enterprises, and strengthen the country's economy.

During the implementation of the MCO, warehouse operations pertaining to essential goods are permitted to continue on a reduced workforce basis. According to the Malaysian Investment Development Authority, the logistics industry is one of the least impacted sectors under the COVID-19 situation. Additionally, the government stimulus package targeted at supporting household disposable income and cash flow will help to sustain private consumption and in turn demand for logistics services and warehouse space.

Against this backdrop, MLT's Malaysia portfolio maintained a steady performance in FY19/20. The majority of MLT's properties are located in the industrial parks in Shah Alam and Subang. Well-served by transportation networks, they are ideal for local distribution and have continued to enjoy strong leasing interest. Of the 120,102 sqm of NLA due for expiry in the year, all of the leases were renewed or replaced, at an average positive rental reversion of about 2.5%. Portfolio occupancy was maintained at 100% at the close of the financial year.

During the year, MLT acquired Mapletree Logistics Hub-Shah Alam from the Sponsor at an agreed property value of MYR826.0 million (S$271.9 million), significantly improving the Trust's scale and portfolio quality in Malaysia. The modern, ramp-up logistics property with a net lettable area of 207,662 sqm, is strategically located in Shah Alam, a preferred destination for e-commerce players due to its close proximity to the city centre and other key transport infrastructure. The property is 100% leased to a strong and diversified tenant base comprising primarily of tenants serving domestic consumption. They include strong consumer brands such as Watsons, as well as Lazada and Shopee, leading e-commerce players in Southeast Asia.

Looking ahead, the Malaysian Central Bank has projected GDP growth of -2.0% to 0.5% in 2020 due to the economic fallout from COVID-19. Nonetheless, the outlook for the logistics sector remains promising underpinned by the rapid growth in the e-commerce market. With more businesses diversifying onto online platforms, there is growing demand for strategically located logistics centres that are close to airports, seaports, inland cargo terminals, railroads as well as highways. The diversification of supply chains in response to the U.S.-China trade war and accelerated by COVID-19 has also benefitted Malaysia, translating to higher demand for warehouse space. Occupancy levels of good grade industrial and warehousing facilities are expected to remain high while rental rates are expected to continue on an uptrend.

In FY20/21, leases for approximately 183,189 sqm of NLA are due to expire. The Manager is in final negotiations for 41% of the leased space and is confident of renewing or securing replacement leases for the remaining 59%.

	FY18/19	FY19/20
No. of Properties	14	**15**
Book Value	MYR678.0M (S$225.1M)	**MYR1,522.7M (S$501.3M)**
Occupancy Rate (%)	100	**100**
WALE by NLA (years)	1.6	**1.7**
WALE by Revenue (years)	1.7	**1.8**
NLA (sqm)	317,824	**525,485**

Notes:

1 Bank Negara Press Release, 12 February 2020.

2 The Malaysian government announced on 1 May 2020 a plan named the Conditional Movement Control Order (CMCO) to ease the restrictions of the MCO and with the goal to re-open the economy in a controlled manner. The CMCO was scheduled to start from 4 May 2020 and end on 9 June 2020.

Mapletree Logistics Hub – Shah Alam

Performance
Operations Review

Vietnam

Vietnam's economy expanded by 7.02%[1] in 2019, the second consecutive year since 2011 that annual growth tops 7%. The strong growth was mainly driven by robust expansion of the manufacturing and processing industry, higher domestic demand as well as record export earnings. Foreign direct investment ("FDI") also played a key role in the thriving economy, surging 7.2% year-on-year to surpass USD38.2 billion[2], marking a 10-year high. This reflects sustained investment interest from multinational corporations and foreign investors who are attracted to Vietnam by its competitive costs, low wages and developed infrastructure.

The logistics market in Vietnam continues to enjoy strong growth. Rising domestic consumption driven by a burgeoning middle class in Vietnam continues to underpin growth in the retail and e-commerce sectors presenting opportunities and growing demand for value-added distribution services, distribution centres, last-mile delivery and fulfilment warehouses. In addition, demand for warehouse space is also driven by strong FDI inflows into the manufacturing sector. The country is a key beneficiary of the ongoing U.S.-China trade tensions. Backed by 26 free trade agreements[3], Vietnam has attracted international companies who are looking to shift their manufacturing bases out from China, such as Samsung, Nike, Adidas and Foxconn, amongst others, fuelling demand for warehousing and other logistics services. This trend is expected to accelerate following the COVID-19 pandemic.

MLT's portfolio in Vietnam has benefitted from these trends and continued to achieve another set of strong operating metrics in FY19/20. All the leases expiring in FY19/20 were successfully renewed or replaced without downtime. In total, the Manager secured new and renewal leases representing 83,154 sqm of NLA and achieved an average positive rental reversion of 3.6% on these leases. Portfolio occupancy rate was maintained at 100% as at 31 March 2020.

In FY19/20, MLT acquired two modern logistics properties from the Sponsor, Mapletree Logistics Park Phase 1 and Mapletree Logistics Park Bac Ninh Phase 2. This brings the Vietnam portfolio to a total of six assets comprising two in northern Vietnam (Mapletree Logistics Park Bac Ninh Phase 1 and 2) and four in southern Vietnam (Mapletree Logistics Centre, Mapletree Logistics Park Phase 1 and 2 and Unilever VSIP Distribution Center). Given their strategic locations within the established manufacturing hubs of Bac Ninh and Binh Duong, and close proximity to Hanoi and Ho Chi Minh City ("HCMC"), respectively, they have attracted a strong tenant base comprising 3PLs and manufacturing companies.

The growing demand for warehouses is seen not only in traditional logistics hubs such as HCMC and Binh Duong in the south, and Hanoi and Bac Ninh in the north, but also in satellite provinces such as Long An, Dong Nai, Long Thanh (adjacent to HCMC) as well as Hung Yen, Hai Duong, Hai Phong (southeast of Hanoi). In response to the robust demand, new supply by both local and international developers has been rising, while end-users and 3PLs are also acquiring or building their own warehouses.

Looking ahead, in view of the global trade and political volatilities, Vietnam's GDP is expected to grow by 4.9% in 2020, 1.6 percentage points lower than the previous projection[4]. In the short term, manufacturing and tourism sectors which are highly dependent on the global economy may be negatively impacted by the COVID-19 outbreak. Nonetheless, from a longer term perspective, Vietnam remains an attractive destination for foreign investment, especially for businesses who are seeking to diversify their supply chains and production away from China.

In FY20/21, leases for about 78,906 sqm of space are due to expire. In view of the market volatilities, the Manager will follow up closely with tenants to secure lease renewals or replacements and minimise leasing downtime, while maintaining healthy occupancy and rental rates. In addition, the Manager will continue seeking opportunities to acquire quality and well-located facilities to capitalise on the strong demand for logistics space.

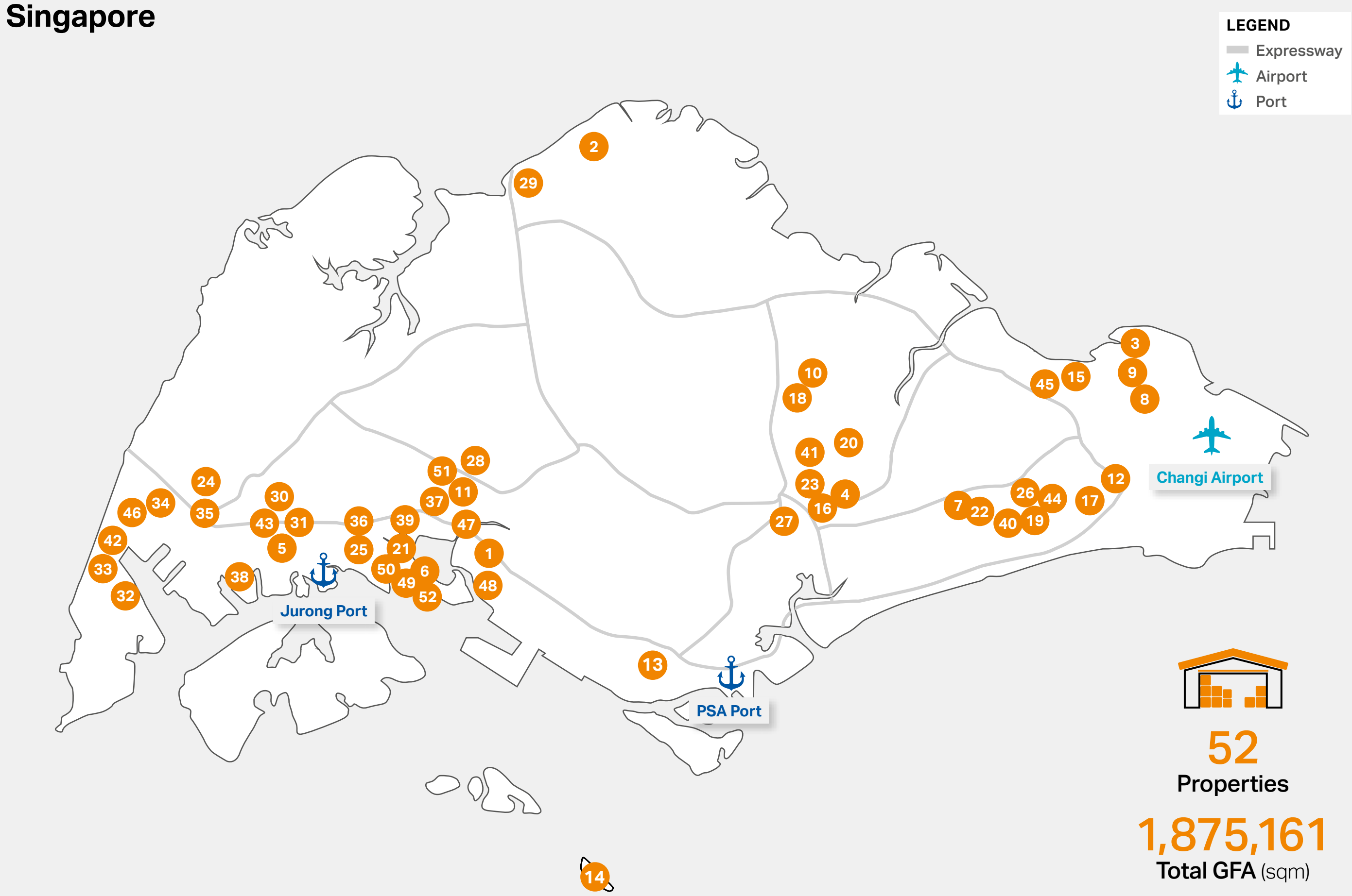
	FY18/19	FY19/20
No. of Properties	4	**6**
Book Value	VND1,765.3B (S$103.3M)	**VDN2,672.2B (S$159.5M)**
Occupancy Rate (%)	100	**100**
WALE by NLA (years)	3.9	**3.1**
WALE by Revenue (years)	4.0	**3.3**
NLA (sqm)	210,171	**326,411**


Mapletree Logistics Park Phase 1

Notes:
1. General Statistics Office of Vietnam.
2. Ministry of Planning and Investment of Vietnam, January 2020.
3. Asia Regional Integration Center.
4. The World Bank, March 2020.

Property Portfolio

Singapore



1 25 Pandan Crescent (formerly known as Tic Tech Centre)
2 19 Senoko Loop
3 Expeditors
4 Allied Telesis
5 Mapletree Benoi Logistics Hub
6 37 Penjuru Lane
7 6 Changi South Lane
8 70 Alps Avenue
9 60 Alps Avenue
10 Ban Teck Han
11 Mapletree Logistics Hub, Toh Guan
12 50 Airport Boulevard
13 Prima
14 Pulau Sebarok
15 Kenyon
16 Toppan
17 39 Changi South Avenue 2
18 2 Serangoon North Avenue 5
19 10 Changi South Street 3
20 85 Defu Lane 10
21 31 Penjuru Lane
22 8 Changi South Lane
23 138 Joo Seng Road
24 4 Tuas Avenue 5
25 Jurong Logistics Hub
26 3 Changi South Lane (formerly known as Kingsmen Creatives)
27 1 Genting Lane
28 521 Bukit Batok Street 23
29 6 Marsiling Lane
30 31 & 33 Pioneer Road North (formerly known as Union Steel (Pioneer))
31 119 Neythal Road
32 30 Tuas South Avenue 8
33 8 Tuas View Square (formerly known as Union Steel (Tuas View))
34 Pioneer Districentre
35 Mapletree Pioneer Logistics Hub
36 3A Jalan Terusan
37 30 Boon Lay Way
38 Menlo (Benoi)
39 SH Cogent (Penjuru Close)
40 15 Changi South Street 2
41 Natural Cool Lifestyle Hub
42 73 Tuas South Avenue 1
43 51 Benoi Road
44 44 & 46 Changi South Street 1
45 36 Loyang Drive
46 15A Tuas Avenue 18 (formerly known as Jian Huang Building)
47 190A Pandan Loop
48 4 Pandan Avenue
49 52 Tanjong Penjuru
50 6 Fishery Port Road
51 5A Toh Guan Road East
52 38 Tanjong Penjuru

Performance
Property Portfolio

Singapore

25 Pandan Crescent
(formerly known as Tic Tech Centre)

19 Senoko Loop

Expeditors

Allied Telesis

Mapletree Benoi Logistics Hub

37 Penjuru Lane

6 Changi South Lane

70 Alps Avenue

60 Alps Avenue

Ban Teck Han

Mapletree Logistics Hub,
Toh Guan

50 Airport Boulevard

Prima

Pulau Sebarok

Kenyon

Toppan

39 Changi South Avenue 2

2 Serangoon North Avenue 5

10 Changi South Street 3

85 Defu Lane 10

31 Penjuru Lane

8 Changi South Lane

138 Joo Seng Road

4 Tuas Avenue 5

Jurong Logistics Hub

Property Name	Occupancy Rate (%)	NLA (sqm)	No. of Tenants	List of Major Tenants	Land Leasehold Tenure (Lease Start Date)	Purchase Price (Million)	Valuation as at 31/3/2020 (Million)
1 **25 Pandan Crescent** (formerly known as Tic Tech Centre)	90	35,730	18	• Iron Mountain Singapore Pte. Ltd. • Sunningdale Tech Ltd. • NYK Ship Management Pte Ltd	30+30 years (16 May 1996)	S$48.0	S$55.7
2. **19 Senoko Loop**	90	12,357	5	• Seagate Singapore International Headquarters Pte. Ltd.	30+30 years (1 May 1994)	S$15.7	S$18.1
3. **Expeditors**	100	12,388	1	• Expeditors Singapore Pte. Ltd.	30 years (16 Oct 2003)	S$19.6	S$17.8
4. **Allied Telesis**	100	10,593	1	• Allied Telesis International (Asia) Pte. Ltd.	30+30 years (15 Feb 2004)	S$12.5	S$23.5
5. **Mapletree Benoi Logistics Hub**	100	89,385	7	• Pokka Corporation (Singapore) Pte Ltd • XPO Logistics Worldwide Asia Pacific Pte Ltd • Schenker Singapore (Pte) Ltd	30 years (16 Feb 2010)	S$27.4	S$140.0
6. **37 Penjuru Lane**	90	11,150	10	• Iron Mountain Singapore Pte. Ltd. • Pro World Logistics Pte Ltd	30 years (16 Aug 1996)	S$15.6	S$6.7
7. **6 Changi South Lane**	100	11,496	2	• ST Electronics (Data Centre Solutions) Pte Ltd • Excelpoint Systems (Pte) Ltd	30+30 years (1 Jan 1995)	S$11.4	S$23.3
8. **70 Alps Avenue**	99	21,408	12	• DHL Supply Chain Singapore Pte Ltd • Dimerco Express Singapore Pte Ltd • Kuehne + Nagel Pte Ltd	30 years (1 Dec 2002)	S$35.0	S$26.8
9. **60 Alps Avenue**	100	10,759	1	• XPO Logistics Worldwide Asia Pacific Pte Ltd	Two leases: 30 years (1 Oct 2001) and 29 years (16 Jul 2002)	S$18.1	S$14.2
10. **Ban Teck Han**	100	11,054	1	• Ban Teck Han Enterprise Co Pte. Ltd.	30+30 years (1 Oct 1996)	S$20.4	S$25.0
11. **Mapletree Logistics Hub, Toh Guan**	100	64,885	9	• Nippon Express (Singapore) Pte Ltd	30+30 years (1 Dec 1990)	S$13.7	S$136.5
12. **50 Airport Boulevard**	100	22,136	1	• Dnata Singapore Pte Ltd	60 years (7 Dec 1979)	S$19.0	S$20.4
13. **Prima**	100	58,331	1	• Prima Ltd.	99 years (1 Oct 1997)	S$26.5	S$44.3
14. **Pulau Sebarok**	100	510,480	3	• Vopak Terminals Singapore Pte Ltd • Singapore Petroleum Company Ltd • Singaport Cleanseas Pte Ltd	73 years (1 Oct 1997)	S$91.0	S$119.6
15. **Kenyon**	100	14,521	1	• Kenyon Pte Ltd	30+23 years (1 Jun 2000)	S$16.5	S$23.7
16. **Toppan**	100	10,469	1	• Toppan Security Printing Pte Ltd	Two leases: 30+30 years (1 Dec 1989) and 28+30 years (1 Sep 1991)	S$12.2	S$18.0
17. **39 Changi South Avenue 2**	95	6,129	6	• Goodyear Orient Company (Private) Limited • Nook and Cranny Pte. Ltd. • Parisilk Electronics & Computers Pte Ltd	30+30 years (1 Apr 1995)	S$9.1	S$10.8
18. **2 Serangoon North Avenue 5**	100	24,740	11	• TEPG Pte Ltd • Innovix Distribution Pte Ltd • WT Microelectronics Singapore Pte Ltd	30+30 years (1 Nov 1995)	S$45.0	S$54.1
19. **10 Changi South Street 3**	73	10,682	7	• Rhema Movers Pte Ltd • Strategic Marketing (S) Pte. Ltd.	30+30 years (1 Mar 1995)	S$17.3	S$18.1
20. **85 Defu Lane 10**	79	10,080	9	• Expand Construction Pte Ltd • Benning Power Electronics Pte Ltd • Nail Palace Pte Ltd	30+30 years (1 May 1990)	S$17.0	S$14.0
21. **31 Penjuru Lane**	84	15,430	6	• Uni Brands Pte. Ltd • Absotech Pte. Ltd • Force 21 Equipment Pte Ltd	30+13 years (1 Feb 1989)	S$16.2	S$10.4
22. **8 Changi South Lane**	95	8,966	2	• Goodrich Global Pte. Ltd • Goldenlink Auto Pte Ltd	30+30 years (1 Sep 1997)	S$15.6	S$16.0
23. **138 Joo Seng Road**	100	8,765	5	• Platinum Wine & Spirits Pte. Ltd. • Sourceability SG Pte. Ltd. • Takashimaya Singapore Ltd	30+30 years (1 Sep 1991)	S$13.0	S$16.9
24. **4 Tuas Avenue 5**	100	10,399	1	• Dynapack Asia Pte Ltd	30+30 years (16 Nov 1989)	S$13.0	S$13.0
25. **Jurong Logistics Hub**	99	124,566	69	• Chasen Logistics Services Ltd • Yamaha Motor Distribution Singapore Pte Ltd • Geodis Wilson Singapore Pte. Ltd.	30+30 years (1 Jan 2001)	S$168.0	S$269.0

Performance
Property Portfolio

Singapore

3 Changi South Lane
(formerly known as Kingsmen Creatives)

1 Genting Lane

521 Bukit Batok Street 23

6 Marsiling Lane

31 & 33 Pioneer Road North
(formerly known as Union Steel (Pioneer))

119 Neythal Road

30 Tuas South Avenue 8

8 Tuas View Square
(formerly known as Union Steel (Tuas View))

Pioneer Districentre

Mapletree Pioneer Logistics Hub

3A Jalan Terusan

30 Boon Lay Way

Menlo (Benoi)

SH Cogent (Penjuru Close)

15 Changi South Street 2

Natural Cool Lifestyle Hub

73 Tuas South Avenue 1

51 Benoi Road

44 & 46 Changi South Street 1

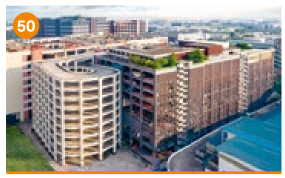
36 Loyang Drive

15A Tuas Avenue 18
(formerly known as Jian Huang Building)

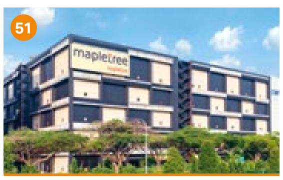
190A Pandan Loop

4 Pandan Avenue

52 Tanjong Penjuru



6 Fishery Port Road



5A Toh Guan Road East

38 Tanjong Penjuru

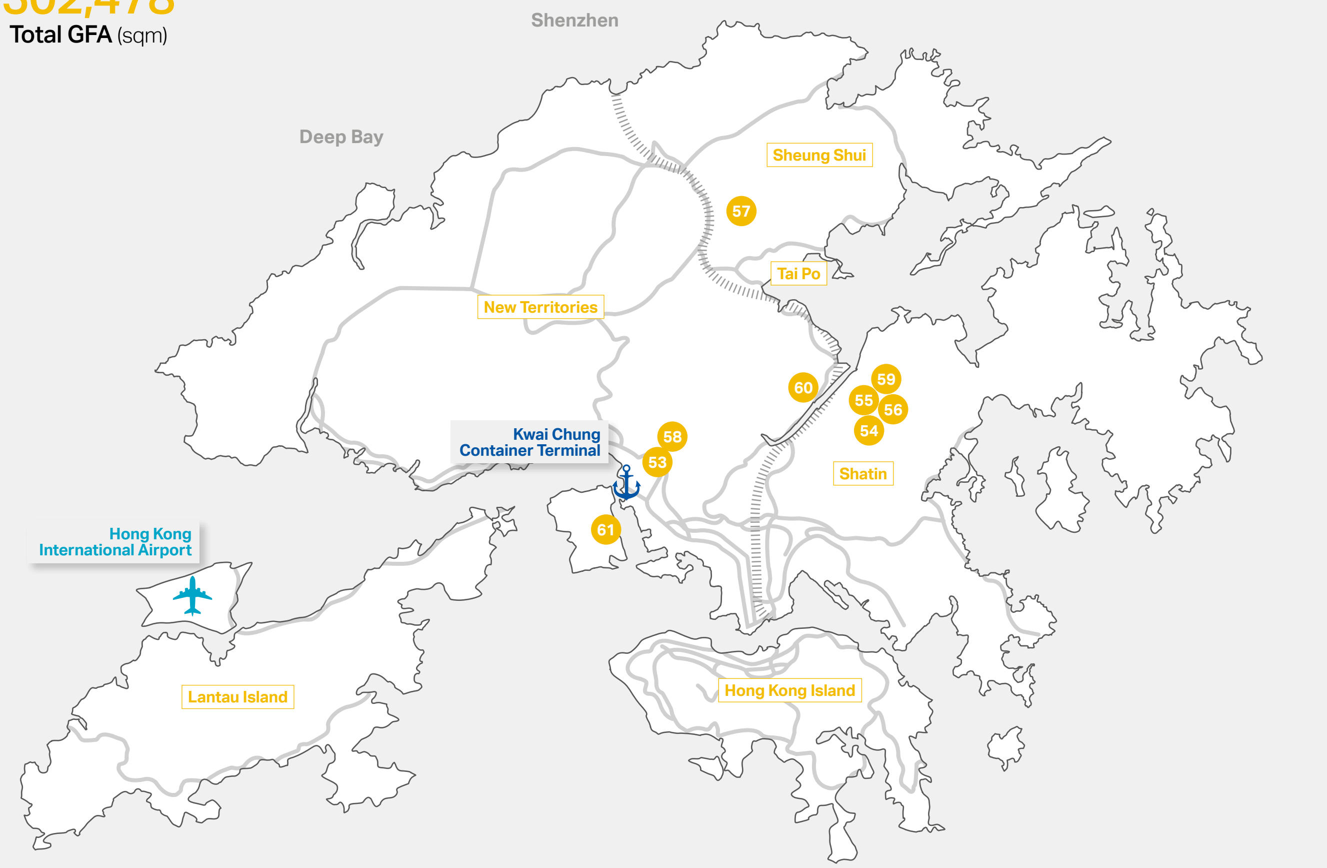
Property Name	Occupancy Rate (%)	NLA (sqm)	No. of Tenants	List of Major Tenants	Land Leasehold Tenure (Lease Start Date)	Purchase Price (Million)	Valuation as at 31/3/2020 (Million)
26. **3 Changi South Lane** (formerly known as Kingsmen Creatives)	47	11,315	1	• Noel Gifts International Ltd	30+30 years (1 Oct 1998)	S$13.9	S$16.6
27. **1 Genting Lane**	100	8,297	1	• Furniture Club Holdings Pte Ltd	60 years (1 Apr 1988)	S$11.0	S$13.0
28. **521 Bukit Batok Street 23**	96	14,782	14	• Ground and Sharp Precision Engineering Pte Ltd • Sri Murugan Manufacturing Pte. Ltd.	30+30 years (1 Sep 1995)	S$25.4	S$22.0
29. **6 Marsiling Lane**	100	15,069	6	• Intevac Asia Pte Ltd • Vallourec Asia Pacific Corp Pte Ltd	60 years (1 Jun 1978)	S$18.0	S$22.3
30. **31 & 33 Pioneer Road North** (formerly known as Union Steel (Pioneer))	100	5,442	1	• Union Steel Pte Ltd	30+30 years (1 May 1993)	S$6.9	S$7.8
31. **119 Neythal Road**	93	11,987	8	• Starcoat Pte. Ltd. • Ever Glory Logistics Pte Ltd • Harmonious Coretrades Pte. Ltd.	60 years (1 Jul 1979)	S$17.3	S$12.8
32. **30 Tuas South Avenue 8**	100	5,233	1	• Lai Yew Seng Pte Ltd	30+30 years (1 Sep 1998)	S$6.9	S$8.2
33. **8 Tuas View Square** (formerly known as Union Steel (Tuas View))	100	4,405	1	• Chye Thiam Maintenance Pte Ltd	60 years (30 Oct 1996)	S$5.8	S$7.7
34. **Pioneer Districentre**	100	12,252	2	• Pioneer Districentre Pte. Ltd.	12+12 years (1 Aug 2012)	S$14.2	S$12.8
35. **Mapletree Pioneer Logistics Hub**	96	68,662	10	• SH Cogent Logistics Pte Ltd • Sankyu (Singapore) Pte Ltd • OVOL Singapore Pte. Ltd.	30+30 years (1 Aug 1993)	S$40.0	S$121.7
36. **3A Jalan Terusan**	100	18,139	1	• Kleio One-Solution Pte. Ltd.	30+12 years (1 Sep 1995)	S$26.5	S$16.9
37. **30 Boon Lay Way**	80	31,012	8	• Sri Ambikas Pte Ltd • Beni Warehousing Pte Ltd • Dyson Operations Pte Ltd	30+15 years (16 July 1989)	S$48.0	S$22.0
38. **Menlo (Benoi)**	100	6,948	1	• XPO Logistics Worldwide Asia Pacific Pte Ltd	20 years (16 Feb 2010)	S$7.6	S$5.1
39. **SH Cogent (Penjuru Close)**	100	41,253	1	• SH Cogent Logistics Pte. Ltd.	29 years (1 June 2006)	S$43.0	S$39.9
40. **15 Changi South Street 2**	80	19,694	4	• Rohm Semiconductor Singapore Pte Ltd • Futar Enterprises Private Limited • Ceva Logistics Singapore Pte Ltd	25+30 years (16 Oct 1999)	S$34.5	S$30.5
41. **Natural Cool Lifestyle Hub**	100	19,708	1	• Natural Cool Investments Pte Ltd	30+30 years (1 Feb 2007)	S$53.0	S$60.3
42. **73 Tuas South Avenue 1**	33	8,640	1	• Noel Gifts International Ltd	30+30 years (1 June 1997)	S$18.3	S$16.5
43. **51 Benoi Road**	73	31,032	8	• Jurong Engineering Limited • Sin Ghee Huat Corporation Ltd • TBH Industrial and Marine Pte Ltd	30+30 years (16 Apr 1995)	S$55.0	S$42.4
44. **44 & 46 Changi South Street 1**	100	9,920	1	• PG Technologies Pte. Ltd.	Two leases: 30 years (16 Feb 2007) and 30 years (16 Oct 2006)	S$16.8	S$13.8
45. **36 Loyang Drive**	100	7,784	1	• Zodiac Aerospace Services Asia Pte Ltd	30+28 years (1 Dec 1993)	S$13.8	S$14.9
46. **15A Tuas Avenue 18** (formerly known as Jian Huang Building)	100	14,521	2	• Jian Huang Engineering Pte Ltd • Aliaxis Singapore Pte. Ltd.	30 years (16 Sep 2007)	S$24.5	S$19.5
47. **190A Pandan Loop**	100	10,217	3	• Havi Logistics (Singapore) Pte. Ltd • ARYZTA Singapore Pte. Ltd • Awfully Chocolate Central Kitchen Pte Ltd	30 +30 years (1 Jan 1994)	S$36.6	S$32.3
48. **4 Pandan Avenue**	100	54,401	1	• CWT Project Logistics Pte. Ltd.	30 years (9 Oct 2014)	S$117.0	S$130.0
49. **52 Tanjong Penjuru**	100	74,898	1	• SM Integrated Transware Pte Ltd	30 + 10 years (1 Jul 2009)	S$179.0	S$196.0
50. **6 Fishery Port Road**	100	61,399	1	• CWT Pte. Limited	30 + 24 years (29 Jun 2011)	S$244.0	S$272.0
51. **5A Toh Guan Road East**	100	52,592	1	• CWT Logistics (S) Pte. Ltd.	30 + 21 years (1 Mar 1991)	S$115.0	S$120.1
52. **38 Tanjong Penjuru**	100	32,263	1	• CWT Pte. Limited	30 + 14 years (1 Nov 2005)	S$75.0	S$86.0

Performance
Property Portfolio

Hong Kong SAR

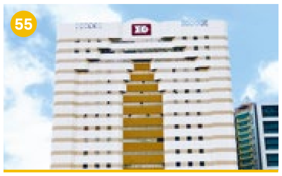
9
Properties

302,478
Total GFA (sqm)



Tsuen Wan No.1

Shatin No. 2



Shatin No. 3

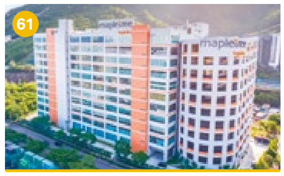
Shatin No. 4

Bossini Logistics Centre

1 Wang Wo Tsai Street

Grandtech Centre

Shatin No. 5



Mapletree Logistics Hub Tsing Yi

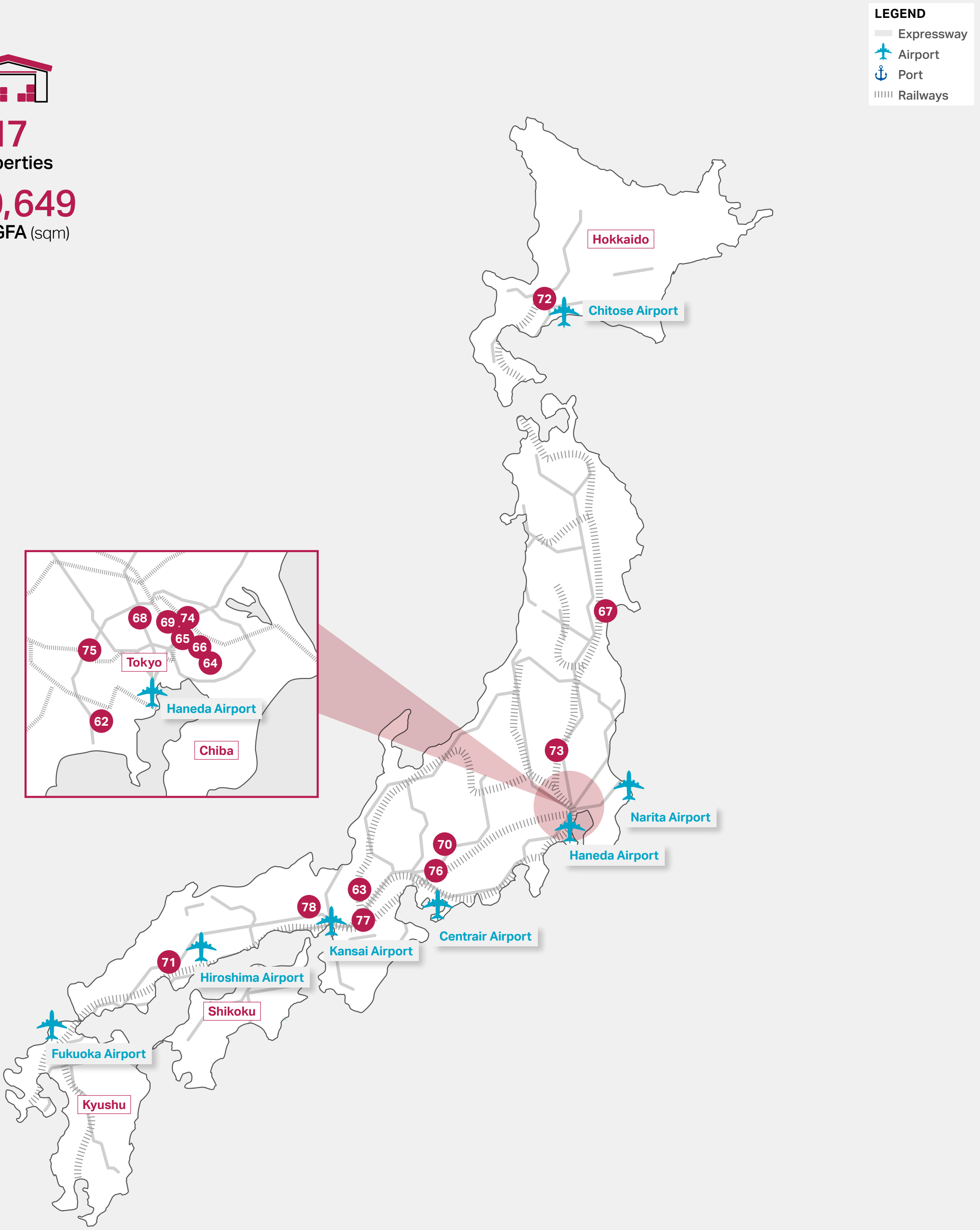
Property Name	Occupancy Rate (%)	NLA (sqm)	No. of Tenants	List of Major Tenants	Land Leasehold Tenure (Lease Start Date)	Purchase Price (Million)	Valuation as at 31/3/2020 (Million)
53. **Tsuen Wan No.1**	100	17,094	6	• Yusen Logistics (Hong Kong) Limited • JFC Hong Kong Limited • CYTS-Spirit Logistics Limited	149 years (1 Jul 1898)	HKD206.0	HKD559.0
54. **Shatin No. 2**	100	26,201	3	• Taiun (H.K.) Co., Limited • MOL Logistics (H.K.) Limited	60 years (27 Nov 1987)	HKD341.0	HKD959.0
55. **Shatin No. 3**	100	39,125	1	• Equinix Hong Kong Limited	58 years (28 Dec 1989)	HKD935.2	HKD1,861.0
56. **Shatin No. 4**	100	54,137	22	• UTi (HK) Limited • Pegasus Logistics Limited • Jacobson Group Management Limited	55 years (4 May 1992)	HKD1,037.0	HKD2,243.0
57. **Bossini Logistics Centre**	100	12,763	1	• Bossini Enterprises Limited	60 years (27 Nov 1987)	HKD113.0	HKD436.0
58. **1 Wang Wo Tsai Street**	100	17,073	1	• Equinix Hong Kong Limited	54 years (26 Nov 1993)	HKD210.0	HKD775.0
59. **Grandtech Centre**	99	47,304	46	• Hua Ke Logistics (HK) Limited • Jennex Technology Limited • Hong Kong Raton International Company Limited	56 years (19 Nov 1991)	HKD780.0	HKD2,181.0
60. **Shatin No. 5**	100	6,599	4	• DKSH Hong Kong Limited • Bedrock Cold Storage Logistics Company Limited	149 years (1 Jul 1898)	HKD66.0	HKD266.0
61. **Mapletree Logistics Hub Tsing Yi**	100	148,065	14	• adidas Hong Kong Limited • Ever Gain Company Limited • Angliss Hong Kong Food Service Limited	50 years (2 Jul 2013)	HKD4,800.0	HKD5,695.0

Performance
Property Portfolio

Japan

17
Properties

420,649
Total GFA (sqm)




Ayase Centre


Kyoto Centre


Funabashi Centre


Kashiwa Centre


Shonan Centre


Sendai Centre


Iwatsuki Land


Noda Centre


Toki Centre


Hiroshima Centre


Eniwa Centre


Sano Centre


Moriya Centre


Mizuhomachi Centre


Aichi Miyoshi Centre


Kyotanabe Centre


Mapletree Kobe Logistics Centre

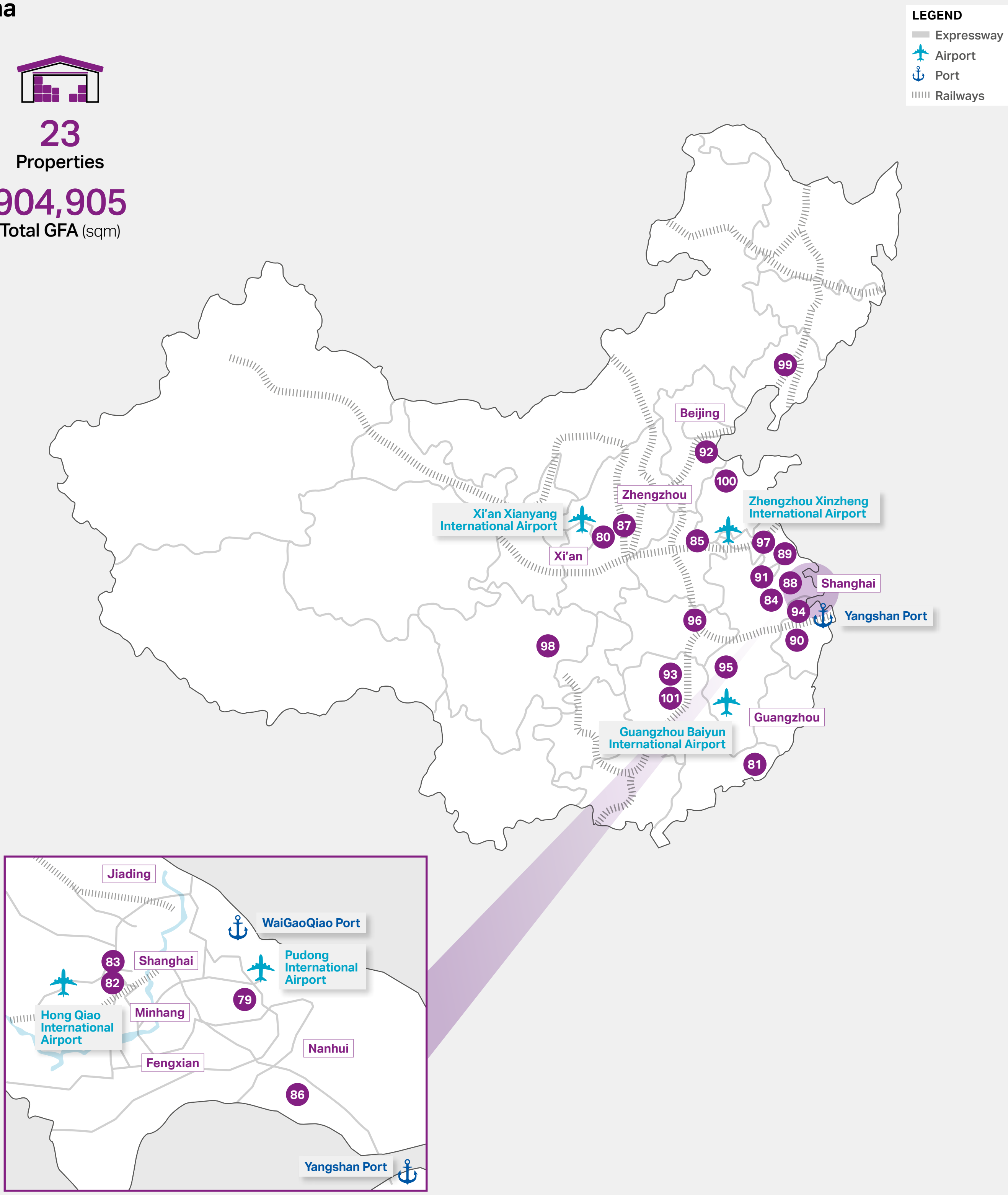
Property Name	Occupancy Rate (%)	NLA (sqm)	No. of Tenants	List of Major Tenants	Land Leasehold Tenure (Lease Start Date)	Purchase Price (Million)	Valuation as at 31/3/2020 (Million)
62. Ayase Centre	100	3,903	1	• Nippon Access, Inc.	Freehold	JPY1,274.6	JPY1,350.0
63. Kyoto Centre	100	22,510	1	• Nichirei Logistics Group Inc.	Freehold	JPY8,809.0	JPY7,520.0
64. Funabashi Centre	100	17,664	2	• Nippon Access, Inc. • Kokubu Kanto-Shinetsu Corp.	Freehold	JPY3,719.4	JPY4,641.0
65. Kashiwa Centre	100	29,164	1	• Toshiba Logistics Corporation	Freehold	JPY6,900.0	JPY7,507.0
66. Shonan Centre	100	30,489	1	• Marubeni Logistics Corporation	Freehold	JPY4,360.0	JPY6,278.0
67. Sendai Centre	100	4,249	2	• Kibun Fresh Systems Co., Ltd. • Shiogama Rikuun K.K.	Freehold	JPY1,490.0	JPY1,690.0
68. Iwatsuki Land	100	24,469	1	• IDOM Inc.	Freehold	JPY753.6	JPY381.0
69. Noda Centre	100	35,567	1	• SBS Logicom Co., Ltd.	Freehold	JPY4,800.0	JPY6,652.0
70. Toki Centre	100	16,545	1	• Hamakyorex Co., Ltd.	Freehold	JPY1,050.0	JPY1,760.0
71. Hiroshima Centre	100	43,640	1	• Nippon Access, Inc.	Freehold	JPY7,300.0	JPY8,608.0
72. Eniwa Centre	100	17,498	1	• Kokubu Hokkaido Corp.	Freehold	JPY1,460.0	JPY1,530.0
73. Sano Centre	100	7,217	1	• Arata Corporation	Freehold	JPY1,050.0	JPY1,140.0
74. Moriya Centre	100	41,713	1	• Nippon Express Co., Ltd.	Freehold	JPY4,640.0	JPY6,750.0
75. Mizuhomachi Centre	100	20,212	1	• Logicom Inc.	Freehold	JPY3,500.0	JPY4,398.0
76. Aichi Miyoshi Centre	100	6,723	1	• Hokkoh Transportation Inc.	Freehold	JPY1,155.0	JPY1,270.0
77. Kyotanabe Centre	100	12,343	1	• Itochu-Shokuhin Co., Ltd.	Freehold	JPY1,830.0	JPY2,530.0
78. Mapletree Kobe Logistics Centre	100	84,783	8	• F-line K.K. • Workman Co., Ltd. • Kyocera Corporation	Freehold	JPY22,200.0	JPY22,600.0

Performance
Property Portfolio

China

23
Properties

904,905
Total GFA (sqm)



Mapletree Ouluo Logistics Park

Mapletree Xi'an Logistics Park

Mapletree American Industrial Park

Mapletree Northwest Logistics Park (Phase 1)

Mapletree Northwest Logistics Park (Phase 2)

Mapletree (Wuxi) Logistics Park

Mapletree (Zhengzhou) Logistics Park

Mapletree Yangshan Bonded Logistics Warehouses

Mapletree Fengdong (Xi'an) Industrial Park

Mapletree Wuxi New District Logistics Park

Mapletree Nantong Chongchuan Logistics Park

Mapletree Hangzhou Logistics Park

Property Name	Occupancy Rate (%)	NLA (sqm)	No. of Tenants	List of Major Tenants	Land Leasehold Tenure (Lease Start Date)	Purchase Price (Million)	Valuation as at 31/3/2020 (Million)
79. Mapletree Ouluo Logistics Park	100	44,624	5	• DHL Bonded Warehouse (Beijing) Co., Ltd. Shanghai Branch/DHL Sinotrans International Air Courier Ltd • Shanghai TAKE Logistics Co., Ltd	50 years (4 Sep 2002)	RMB120.0	RMB421.3
80. Mapletree Xi'an Logistics Park	89	22,876	1	• Xi'an Yuankang Industry and Trade Co.,Ltd	50 years (3 June 2005)	RMB90.0	RMB64.5
81. Mapletree American Industrial Park	97	116,896	41	• EuroKera Guangzhou Factory • Guangdong Hong De Technology Property Management Co., Ltd.	46 years (27 Jun 2006)	RMB241.3	RMB314.2
82. Mapletree Northwest Logistics Park (Phase 1)	100	30,011	6	• Shanghai Dia Retail Co., Ltd Shanghai Zhengming Intl Logistics Co., Ltd	50 years (10 Jan 2005)	RMB100.0	RMB188.5
83. Mapletree Northwest Logistics Park (Phase 2)	95	10,933	2	• Shanghai Kejie Logistics Co.,Ltd.	50 years (30 Oct 2006)	RMB55.0	RMB65.5
84. Mapletree (Wuxi) Logistics Park	100	45,084	8	• Wuxi Airsea Supply Chain Management Co. • Suzhou Hua Shi Bo Ji International Logistics Co.	50 years (31 Dec 2006)	RMB116.0	RMB145.0
85. Mapletree (Zhengzhou) Logistics Park	99	78,132	5	• Zhengzhou Deppon Logistics Co. • Beijing Aode Logistics Co.	50 years (30 May 2012)	RMB205.6	RMB255.0
86. Mapletree Yangshan Bonded Logistics Warehouses	100	45,940	2	• Shanghai Oceaneast International Logistics Co., Ltd • Shanghai Bang Da Xin Logistics Co., Ltd	50 years (21 Aug 2006)	RMB197.2	RMB241.0
MLT's 50% interest of the joint ventures with Mapletree Investments Pte Ltd in a portfolio of 15 properties in China							
87. Mapletree Fengdong (Xi'an) Industrial Park	100	63,558	5	• Xi'an Zhicheng Deppon Logistics Co. Ltd • Yue-Shen(Taicang)Footwear Co.,Ltd. Xi'xian New District Branch	50 years (10 Dec 2013)	RMB284.6	RMB299.3
88. Mapletree Wuxi New District Logistics Park	95	122,403	15	• China Post Express Mail Service Co., Ltd. Jiangsu E-Commerce Branch • Suzhou Pulibang Logistics Co., Ltd. • Speedex CJ Logistics Co., Ltd.	50 years (17 Mar 2014)	RMB411.6	RMB435.7
89. Mapletree Nantong Chongchuan Logistics Park	70	78,624	13	• Shanghai Zhengming Modern Logistics Co., Ltd • Sinotrans Nantong Suzhong Logistics Co., Ltd.	West: 50 years (30 Jan 2015) East: 50 years (20 Oct 2014)	RMB261.7	RMB269.6
90. Mapletree Hangzhou Logistics Park	97	106,726	4	• Hangzhou Cainiao Supply Chain Management Co., Ltd. • Hangzhou Haomusi Food Co., Ltd.	50 years (6 Sep 2014)	RMB381.8	RMB431.4

Performance
Property Portfolio

China


Mapletree Changshu Logistics Park


Mapletree Tianjin Wuqing Logistics Park


Mapletree Changsha Logistics Park Phase 1


Mapletree Jiaxing Logistics Park


Mapletree Nanchang Logistics Park


Mapletree Wuhan Yangluo Logistics Park


Mapletree Zhenjiang Logistics Park


Chengdu DC Logistics Park


Mapletree Shenyang Logistics Park


Mapletree Jinan International Logistics Park

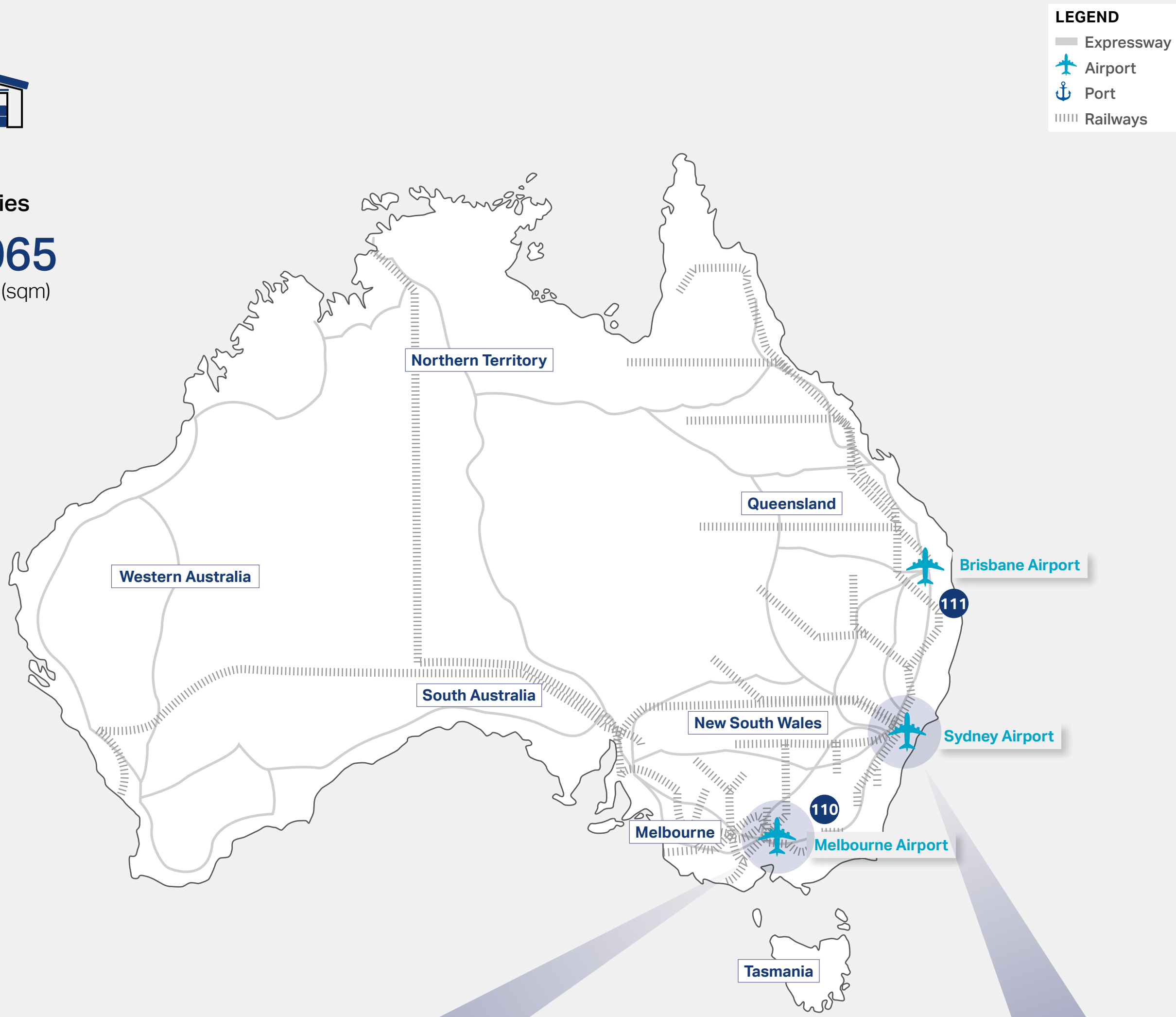

Mapletree Changsha Industrial Park (Phase 2)

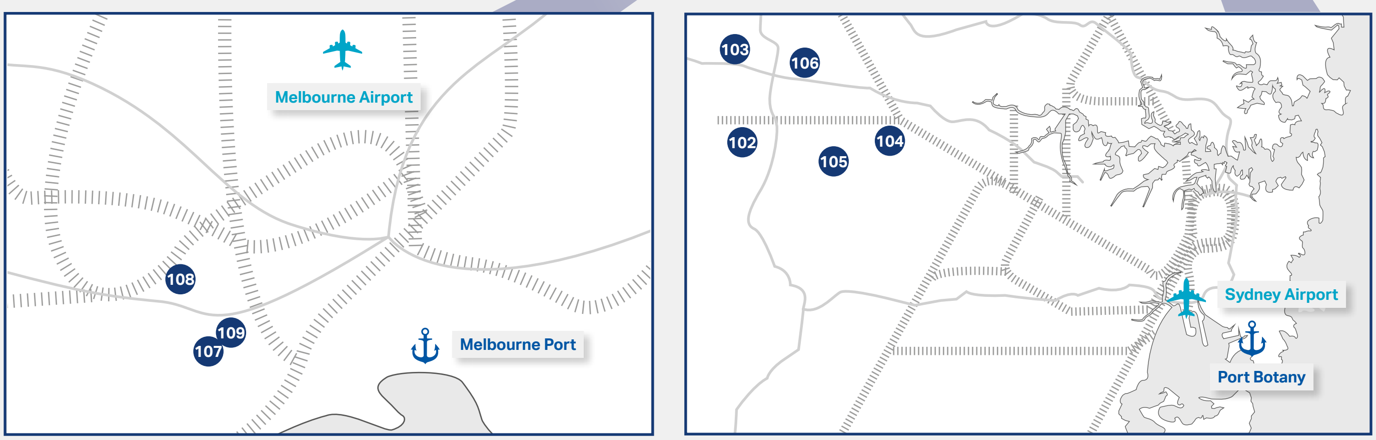
Property Name	Occupancy Rate (%)	NLA (sqm)	No. of Tenants	List of Major Tenants	Land Leasehold Tenure (Lease Start Date)	Purchase Price (Million)	Valuation as at 31/3/2020 (Million)
91. Mapletree Changshu Logistics Park	89	60,966	11	• Suzhou Hangyun Handling Service Co., Ltd. • Shanghai Kamigumi Logistics Service Co., Ltd.	50 years (15 Feb 2015)	RMB191.5	RMB210.0
92. Mapletree Tianjin Wuqing Logistics Park	100	29,148	1	• Sinotrans Logistics Development Co., Ltd. Tianjin Branch	50 years (13 Feb 2015)	RMB104.2	RMB110.0
93. Mapletree Changsha Logistics Park Phase 1	98	79,253	6	• Hangzhou Cainiao Supply Chain Management Co., Ltd. • Hunan Yujia Cosmetics Manufacturing Co., Ltd.	50 years (21 Jun 2014)	RMB301.4	RMB312.3
94. Mapletree Jiaxing Logistics Park	100	35,683	1	• Hangzhou Best Network Technology Co.,Ltd.	50 years (27 Jan 2016)	RMB125.8	RMB140.0
95. Mapletree Nanchang Logistics Park	100	73,950	4	• Hangzhou Cainiao Supply Chain Management Co., Ltd. • Jiangxi SF Express Co., Ltd.	50 years (15 Jan 2016)	RMB216.5	RMB225.4
96. Mapletree Wuhan Yangluo Logistics Park	100	69,984	1	• Hubei Jingbangda Supply Chain Technology Co., Ltd.	50 years (11 Jun 2015)	RMB237.9	RMB245.4
97. Mapletree Zhenjiang Logistics Park	100	101,616	4	• Jiangsu Jingxundi Supply Chain Management Co., Ltd. • Shanghai XingQuan Logistics Co., Ltd. • Jurong Xiangyun Logistics Co., Ltd.	50 years (1 Oct 2016)	RMB329.8	RMB357.0
98. Chengdu DC Logistics Park	100	20,138	2	• Sichuan Chuan Cold Supply Chain Management Co., Ltd. • Shanghai Lantu Information Technology Co., Ltd.	50 years (28 Oct 2015)	RMB99.0	RMB105.4
99. Mapletree Shenyang Logistics Park	90	42,881	3	• Three Squirrels Co., Ltd. Xiaomi Communications Co.,Ltd	50 years (29 Sep 2016)	RMB135.0	RMB142.2
100. Mapletree Jinan International Logistics Park	100	80,931	7	• Jinan Junneng Logistics Co., Ltd. • Shandong SF Express Co., Ltd. • Shandong Xinghuo International Education Group Co.,Ltd.	50 years (16 Mar 2015)	RMB287.0	RMB303.0
101. Mapletree Changsha Industrial Park (Phase 2)	91	97,888	12	• Hangzhou Cainiao Supply Chain Management Co., Ltd. • Shenzhen Futaitong International Logistics Co., Ltd. • Hunan Shuiyang Logistics Co., Ltd.	50 years (27 Dec 2014)	RMB381.0	RMB400.4

Australia

10
Properties

268,065
Total GFA (sqm)





Performance
Property Portfolio

Australia

Coles Chilled Distribution Centre, NSW

114 Kurrajong Road & 9 Coventry Place, Mount Druitt, NSW

53 Britton Street, Smithfield NSW

405-407 Victoria Street, Wetherill Park, NSW

3 Distillers Place, Huntingwood, NSW

99-103 William Angliss Drive, Laverton North, VIC

213 Robinsons Road, Ravenhall, VIC

365 Fitzgerald Road, Derrimut, VIC

28 Bilston Drive, Barnawartha North, VIC

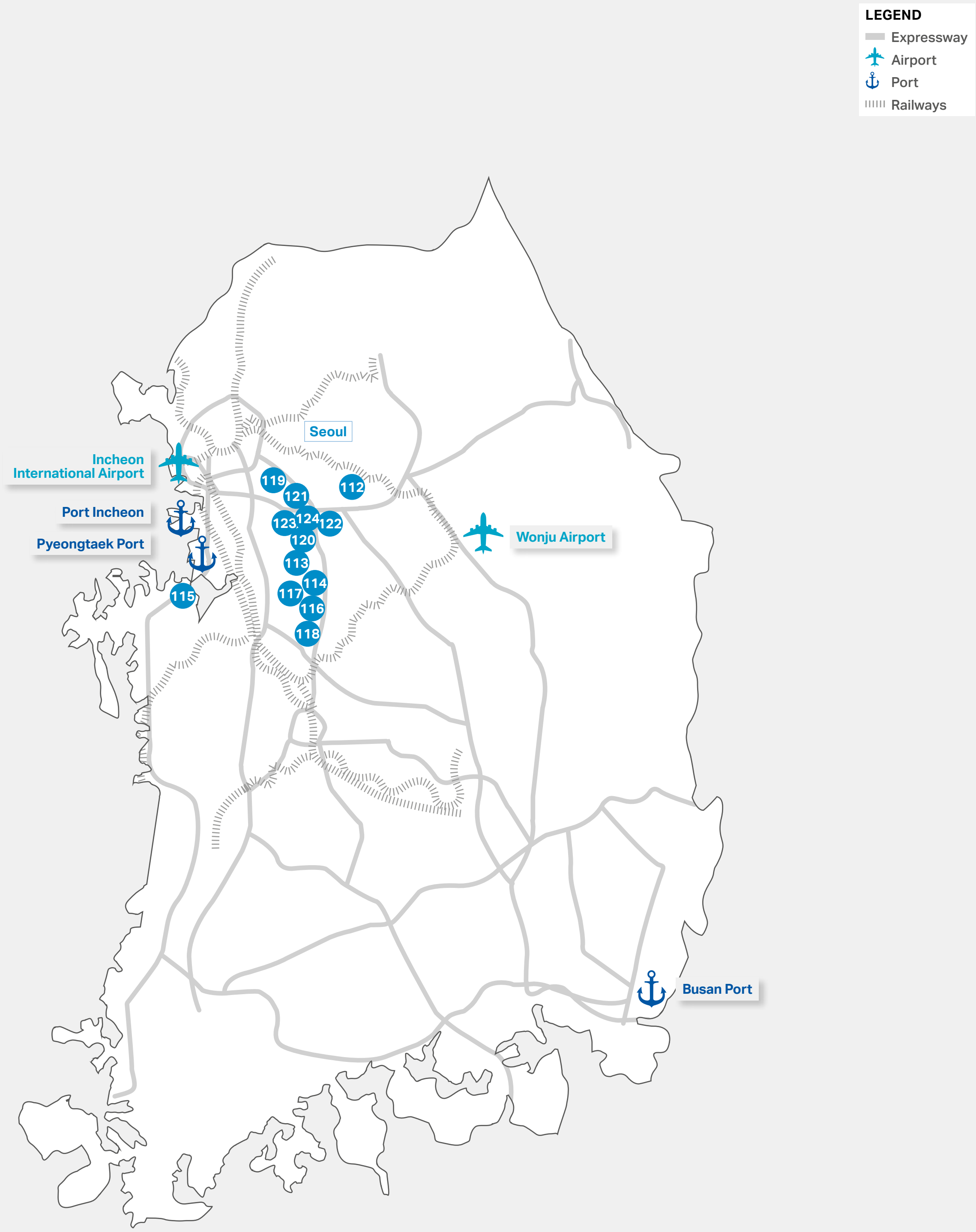
Coles Brisbane Distribution Centre, 44 Stradbroke Street, Heathwood, QLD
(formerly known as Coles Brisbane Distribution Centre, QLD)

Property Name	Occupancy Rate (%)	NLA (sqm)	No. of Tenants	List of Major Tenants	Land Leasehold Tenure (Lease Start Date)	Purchase Price (Million)	Valuation as at 31/3/2020 (Million)
102. Coles Chilled Distribution Centre, NSW	100	55,395	1	• Coles Supermarkets Australia Pty Ltd	Freehold	AUD253.0	AUD299.0
103. 114 Kurrajong Road & 9 Coventry Place, Mount Druitt, NSW	100	18,137	2	• Duluxgroup (Australia) Pty Ltd; Sunnyfield	Freehold	AUD24.3	AUD29.5
104. 53 Britton Street, Smithfield NSW	100	13,484	2	• Janala Pty Limited • Hutchison 3G	Freehold	AUD27.8	AUD33.0
105. 405-407 Victoria Street, Wetherill Park, NSW	100	12,323	3	• Tesrol Joinery Pty Limited • TMS • Fowler Homes	Freehold	AUD17.7	AUD23.8
106. 3 Distillers Place, Huntingwood, NSW	100	8,963	1	• Transport Refrigeration Services Pty Ltd	Freehold	AUD15.2	AUD19.5
107. 99-103 William Angliss Drive, Laverton North, VIC	100	9,378	1	• Scott's Refrigerated Freightways Pty Ltd	Freehold	AUD28.1	AUD36.5
108. 213 Robinsons Road, Ravenhall, VIC	100	21,093	1	• Fuji Xerox BusinessForce Pty Ltd	Freehold	AUD27.9	AUD28.0
109. 365 Fitzgerald Road, Derrimut, VIC	100	16,114	1	• Bridgestone Australia Ltd	Freehold	AUD18.0	AUD19.3
110. 28 Bilston Drive, Barnawartha North, VIC	100	55,469	1	• Woolworths Limited	300 years (31 July 2006)	AUD68.2	AUD67.0
111. Coles Brisbane Distribution Centre, 44 Stradbroke Street, Heathwood, QLD (formerly known as Coles Brisbane Distribution Centre, QLD)	100	55,739	1	• Coles Supermarkets Australia Pty Ltd	Freehold	AUD105.0	AUD106.5

South Korea

13
Properties

387,172
Total GFA (sqm)



Performance
Property Portfolio

South Korea

Mapletree Logistics Centre – Yeoju

Mapletree Logistics Centre – Baekam 1

Mapletree Logistics Centre – Iljuk

Mapletree Logistics Hub – Pyeongtaek

Mapletree Logistics Centre – Anseong Cold

Mapletree Logistics Centre – Yongin Cold

Mapletree Logistics Centre – Namanseong

Mapletree Logistics Centre – Seoicheon

Mapletree Logistics Centre – Baekam 2

Mapletree Logistics Centre – Majang 1

Mapletree Logistics Centre – Hobeob 1

Mapletree Logistics Centre – Wonsam 1

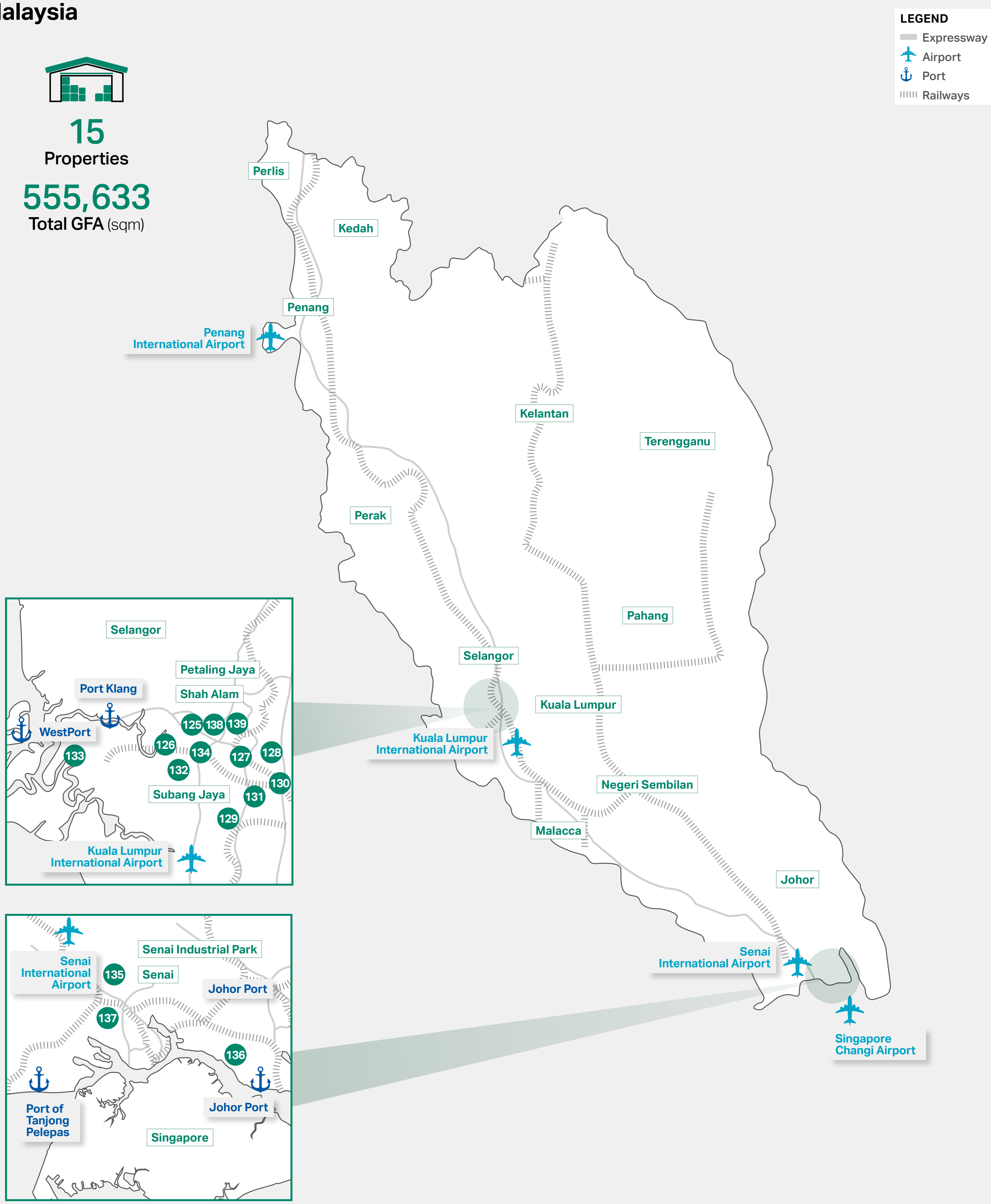
Mapletree Logistics Centre – Hobeob 2

Property Name	Occupancy Rate (%)	NLA (sqm)	No. of Tenants	List of Major Tenants	Land Leasehold Tenure (Lease Start Date)	Purchase Price (Million)	Valuation as at 31/3/2020 (Million)
112. Mapletree Logistics Centre – Yeoju	100	10,959	2	• Bokjung Scale Co., Ltd. • The KY Co., Ltd.	Freehold	KRW11,650.0	KRW8,329.0
113. Mapletree Logistics Centre – Baekam 1	97	32,898	5	• Manjae Logistics Co., Ltd. • Hermes Logix Co., Ltd. • MQ Logistics Co., Ltd.	Freehold	KRW32,000.0	KRW38,698.0
114. Mapletree Logistics Centre – Iljuk	100	23,397	3	• E&C GLS Co., Ltd. • TE Logis Co., Ltd. • Hansol Logistics Co., Ltd.	Freehold	KRW22,000.0	KRW26,228.0
115. Mapletree Logistics Hub – Pyeongtaek	91	100,914	7	• MH&Co Co., Ltd. • CIS International Co., Ltd. • Wonjin Logistics Co., Ltd.	Freehold	KRW75,580.0	KRW77,276.0
116. Mapletree Logistics Centre – Anseong Cold	100	20,791	1	• TE Logis Co., Ltd.	Freehold	KRW33,500.0	KRW22,456.0
117. Mapletree Logistics Centre – Yongin Cold	100	18,031	1	• TE Logis Co., Ltd.	Freehold	KRW30,000.0	KRW22,600.0
118. Mapletree Logistics Centre – Namanseong	100	32,317	2	• Dongsuh Foods Co., Ltd. • Yongma Logistics Co., Ltd.	Freehold	KRW22,500.0	KRW26,458.0
119. Mapletree Logistics Centre – Seoicheon	100	27,016	1	• Oakline Co. Ltd. (Nara Logistics Co., Ltd.)	Freehold	KRW28,750.0	KRW39,250.0
120. Mapletree Logistics Centre – Baekam 2	100	25,619	3	• CJ Logistics Co., Ltd. • eBay Korea Co,. Ltd. • Jall Logis Co., Ltd.	Freehold	KRW25,500.0	KRW33,374.0
121. Mapletree Logistics Centre – Majang 1	100	19,285	2	• Smart Logistics Co., Ltd. • Smart Global Co., Ltd.	Freehold	KRW21,400.0	KRW27,352.0
122. Mapletree Logistics Centre – Hobeob 1	100	16,111	2	• Dada&Kolonet Co., Ltd. • Dakonet Co., Ltd.	Freehold	KRW17,500.0	KRW24,088.0
123. Mapletree Logistics Centre – Wonsam 1	100	30,780	2	• Wonjin Logistics Co., Ltd. • CJ Logistics Co., Ltd.	Freehold	KRW37,850.0	KRW40,942.0
124. Mapletree Logistics Centre – Hobeob 2	83	30,509	3	• ATN Co., Ltd. • Maxerve Co., Ltd. • Seha Co., Ltd.	Freehold	KRW35,800.0	KRW38,700.0

Malaysia

15
Properties

555,633
Total GFA (sqm)



Performance
Property Portfolio

Malaysia

Pancuran

Zentraline

Subang 1

Subang 2

Chee Wah

Subang 3

Subang 4

Linfox

Century

G-Force

Celestica Hub

Padi Warehouse

Flexhub

Mapletree Shah Alam Logistics Park

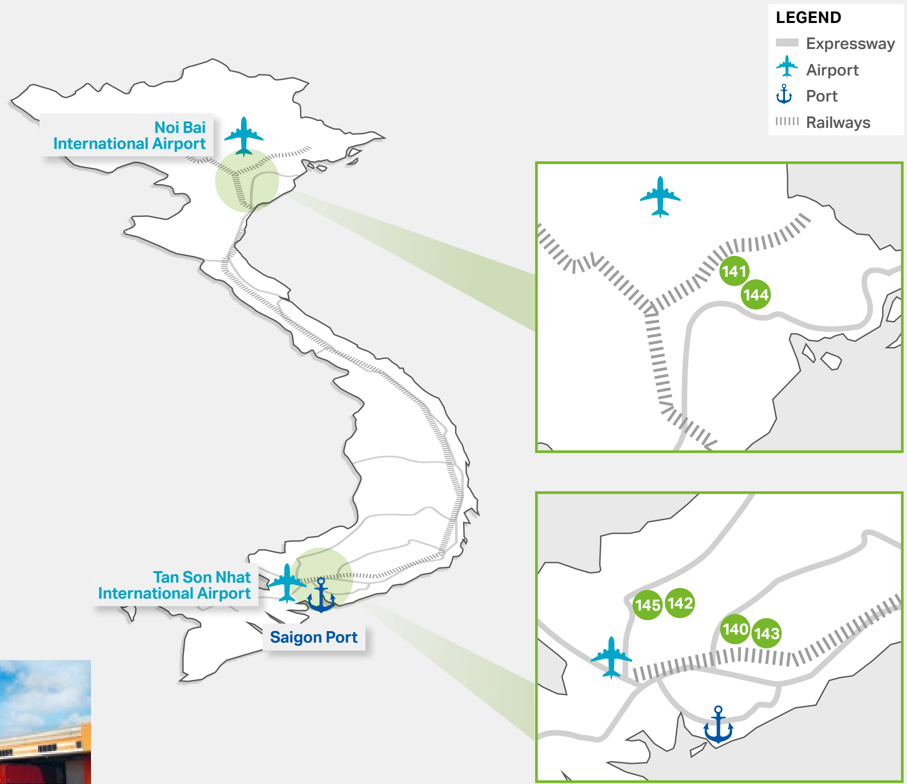
Mapletree Logistics Hub – Shah Alam

Property Name	Occupancy Rate (%)	NLA (sqm)	No. of Tenants	List of Major Tenants	Land Leasehold Tenure (Lease Start Date)	Purchase Price (Million)	Valuation as at 31/3/2020 (Million)
125. Pancuran	100	29,783	1	• Nippon Express (M) Sdn Bhd	99 years (19 Apr 1996)	MYR45.0	MYR69.3
126. Zentraline	100	14,529	1	• LF Logistics Services (M) Sdn Bhd	99 years (23 Dec 1995)	MYR25.0	MYR34.3
127. Subang 1	100	12,873	2	• Ferro Futsal Sdn Bhd • Spicers Paper (Malaysia) Sdn Bhd	99 years (12 Mar 1996)	MYR25.1	MYR28.0
128. Subang 2	100	8,297	1	• Morrison Express (M) Sdn Bhd	99 years (17 Jul 1989)	MYR17.2	MYR21.4
129. Chee Wah	100	7,705	2	• Yamato Transport (M) Sdn Bhd • The Cool (Malaysia) Sdn Bhd	Freehold	MYR13.0	MYR19.8
130. Subang 3	100	8,376	1	• FM Global Logistics (M) Sdn Bhd	99 years (30 Nov 1990)	MYR19.9	MYR22.5
131. Subang 4	100	4,518	1	• FM Global Logistics (M) Sdn Bhd	99 years (13 Dec 2006)	MYR9.5	MYR11.2
132. Linfox	100	17,984	1	• Setia Corporation Sdn Bhd	Freehold	MYR35.0	MYR52.7
133. Century	100	25,734	1	• Setia Corporation Sdn Bhd	Freehold	MYR32.0	MYR48.5
134. G-Force	100	18,670	1	• G-Force Sdn Bhd	Freehold	MYR35.2	MYR44.0
135. Celestica Hub	100	22,304	1	• Celestica (AMS) Sdn Bhd	Freehold	MYR27.5	MYR39.2
136. Padi Warehouse	100	23,717	1	• Padiberas Nasional Berhad	60 years (23 Mar 1983)	MYR31.5	MYR21.8
137. Flexhub	100	63,175	1	• Classic Advantage Sdn. Bhd.	60 years (1 Apr 2006)	MYR88.5	MYR96.8
138. Mapletree Shah Alam Logistics Park	100	60,158	5	• YCH Logistics (Malaysia) Sdn. Bhd. • XPO Logistics Worldwide (Malaysia) Sdn. Bhd. • Pantos Logistics Malaysia Sdn. Bhd.	99 years (31 May 1999)	MYR160.0	MYR178.2
139. Mapletree Logistics Hub – Shah Alam	100	207,662	19	• Watson's Personal Care Stores Sdn Bhd • Lazada Express (Malaysia) Sdn Bhd • Scommerce Trading Malaysia Sdn Bhd	99 years (10 July 1995)	MYR826.0	MYR835.0

Vietnam

6
Properties

335,349
Total GFA (sqm)



Mapletree Logistics Centre

Mapletree Logistics Park
Bac Ninh Phase 1

Mapletree Logistics Park
Binh Duong Phase 2

Unilever VSIP
Distribution Center

Mapletree Logistics Park
Bac Ninh Phase 2

Mapletree Logistics Park
Phase 1

Property Name	Occupancy Rate (%)	NLA (sqm)	No. of Tenants	List of Major Tenants	Land Leasehold Tenure (Lease Start Date)	Purchase Price (Million)	Valuation as at 31/3/2020 (Million)
140. Mapletree Logistics Centre	100	23,050	5	• Yamaha Motor Vietnam Co., Ltd. • Nitto Denko Tape Materials (Vietnam) Co., Ltd. • Express Thanh Dat Joint Stock Company	42 years (8 Nov 2006)	USD6.4	VND216,700.0
141. Mapletree Logistics Park Bac Ninh Phase 1	100	54,127	9	• DHL Supply Chain Vietnam Ltd. • Indo Trans Logistics Corporation • Schenker Vietnam Co., Ltd	48 years (1 Dec 2009)	VND336,975.0	VND422,750.0
142. Mapletree Logistics Park Phase 2	100	66,148	14	• Makita Vietnam Co., Ltd. • Crown Worldwide Ltd. • Kubota Vietnam Co., Ltd.	48 years (26 Jul 2007)	VND339,546.0	VND409,300.0
143. Unilever VSIP Distribution Center	100	66,846	1	• Unilever Vietnam International Co., Ltd.	36 years (9 Nov 2018)	VND725,100.0	VND750,750.0
144. Mapletree Logistics Park Bac Ninh Phase 2	100	49,930	6	• Pantos Logistics Vietnam Co. Ltd. • YCH Protrade Co., Ltd. • Kubota Vietnam Co., Ltd.	48 years (1 Dec 2009)	USD16.0	VND390,000.0
145. Mapletree Logistics Park Phase 1	100	66,311	10	• Wanek Furniture (Vietnam) Co., Ltd. • LF Logistics (Vietnam) Co., Ltd. • SW Commodities (Vietnam) Co., Ltd.	48 years (26 Jul 2007)	USD20.0	VND482,700.0

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Singapore by CBRE Pte. Ltd.

The Singapore Economy

According to the Ministry of Trade and Industry ("MTI"), the Singapore economy grew by 0.7% in 2019, a sharp slowdown from the 3.4% growth recorded in 2018.

Weighed down by the long-drawn Sino-U.S. trade war and cyclical slowdown in the electronics sector, Singapore's economic growth was muted for the large part of the year, with trade indicators remaining in contraction territory for prolonged periods. On the back of positive factors including the 'phase one' trade deal between U.S. and China and expansionary Budget 2020, early signs of recovery were seen in Q4 2019, where some improvements were noted in the Singapore Purchasing Managers' Index ("PMI") and non-oil domestic exports ("NODX").

Growth in 2019 was supported by the construction sector, which grew by 2.8% Year-on-Year ("Y-o-Y"), a reversal from the 3.5% Y-o-Y decline in 2018. This is in addition to expansion in the services producing industries, driven mainly by finance and insurance, other services and business services sectors. The manufacturing sector however, contracted by 1.4%, largely due to output declines in the electronics, chemicals, precision engineering and transport engineering clusters.

Singapore Warehouse Market

Existing Warehouse Supply

Total islandwide warehouse stock as at Q4 2019 stood at 118.20 million sq. ft., a Y-o-Y increase of 2.8% or 3.25 million sq. ft. Existing warehouse space is primarily private in nature with 97.7% of total stock owned by the private sector and the remaining 2.3% held by the government. The increase in warehouse stock in 2019 came on the back of several notable warehouse completions, including JTC Corporation's trendspace (0.66 million sq. ft.), Schenker Singapore's warehouse at 20 Alps Avenue (0.55 million sq. ft.) and Radha Exports Building (0.38 million sq. ft.).

Future Warehouse Supply

As at Q4 2019, the total islandwide warehouse pipeline over the next four years (2020 – 2023) is estimated at 6.14 million sq. ft. of GFA. Future warehouse supply is relatively limited, with the highest in 2020 (2.76 million sq. ft.) and the lowest in 2021 (0.29 million sq. ft.). Comparatively, the volume of new warehouse stock is significantly lower than previous years – annual average for the next four years stands at 1.53 million sq. ft., 72.3% lower than the five-year historical annual average of 5.53 million sq. ft. **(See Chart 1)**

Major warehouse projects in the pipeline include JTC Logistics Hub @ Gul (1.45 million sq. ft.), Pandan Crescent Pte Ltd's warehouse development at 4 Pandan Crescent (1.29 million sq. ft.), Allied Sunview Pte Ltd's warehouse development at Sunview Road (1.26 million sq. ft.) and LOGOS SE Asia Pte Ltd's 20 Tuas South Avenue 14 (1.07 million sq. ft.). **(See Table 1)**

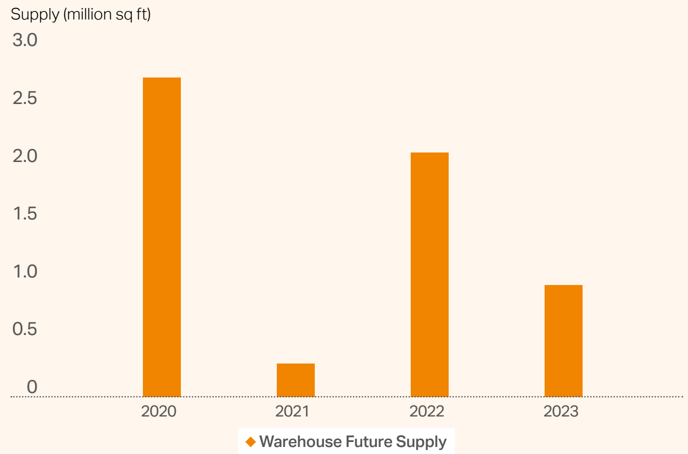
Demand and Vacancy

Leasing activity was relatively muted throughout the year consisting of mainly renewals and relocations, due to external pressures in the market such as the Sino-U.S. trade war and the trade dispute between Japan and Korea. Nonetheless, a slight pick-up in leasing demand was observed in Q4 2019. Demand throughout the year was driven mostly by firms in the third-party logistics, high-tech manufacturing and chemicals sectors.

The islandwide net absorption for warehouse space in the whole of 2019 was 1.06 million sq. ft., lower than the net new warehouse supply of 3.25 million sq. ft. Consequently, islandwide warehouse vacancy rate rose from 10.5% as of Q4 2018 to 12.0% as of Q4 2019, which is equivalent to a vacant stock volume of 14.2 million sq. ft. **(See Chart 2)**

Chart 1

Future Warehouse Supply (2020 – 2023)



Sources: JTC, CBRE. Based on CBRE estimates

Table 1

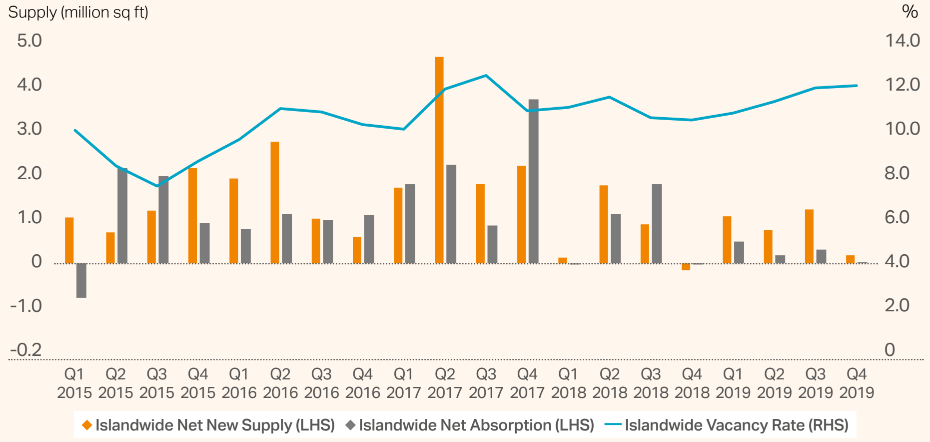
Selected Upcoming Warehouse Supply (2020 – 2023)

No.	Proposed Project	Developer	Location	Region	GFA (sq ft)
			2020		
1	JTC Logistics Hub @ Gul	JTC Corporation	Gul Circle	West	1,445,807
2	Cogent Jurong Island Logistics Hub	S H Cogent Logistics Pte. Ltd.	Tembusu Crescent	West	925,803
			2022		
3	Additions/ alterations at 20 Tuas South Avenue 14	LOGOS SE Asia Pte Ltd	20 Tuas South Avenue 14	West	1,073,699
			2023		
4	Warehouse development	Pandan Crescent Pte Ltd	4 Pandan Crescent	West	1,293,821
5	Warehouse development	Allied Sunview Pte Ltd	Sunview Road	West	1,257,331

Source: JTC, CBRE
Note: Table includes selected upcoming warehouse developments above 200,000 sq ft.

Chart 2

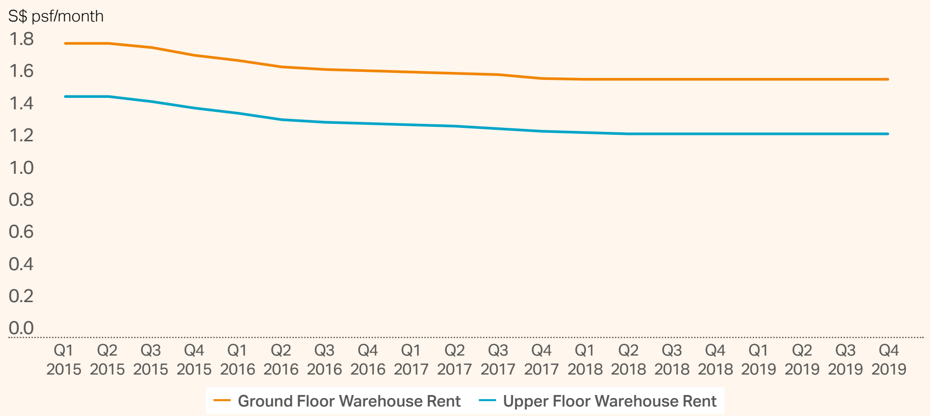
Warehouse Demand and Vacancy (2015 – 2019)



Source: JTC, CBRE

Chart 3

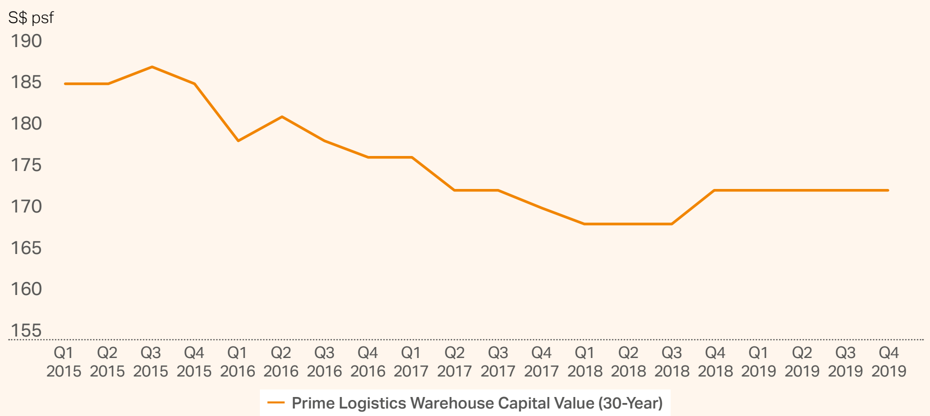
Ground and Upper Warehouse Rental Value (2015 – 2019)



Source: CBRE

Chart 4

Prime Logistics Warehouse Capital Value (2015 – 2019)



Source: CBRE

Rent (See Chart 3)

Amid economic pressures and trade tensions, the warehouse market stayed flat in 2019, with both ground floor and upper floor warehouse rents remaining unchanged at S$1.58 psf/month and S$1.20 psf/month respectively throughout the year. This represents a decrease of 13.7% and 20.5% from a five-year peak of S$1.83 psf/month and S$1.51 psf/month respectively in Q3 2013.

Capital Value (See Chart 4)

Capital values for prime logistics space held steady at S$172 psf throughout 2019, representing a slight increase of 1.8% from the average capital value of S$169 psf in 2018.

Future Outlook

Singapore's manufacturing sector, which is highly export-reliant, faced downward pressure from global headwinds in 2019, notably the Sino-U.S. trade war and the trade dispute between Japan and Korea. While there were positive blips towards the end of the year, these were short-lived following the COVID-19 outbreak which began in December 2019. The outbreak is expected to exact a severe toll on the global economy, derailing Singapore's trade prospects and weighing down domestic consumption. In its latest outlook statement published on 26 March 2020, the MTI further downgraded Singapore's 2020 GDP growth forecast to -4.0% to -1.0%, which would effectively mark Singapore's first full-year recession in two decades.

In response to the COVID-19 outbreak, the government has successively launched three rounds of support measures, namely the Unity Budget, Resilience Budget and Solidarity Budget, within a span of less than two months. Altogether, the government has set aside close to $59.9b, amounting to 12% of Singapore's GDP, which will act as a fiscal support to economic growth and alleviate the impact of the pandemic.

Against a backdrop of market uncertainties and supply chain disruptions, prime logistics rents are expected to be suppressed further.

Performance
Independent Market Research

Singapore by CBRE Pte. Ltd.

Nonetheless, a limited supply pipeline with only three known multiple-user projects in the pipeline and short-term demand for storage space are expected to partially cushion the impact of the pandemic. With the logistics sector remaining a two-tier market, the higher specifications of prime logistics buildings are also likely to lend some resilience to rents. Taking these factors into account, prime logistics rents are forecasted to fall by 8.5% Y-o-Y to $1.23 psf/month in 2020. Nonetheless, with the COVID-19 outbreak weighing on economic activity in Singapore, the outlook for 2020 is filled with uncertainty. This is further exacerbated by the introduction of the "circuit breaker" measures implemented on 7 April 2020, which have impacted business activity. Due to the spike in infections domestically, the "circuit breaker" was extended by another month till 1st June 2020 to curb any further spread of the virus. This extension of the "circuit breaker" may further reduce Singapore's GDP in 2020, which may result in further downward revisions in forecasted rents. (See Chart 5)

Notwithstanding the challenging economic environment that is expected to prevail in the near term, Singapore's logistics sector is well-positioned for the long term, given its strategic location in the heart of Asia and world class infrastructure. Notable infrastructure projects such as the construction of Changi Airport's fifth terminal and the development of Changi East Industrial Zone and Tuas Mega Port are part of the government's efforts to upgrade Singapore's air and sea freight networks, thus further enhancing the city state's global connectivity.

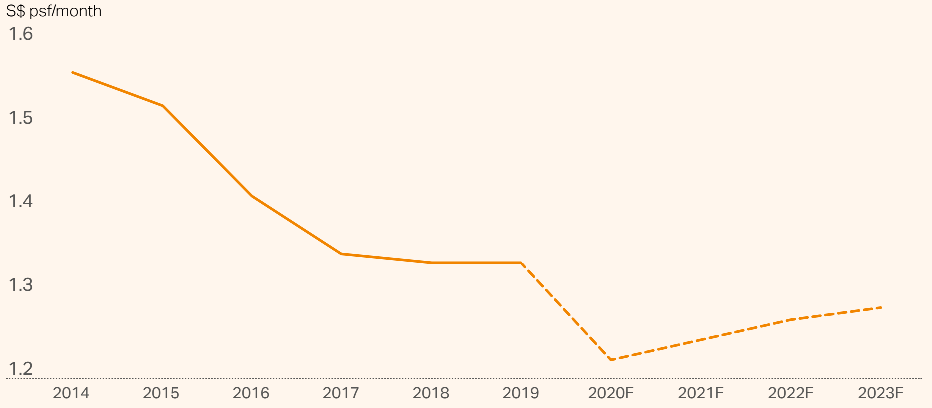
With a robust logistics network and supporting infrastructure, large global logistics players will likely continue to be attracted to Singapore, in turn underpinning demand for prime logistics spaces. At present, Singapore, being a global logistics hub, already houses 40 of the top 50 global logistics providers, including Amazon, DHL, Kuehne + Nagel, DB Schenker and Nippon Express.

In spite of the uncertain global trade environment, Singapore has welcomed a steady stream of investments into the economy, such as Reefknot Investment (a joint venture between Temasek and Kuehne + Nagel) which launched a $69 million fund to target high-growth technology business in the supply chain and logistics industry. Such investment opportunities can help encourage growth in start-ups focusing on artificial intelligence and digital logistics, which will have a positive impact on logistics and demand for warehouse.

March 2020

Chart 5

Projected Prime Logistics Monthly Rental Values



Source: CBRE, Q12020

QUALIFYING CLAUSE

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Hong Kong SAR by Savills Research & Consultancy

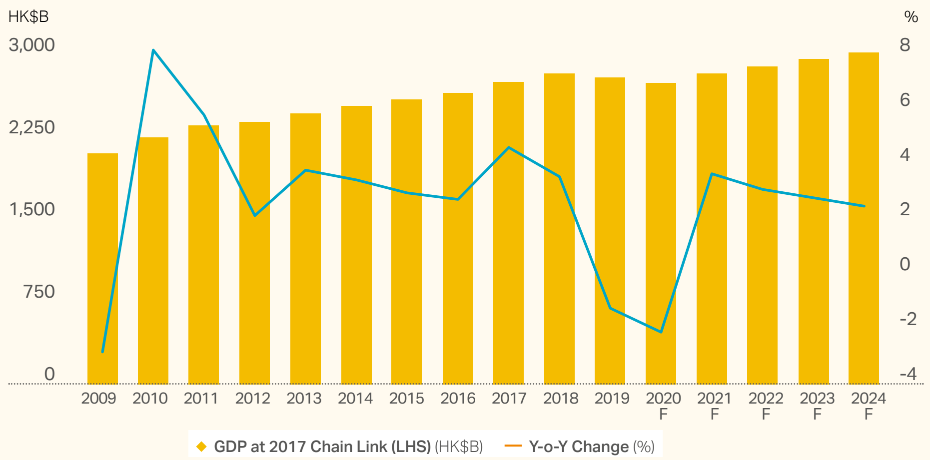
Hong Kong SAR Economy

Key Economic Indicators

According to the Census and Statistics Department, in 2019, the Gross Domestic Product ("GDP") of Hong Kong SAR fell by 1.2% in real terms from a year earlier, compared with an increase of 2.9% in 2018. Affected by the U.S.-China trade war and ongoing social unrest, Hong Kong's total exports of goods recorded a contraction of 4.1% year-on-year ("Y-o-Y") in real terms in 2019, while imports of goods fell by 6.5% in real terms over the same period. As one of the four pillars of the economy, trading and logistics accounted for 21.4% of GDP in terms of basic prices in 2018. (See Chart 1)

Chart 1

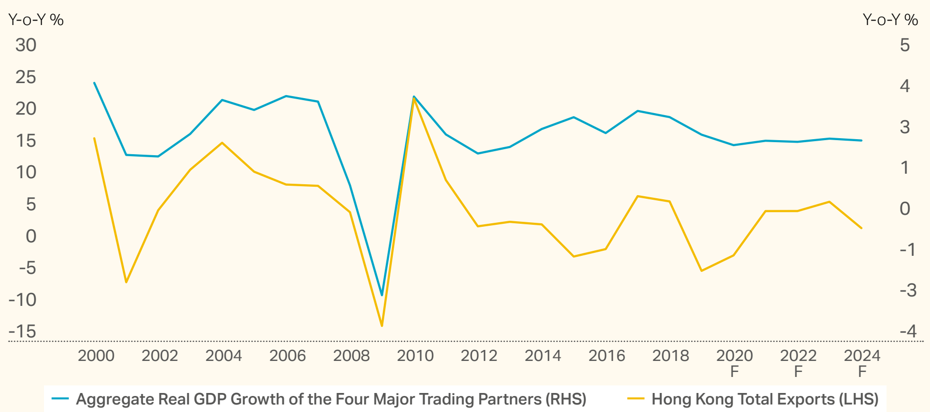
Hong Kong's real GDP and growth rate, 2009 – 2024F



Source: Census and Statistics Department, FocusEconomics, Savills Research & Consultancy

Chart 2

Hong Kong Total Exports VS Market Performance of Four Major Trading Partners: China, United States, European Union, and Japan, 2000-2024F



Source: Census and Statistics Department, IMF, World Bank, FocusEconomics, Savills Research & Consultancy

Economic Forecasts

According to FocusEconomics, Hong Kong's real GDP will continue to decline by 5.9% and 4.4% in Q1/2020 and Q2/2020 respectively, before rebounding to positive growth from Q3/2020 onwards. After a forecast decline of 1.9% in GDP in 2020, Hong Kong's real GDP will grow within a range of 2.2% to 2.4% from 2021 to 2024. The bumpy economic outlook is mainly due to uncertainties over the U.S.-China trade conflict and local events, with rising geopolitical tensions in the Middle East as well as in Asia also adding to downward pressure on economic performance.

COVID-19 impact

The recent twists and turns of the property market have been dictated first by the trade war, then the social unrest and now by a Novel Coronavirus (officially COVID-19) similar to the common cold but with a mortality rate higher than seasonal flu. Together these events have succeeded in putting Hong Kong's economic growth into a tailspin and prompted cracks to appear in a hitherto robust property market. Hardest hit has been retail and hospitality, but offices and industrial premises are now also showing clear signs of weakness.

China's well developed and extensive supply chains have been comprehensively disrupted by COVID-19 and the prolonged closure of factories combined with strict quarantine measures means that this situation will continue for some time. A greater reliance on online retail will have some offsetting effect, both in China and in Hong Kong SAR. Once the outbreak ends, however, a return to normality can be expected after an initial demand surge as businesses and individuals restock, benefiting the local logistics sector.

After a decline in trade performance in 2019, Hong Kong's imports and exports may register further decline of 2.1% and 1.6% in 2020, according to FocusEconomics. Imports and exports are both expected to register moderate growth ranging from 2.6% to 6.2% per annum from 2021 to 2024. The figures are in line with the average growth of 2.3% in real GDP forecast for Hong Kong's four major trading partners: China, the United States, Japan and the European Union. (See Chart 2)

Warehouse Market Overview

Warehouse Stock[1] by Category and Distribution

Hong Kong's warehouse stock has grown at a relatively low CAGR of 0.5% per annum over the past 20 years. This is largely due to severe land constraints, resulting in a limited supply of sites for warehouse use. Modern warehouse stock accounted for 50% of total warehouse stock (40.6 million sq ft. IFA) at the end of 2018, 2% (or 1.0

Note:

[1] All floor areas in this section is measured in Internal Floor Area (IFA) as defined by the Rating and Valuation Department, which is different from gross floor area (GFA) used in other sections of the report, and is defined as the area of all enclosed space of a unit measured to the internal face of enclosing external and/or party walls, unless otherwise stated.

Performance
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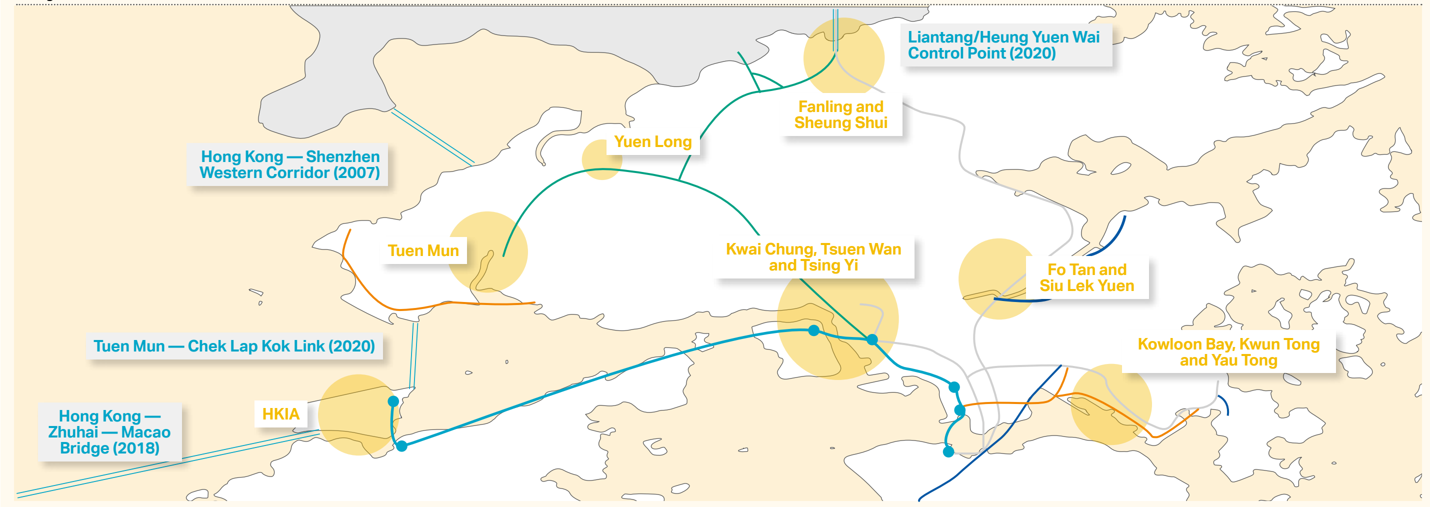
Hong Kong SAR by Savills Research & Consultancy

Chart 3

Major Warehouse Locations, Q4/2019



Source: Savills Research & Consultancy

million sq ft. IFA) of which is situated at Hong Kong International Airport ("HKIA") at Chek Lap Kok. Modern warehouses have been developed over recent years and are managed by a few experienced developers and investors, including Goodman, Hutchison, Mapletree, China Merchants and Kerry, with a modern warehouse market share[2] of 24%, 20%, 11%, 6% and 6% respectively.

There are 15 modern warehouses in Hong Kong SAR with a total gross floor area of around 27.4 million sq ft gross, with the largest cluster in the Kwai Tsing/Tsuen Wan area close to both the cargo terminals and HKIA. The stock distribution of warehouses overall shows a clear shift of warehouse facilities towards the northwest New Territories over the past two decades. Compared with 1994, Hong Kong Island and Kwun Tong warehouse stock declined by 26% and 24% respectively to 1.8 and 2.8 million sq ft IFA in 2018. However, stock in Tuen Mun/Yuen Long rose sharply from 1.4 million sq ft IFA in 1994 to 2.9 million sq ft IFA in 2018, a 104% increment. This shift was induced by new infrastructure such as Container Terminal 9, HKIA, the River Trade Terminal, the Hong Kong-Shenzhen Western Corridor and the Hong Kong-Zhuhai-Macao Bridge, being completed over the period. (See Table 1)

Note:
[2] In terms of Buildings Department's approved GFA.

Table 1

Hong Kong Warehouse Market Key Metrics by District

District	Total stock at the end of 2018 (million sq ft IFA)	Q4/2019 average rent (HK$ per sq ft effective)
Hong Kong Island	1.8	$10.6
Kwun Tong	2.8	$10.6
Sham Shui Po	1.5	$9.9
Kwai Tsing/ Tsuen Wan	23.3	$12.5
Tuen Mun/ Yuen Long	2.9	$9.8
North	1.4	$10.8
Shatin	4.8	$11.6
Others	2.2	N/A
Total	40.6	$11.6

Source: Rating and Valuation Department, Savills Research & Consultancy

Warehouse Supply, Take-up and Vacancy

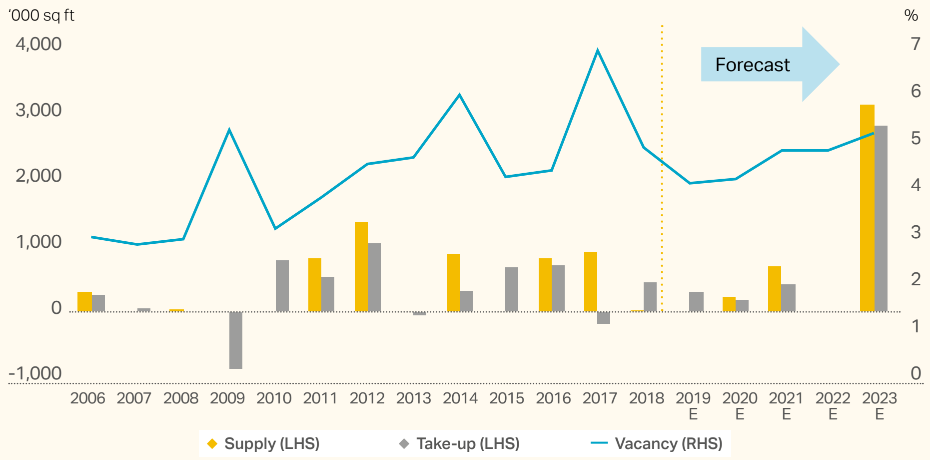
Looking at the overall warehouse market, new supply of warehouse space has rebounded over the last five years. While average annual supply over the period from 2006 to 2010 was 69,000 sq ft IFA, from 2011 to 2018, average annual supply increased to 586,000 sq ft IFA. 2018 saw a supply figure way below the 2011-2018 average, with only 32,000 sq ft IFA completed. From 2011 to 2018, eight warehouse projects were completed in Kwai Tsing, Yuen Long and Fanling, five of which (China Merchants Logistics Centre, China Resources International Logistics Centre, Goodman Interlink, SF Centre and Mapletree Logistics Hub Tsing Yi in Kwai Tsing) are built to modern warehouse standards.

The average warehouse vacancy rate fell to 4.2% in 2015, the lowest level since 2011, due to an absence of supply and take-up of 670,000 sq ft IFA in 2015. The completion of a new warehouse in Tsing Yi in 2016 provided an additional 788,000 sq ft IFA of supply in the year and take-up, while at a higher level of 694,000 sq ft IFA than in 2015, could not keep pace and vacancy rates increased slightly to 4.3% as a result. The vacancy rate in 2017 rose to 6.8% as the completion of another new warehouse in Tsing Yi resulted in negative take-up over the year. The gradual take-up of the two new warehouses in Tsing Yi led to a drop in the vacancy rate to 4.8% in 2018. (See Chart 4)

Overall warehouse vacancy has remained below 5% since 2006 despite short term spikes in 2008 and 2009 due to the Global Financial Crisis ("GFC") hitting local trading performance. Overall vacancy rates declined sharply from 2010 to 2013 with strong freight forwarding and logistics demand from the recovering trading sector combined with a strong local retail performance. The subsequent slowdown in retail sales and trading performance pushed warehouse vacancy up to 3.4% towards the end of 2016, when the sales and

Chart 4

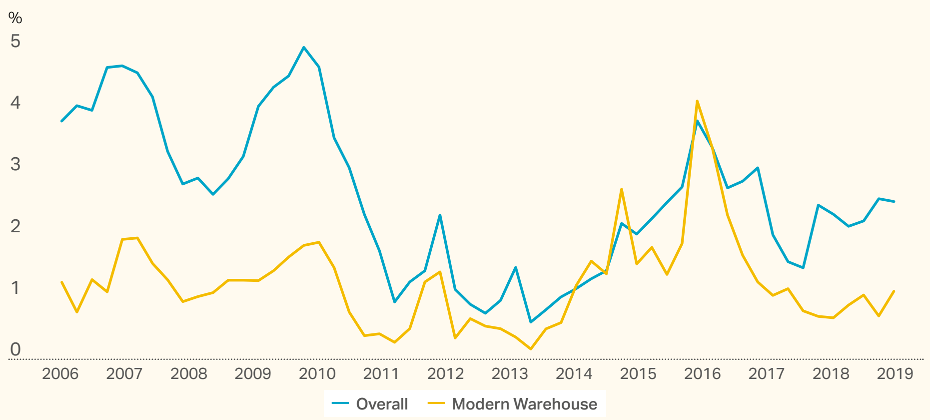
Warehouse Storage Supply, Take-up and Average Vacancy Rates, 2006 – 2023E



Source: Rating and Valuation Department, Savills Research & Consultancy

Chart 5

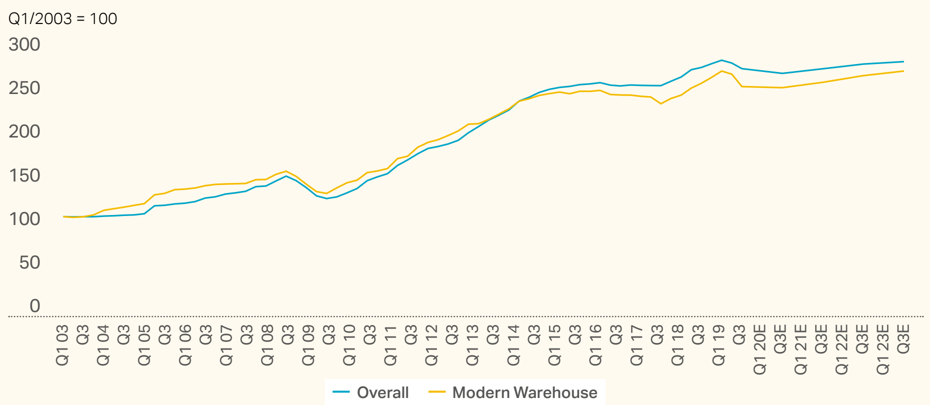
Savills Overall and Modern Warehouse Vacancy Rates, Q1/2006 – Q4/2019



Source: Savills Research & Consultancy

Chart 6

Savills Overall Warehouse and Modern Warehouse Rental Indices, Q1/2003 – Q4/2023F



Source: Savills Research & Consultancy

potential redevelopment of several major godowns created displacement demand, which quickly absorbed the vacant space in traditional warehouses. Overall vacancy increased from a recent low of 1.2% in Q2/2018 to 2.2% in Q4/2019 due mainly to the recent U.S.-China trade tensions which derailed the trading economy, as well as the social unrest which has affected inbound tourism from China with negative consequences for the local retail market and its associated logistics demand.

Modern warehouses have been faced with much tighter availability over the past decade with vacancy rates remaining below 2% from 2006 to 2014, despite the GFC and a few modern warehouses being completed over the period, reflecting strong demand from high value-added logistics operators and end users seeking modern logistics facilities. The slowdown in retail sales, in particular luxury goods sales, has reduced modern warehouse demand from 2014 to 2016. Coupled with the completion of two modern warehouses in 2016 and 2017, modern warehouse vacancy reached a recent high of 3.7% in Q3/2016. With the gradual take-up of the Mapletree project as well as the China Merchant project due to a combination of strong high-end logistics demand and displacement demand, modern warehouse vacancy eased to 0.5% in Q3/2019. However, weakening trading and retail sales performance have begun to adversely affect the modern warehouse sector, resulting in vacancy rates rising to 0.9% in Q4/2019. (See Chart 5)

Going forward, Hong Kong's logistics market is expected to continue to experience rising vacancy as both the external and internal environment remain extremely uncertain. However due to limited warehouse supply over the next few years, any increase in vacant space will be modest as many logistics operators are likely to stay put rather than relocate.

Warehouse Rental Trends (See Chart 6)

Modern warehouse rents rose by 16% from 2006 and stood at HK$8.7 per sq ft per month in Q3/2008, commanding a 40% premium over the overall market. Warehouse rents then fell by 17% from Q3/2008 to Q3/2009 on the back of weakening demand during the GFC

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period, with flatted factories rents falling by 15% over the same period. The strong rebound in the global economy and a booming retail sector pushed rents up by 100% from Q3/2009 to Q4/2014. The subsequent slowdown in both retail sales and trading performance, together with stretched logistics operators' affordability, slowed warehouse rental growth substantially with warehouse rents growing by 4% over 2015 as a result. Over 2016, demand for warehouses continued to slow with warehouse rents falling by 0.6%, before a revived logistics demand led by a retail market recovery and an emerging e-commerce sector caused modern warehouse rents to rebound in 2017 and 2018. The recent weakness in both trading and retail sales performance have led to slower logistics demand, dampening modern warehouse rental growth. At the end of Q4/2019, average modern warehouse rents stood at HK$13.7 per sq ft gross, a 1.5% downward adjustment from a year earlier.

Overall, warehouses have experienced a similar growth pattern when compared to modern warehouses over the past 12 years. At the end of Q4/2019, average overall warehouse rents stood at HK$11.7 per sq ft gross, a slight 0.5% Y-o-Y decline.

Warehouse Market Forecast

Upcoming warehouse supply between 2020 and 2023 will amount to 5.31 million sq ft gross, an addition of 13.1% to existing warehouse stock. The new warehouse supply comprises one project located in Kwai Tsing/Tsuen Wan, two projects in Tuen Mun and one mega project on the Airport Island. **(See Table 2)**

While the U.S.-China trade conflict may see some short-term resolution, the entire process is far from over and will continue to cloud the external environment, and impact local trading conditions at least for 2020. Meanwhile local social unrest and geopolitical tensions may continue to dampen local economic performance as well as retail sentiment. As such, even with limited supply we foresee landlords to be more flexible when negotiating lease renewals to retain tenants, resulting in a mild decline in warehouse rents in 2020 before any rebound from 2021 onwards if both external and internal uncertainties are resolved.

Continuing to record a 30% premium over overall rents in Q4/2019, modern warehouses have a brighter outlook in light of growth in cross-border e-commerce and the structural shift towards air freight and high value-added goods. As operational efficiencies and advanced facilities become more vital in the logistics sector generally, and supply of modern warehouses remains limited, we expect to see relatively stronger performance for modern warehouse rents compared to their overall counterparts during the next four years. **(See Table 3)**

In the medium to long-term, key demand drivers of modern warehouses include value-added transshipment, fast-moving local distribution, emerging e-commerce distribution (both local and regional) as well as cold storage needs. Most of these demand groups require large floor plates, high ceiling heights and extra floor loadings, which can only be found in modern warehouses located in strategic locations either close to the airport, container terminals, the border, or a combination of the above. As these operators are often handling higher value goods in large volumes, they are willing to pay premium rents to acquire warehouses which suit their needs, thereby reaffirming the rental premiums of modern warehouses over their general counterparts.

March 2020

Table 2
Warehouse Supply, 2020 – 2023

Project	District	Developer	Total GFA (sq ft)	Expected completion
KCTL 478, Junction of Wing Kei Road and Wing Kin Road	Kwai Chung	Billion	214,355*	2020
Area 40	Tuen Mun	Chu Kong Warehouse Properties Co.	91,234	2020
Area 49	Tuen Mun	Goodman	912,074	2021
Kwo Lo Wan Site	Airport Island	Cainiao Network	4,090,282	2023

Source: Savills Research & Consultancy, Buildings Department
* Only showing the warehouse portion

Table 3
Modern Warehouse Rental Forecast, 2020 – 2023

District	Overall warehouse	Modern warehouse
2020	-2.5%	**-2.0%**
2021	+2.0%	**+2.5%**
2022	+2.0%	**+3.0%**
2023	+1.0%	**+2.0%**

Source: Savills Research & Consultancy

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Japan's Economic Environment

Amidst a global economic slowdown and the consumption tax hike in October 2019, Japan's real GDP for October to December 2019 fell by 1.8% from the previous quarter, translating to a 7.1% contraction on an annualised basis. Following the COVID-19 outbreak, which has since escalated to a global pandemic, Japan's economic outlook for 2020 has deteriorated further. The postponement of the 2020 Summer Tokyo Olympics to 2021 is also expected to result in substantial economic loss and lost opportunities to boost GDP. For 2020, the Japan economy is forecast to slip into negative growth for the first time since 2014, and an anticipated economic recovery in 2021 may be delayed if the COVID-19 crisis is prolonged.

Logistics Real Estate Market

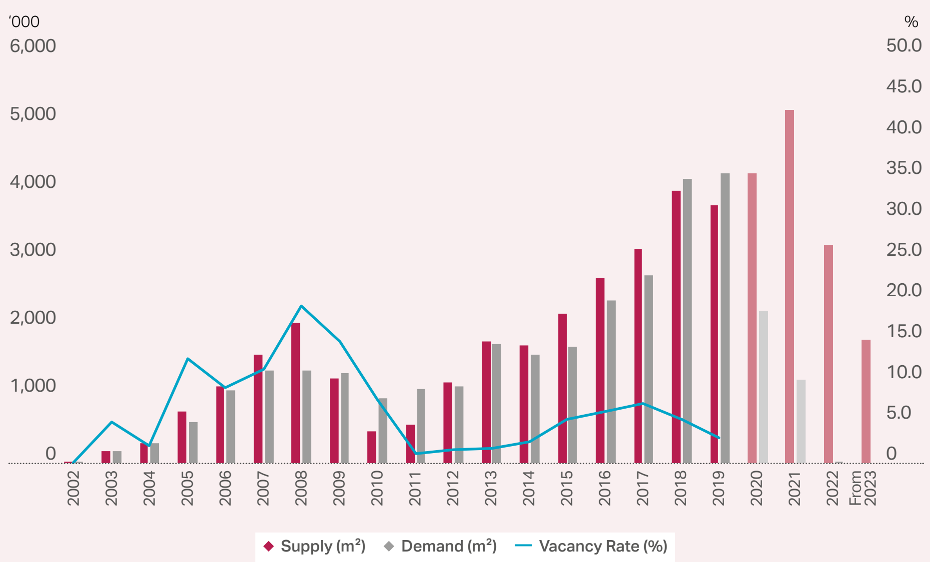
In Japan, developers of large-scale rental logistics facilities supplied a cumulative total of approximately 30,400,000 sq. m. of floor area by the end of March 2020. Notably, 2018 and 2019 registered some of the highest levels of supply. At the same time, demand for logistics space in 2018 and 2019 continued to reach record highs, thus allaying concerns of temporary oversupply.

Annual supply nationwide in 2019 alone was approximately 3,800,000 sq. m., while demand was approximately 4,300,000 sq. m., outpacing supply. As a result, the vacancy rate at the end of 2019 was approximately 3.1%, down from approximately 5.4% at the end of 2018. Accordingly, the shortage of available space has become more pronounced while rents rose in the Greater Tokyo, Osaka and other areas. (See Chart 1)

Looking ahead to 2020, demand is projected at 2,200,000 sq.m., while supply is expected to be approximately 4,300,000 sq.m. While e-commerce will continue to be a key demand driver for logistics space and is expected to remain strong in 2020, the COVID-19 outbreak is expected to cause a widespread economic slowdown. As a result, leasing demand from cargo owners (manufacturers, wholesalers, retailers) and 3PL companies is expected to weaken, and the boom witnessed in 2019 is unlikely to be repeated in 2020.

Chart 1

Trend in Supply-Demand Balance for Large-Scale Rental Logistics Facilities (Nationwide)



Notes:
1. Created from our database of large-scale rental logistics facilities constructed by major developers.
2. Supply and demand from 2020 onward are for total developed properties and total pre-committed area that are already known.

- **Background behind the expanding demand**
  Demand for logistics space in 2019 was the highest on record, driven mainly by 3PL providers (slightly below 50% share) and e-commerce companies (approximately 20% share). As companies in these fields are enjoying growth of close to 10% per annum, and securing their own logistics facilities may hinder growth, it is becoming essential to utilise rental logistics facilities simply to maintain growth.

- **Background behind the rise in supply**
  (See Chart 2)
  Supply is increasing every year due to aggressive investments by existing developers as well as the entrance of new developers. The high number of new entrants to the market is making it difficult to acquire sites. Competitive bidding for sites continued throughout 2019 and increasingly developers are paying high prices to acquire land with high location potential for development. While supply is forecast to hit one of the highest levels on record in 2020, the pre-commitment rate (pre-commitment demand/expected supply) at the end of March 2020 is estimated to be a healthy 52%.

- **Trend in rents**
  (See Chart 3)
  Rents in the four main metropolitan areas rose sharply year-over-year in 2019, as the supply-demand balance continued to tighten during 2018 and 2019 and amidst a lack of large vacant spaces in the main areas of Greater Tokyo or Osaka. Several new rental facilities in prime locations that were completed during 2019 have secured high rents (approximately JPY6,000 or more monthly per tsubo) and full occupancy. While rental rates as at the end of March 2020 remained stable compared to rent levels in 2019, leasing demand by potential tenants is expected to fall due to the coronavirus impact which may lead to declining rates.

- **Trend in cap rates**
  (See Chart 4)
  The cap rate for investors in logistics real estate declined nearly every year from 2011 and has already fallen below the level seen prior to the Global Financial

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Crisis. For metropolitan areas, it is now 4.5% on NOI basis, down from 4.6% a year earlier. In many cases, it has fallen below 4% on NOI basis. Not only newly developed properties but also existing income-generating properties continue to be well appraised and were transacted at low yields.

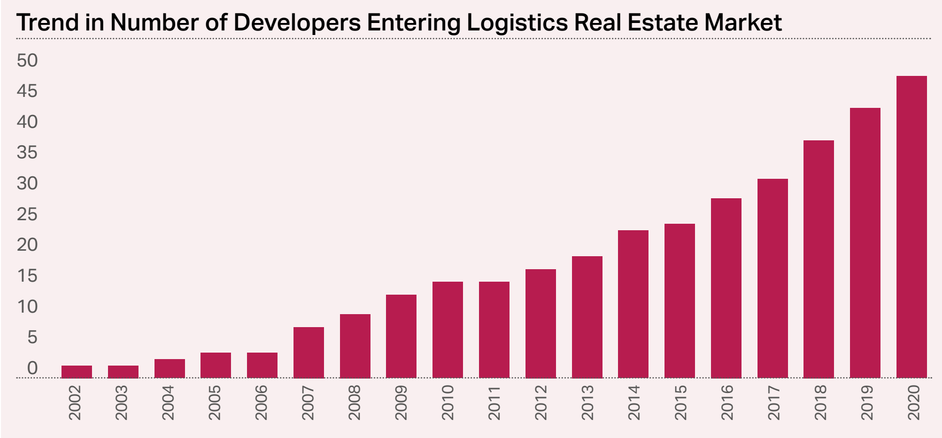
- **Growing trend of large-scale warehouse**
  Large-scale logistics facilities development for leasing as a proportion of the nationwide volume of ordinary warehouse stock remains low, accounting for just 7.7% of overall stock. On the other hand, the leasing demand for large-scale, modern specifications facilities with generous amenities that enable efficient operations remains strong.

Main Demand and Supply Factors
Demand Factors

- E-commerce companies
  The main tenants of large-scale rental logistics facilities continue to be 3PL providers and e-commerce companies. In particular, leases to e-commerce marketplace companies such as Amazon and Rakuten, stood out in 2019. E-commerce accounts for approximately 6.2% (2018) of all commercial transactions in Japan and is rising year by year. It is expected that e-commerce penetration rate in Japan will grow, while the share of e-commerce companies in the leasing of large-scale rental logistics is also likely to rise.

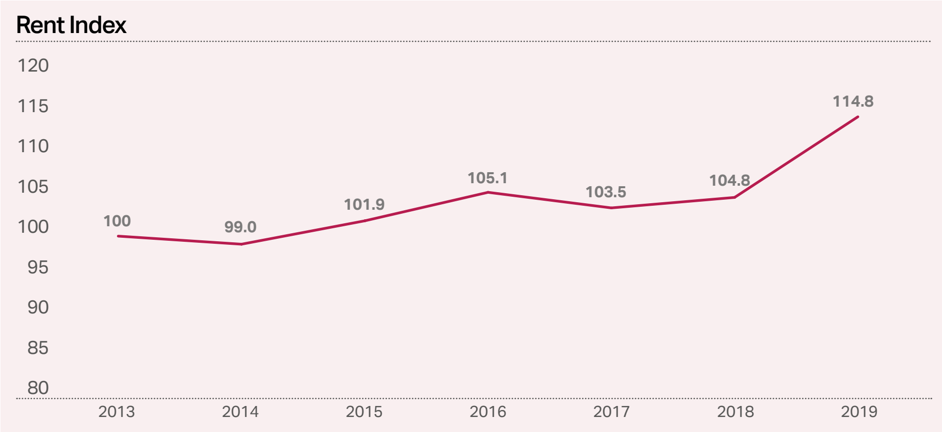
- Robots/Automation
  Up till now, demand for logistics facilities in Japan has largely been driven by the expansion need of 3PL providers and e-commerce companies, as well as the need for consolidation of distribution bases for shippers. There is now new demand associated with the introduction of robots. Large-scale developed facilities are more suitable for robots, which require expansive single-floor space. As the labour shortage intensifies, robots are expected to take on a greater share of warehouse operations. Currently, only a minority of e-commerce companies and major shipping companies have

Chart 2



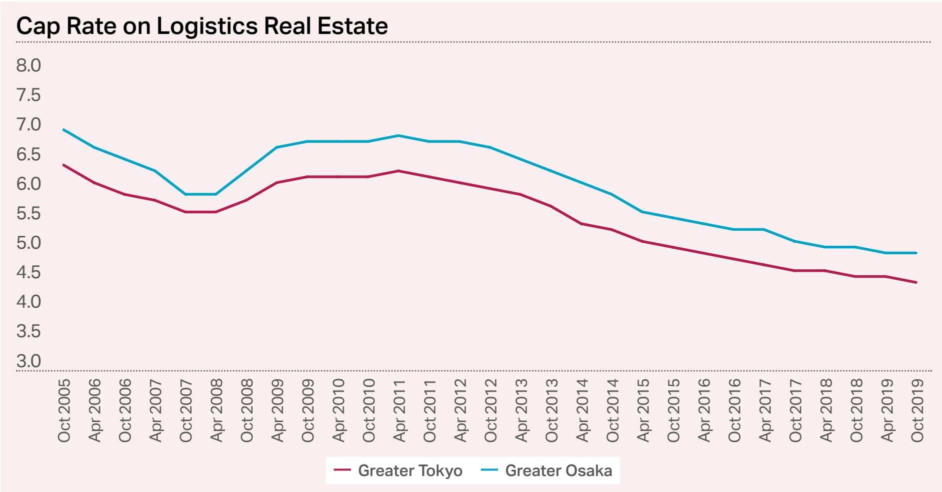
Note: The completion date of the first developed property is used as the entry date.

Chart 3



Notes:
1. 2013 = 100
2. Calculated using the average rent levels in the main Greater Tokyo Inland, Bayside, Osaka Inland and Bayside areas

Chart 4



Notes:
1. Average expected value for multi-tenant facilities in both the Greater Tokyo and Osaka areas (Bayside and Inland areas).
2. Based on the Real Estate Investor Survey by the Japan Real Estate Institute.

introduced robots. Demand driven by the shift towards robots or automation is likely to increase in the future.

– Last mile delivery and multi-function use
  There is also a new source of demand for e-commerce-related last mile delivery (small- and medium-sized facilities) in the immediate vicinity of the city and for multi-function spaces (offices, showrooms, training institutes, data centers, etc.) close to train stations. In Japan, home delivery services are increasingly encountering issues with last mile delivery, leading to e-commerce companies consolidating their bases to achieve higher efficiency. Consequently, the rent rates of properties in the immediate vicinity of the city are expected to continue rising.

Supply Factors

– Expansion of regional facilities development
  Previously, development of logistics facilities was concentrated in the Sapporo, Sendai, Hiroshima and Okayama metropolitan areas as well as the four main metropolitan areas. As competition for development in the four main metropolitan areas intensifies, market development that had been idle in other regional metropolitan areas is coming to life. For instance, development in new regional economic zones such as Aomori, Fukushima, Shizuoka, Shiga and Okinawa has been on the rise.

– Business Continuity Management measures
  There is a rising trend for facilities to incorporate features that protect against wind and water damage caused by typhoons or heavy rain, as well as earthquake damage. These include installation of storm protection systems on roofs and walls, raising of floor heights for electrical facilities, and adoption of seismically isolated structures.

– Differentiation between developed facilities
  In response to the rising number of developed properties, developers are proactively introducing differentiation to their properties. In addition to tangible differentiation such as the adoption of seismically isolated and damping structures and provision of day-care facilities and other amenities, effort is now being put into intangible differentiation through services for tenants, such as human resource referrals and consultancy on the installation of material handling equipment within a facility.

Trends in the Logistics Real Estate Market in the Main Economic Zones

(See Chart 5)

Greater Tokyo area

The vacancy rate continued its downward trend from 2015, falling to approximately 3.3% by the end of March 2020. The supply and demand situation is tight, while the number of lease reservations placed on developed properties prior to their completion is growing.

In 2019, supply of approximately 2,800,000 sq. m. was met with demand of approximately 3,000,000 sq. m. Even large-scale developments of over 200,000 sq. m. and properties with high rents have secured full occupancy. The vacancy rate is particularly low in the Bayside area and in the logistics zones of inland areas (around Atsugi and Kashiwa, and the Inland area of Tokyo), where rents have also risen dramatically.

Supply is expected to grow in 2020 and 2021, to levels above that of 2019. Nevertheless, half of the expected supply in 2020 had been pre-committed as at end-2019, representing the highest ever pre-commitment rate. As at the end of March 2020, pre-committed demand accounts for up to approximately 60% of the expected supply in 2020. It is likely that leasing demand will be sustained in 2020 but vacancy rate will also remain stable, following the economic downturn in the 4Q in 2019 and the negative impact on the economy from the coronavirus outbreak. In the shorter term, the lower demand from manufacturers especially dealing with machinery or durable consumer goods is offset by the boost in demand from e-commerce or 3PL companies dealing with general consumer goods like food or daily necessities. In the longer term, the economic slowdown and recession will impact leasing demand and rentals, and rent levels will weaken in some areas.

Osaka area

A limited supply in 2018 and 2019 coupled with stronger demand due to the favourable economic environment led to a decline in vacancy rate to 4.7% by end-2019. In particular, the Inland area which has a total of 2,500,000 sq. m. of developed floor area, registered a vacancy rate of 0%. As the shortage of vacant space in the Inland intensified, demand in the Bayside area continued to recover, while demand for developed properties with long lease terms also increased.

Looking ahead, the supply-demand balance may continue to tighten in 2020. As supply remain subdued in 2020, particularly in the Inland area, vacancy rate may continue to fall and rents may strengthen.

Nagoya area

The vacancy rate fell slightly from the previous year from 5.0%, to 3.9% at the end of March 2020. In particular, in the Komaki district, a preferred location, experienced insufficient vacant space. Demand kept pace with supply, despite the completion of several developments in the south of the metropolitan area in 2019. Demand in the south area was boosted by a newly completed expressway, which led to improved convenience for parcel pickup and delivery across a wide area of eastern and western Japan.

Looking ahead, a decline in the export industry which will impact sectors such as automotive businesses (i.e. Toyota) may lead to lower leasing demand. Due to limited supply in 2020 and 2021, the vacancy rate is expected to remain flat or rise in 2021. (Note: Centrair and Kuwana area are not included in this economic zone as their logistical economic zones are different.)

– Sendai metropolitan area
  Since the earthquake in 2011, there has been ongoing demand for warehouses in conjunction with the reconstruction of the region. Demand is now on par with larger metropolitan areas such as Nagoya and Fukuoka. Made-to-order developments are numerous in this area, but development of multi-tenant facilities is increasing.

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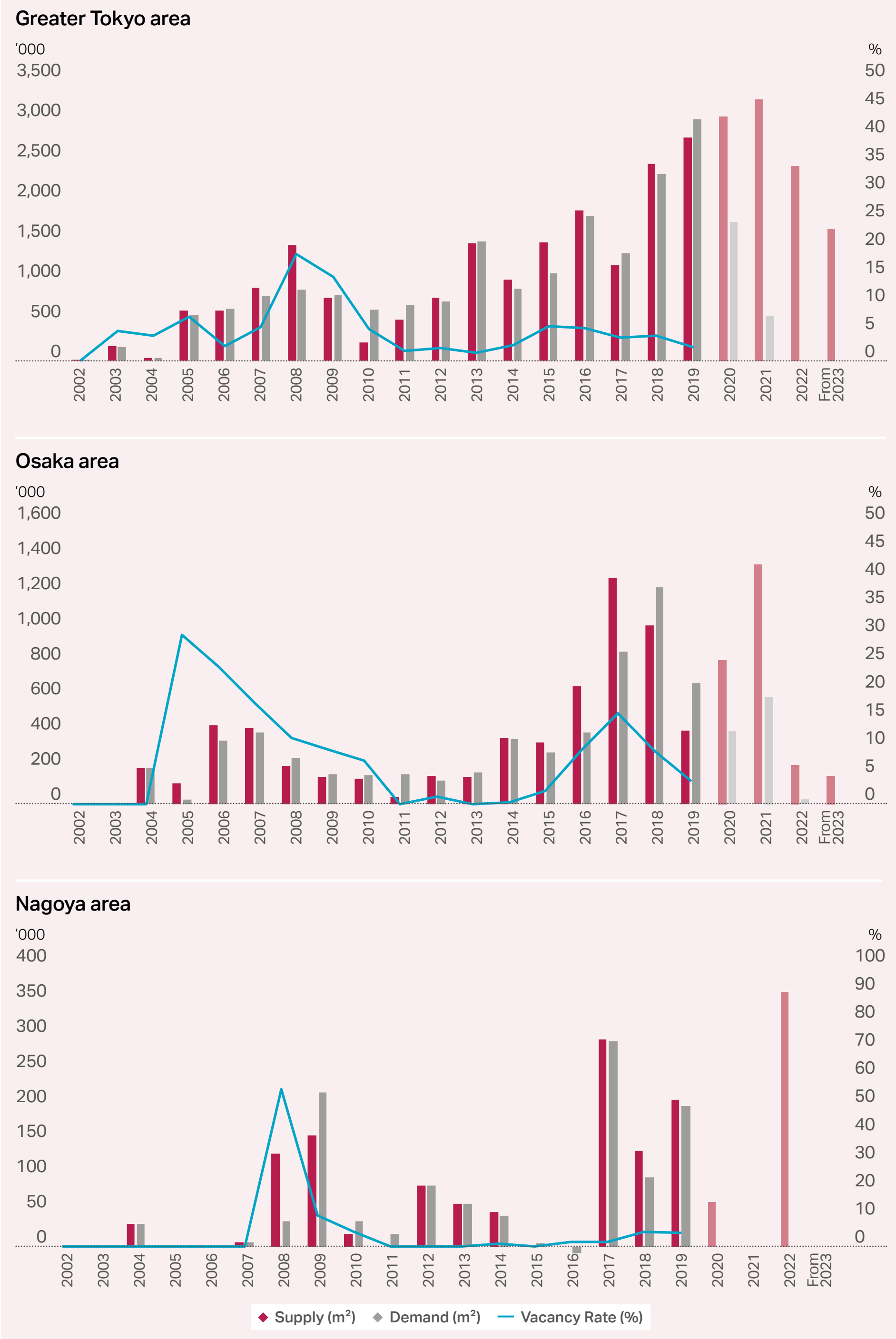
Chart 5

Trend in the Supply-Demand Balance (3 Main Metropolitan Areas)



Note: Notes are the same as shown in the figure 1.

As demand for reconstruction is softening, rents are expected to remain flat in 2020.

– Sapporo metropolitan area
Within the Sapporo metropolitan area, Sapporo City and surrounding districts are the preferred locations for logistics facilities. While development was previously only made-to-order, there is an emerging trend of development of multi-tenant facilities. Rents are expected to remain flat in 2020, but may soften if large-scale developments were to continue.

March 2020

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Macro Economy Overview

According to the National Bureau of Statistics, China's GDP growth slowed from 6.6% in 2018 to 6.1% in 2019, marking the weakest expansion in 29 years. The year-on-year ("Y-o-Y") growth rate is still within the central government's target of between 6.0% and 6.5% amid loose credit environment, tax reduction and the U.S.-China trade conflict. China's economy is transitioning from high-speed growth to high-quality development. China's per capita GDP has exceeded USD 10,000-mark in 2019 for the first time in history, indicating that the quality of China's economic development is improving. The tertiary industry's added value accounted for 53.9% of the GDP, rising 0.6 percentage points compared with the previous year, and contributing 59.4% of the GDP growth in 2019.

Consumption contributed 57.8% to GDP expansion in 2019, marking the sixth consecutive year that consumption has been the leading driver of China's economic growth. Total retail sales of consumer goods rose 8% in 2019. The Ministry of Commerce estimated that China will surpass the U.S. as the world's largest consumer market in 2020. Although large cities still contributed to a larger amount of consumption, lower-tier cities and rural regions are growing faster, with retail sales in rural areas rising 9%, outpacing the 7.9% expansion in urban areas. Although both the official and Caixin PMIs have rebounded over the expansion/contraction threshold in late 2019 reflecting a nascent recovery in manufacturing and industrial-sector activities, the disruption in manufacturing and supply chains due to the COVID-19 outbreak is expected to weigh on the recovery of the manufacturing sector.

The Organisation for Economic Co-operation and Development ("OECD") estimates that China's economy will grow at 5.8% in 2020, reflecting a structural slowdown. Although the "phase one" trade deal should alleviate short-term concerns, negotiations for a comprehensive agreement could weigh on China's economic outlook. Moreover, growth should continue to slow due to domestic economic vulnerabilities, lack of fiscal and monetary policy space and low incentives to jumpstart economic growth using old recipes which could exacerbate domestic imbalances. The COVID-19 outbreak is forecast to exert a significant but short-lived effect on China's economy in H1 2020, with a gradual recovery likely to commence in the latter half of Q2 2020.

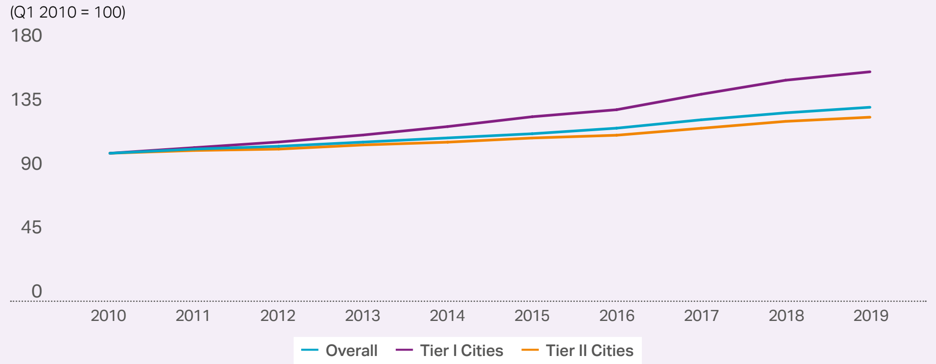
China Grade A Warehouse Market Overview

Warehouse Supply, Demand and Rental Index (See Chart 1 and 2)

Following the transition to a domestic consumption-driven economy, China's Grade A warehouse market has experienced fast growth over the past decade. The primary drivers of rental growth in the warehouse market in Tier I cities are third-party logistics ("3PLs") and e-commerce. In 2019, total new supply of Grade A warehouses in major cities registered 10.0 million sqm, with net absorption at 8.7 million sqm. While the relocations by e-commerce players to self-built warehouses and several retailers moving to customised facilities weighed on net absorption in H1 2019, the market recovered gradually in H2 2019 due to a rebound in consumption growth. By the end of 2019, occupancy rate stood at around 87%, same as the previous year, while overall rental growth stabilised at about 3%. Higher rents and an increase in tax revenue threshold in Tier I cities led

Chart 1[1,2]

China Warehouse Rental Index (2010-2019)



Source: Colliers International, Jan 2020

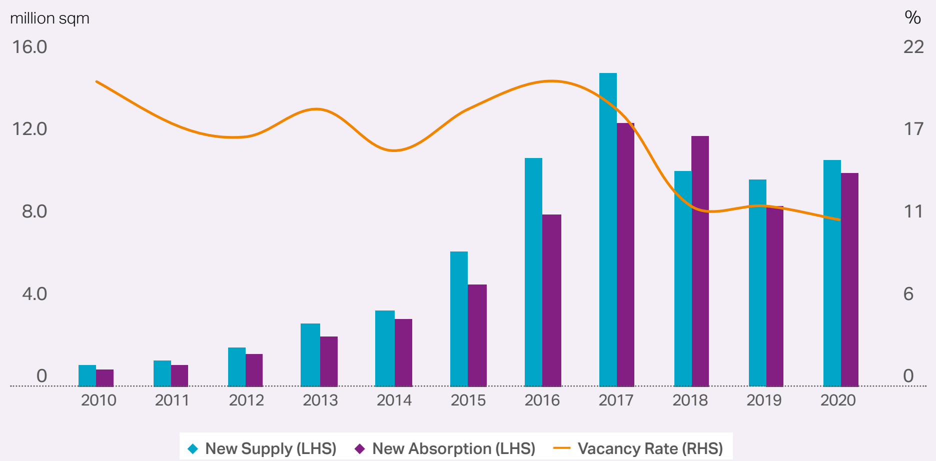
Notes:

1 Tier I Cities including Beijing, Shanghai, Guangzhou and Shenzhen.

2 Tier II Cities refer to the Tier II logistics center cities.

Chart 2

China Grade A Warehouse Supply and Demand (2010-2019)



Source: Colliers International, Jan 2020

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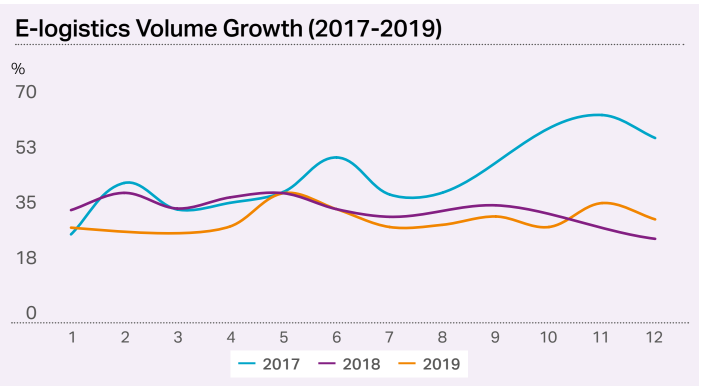
to a spill over in demand to nearby Tier II cities[3]. Tier II cities are also attracting rising demand for logistics due to their improving infrastructure and increasing consumption power. Consequently, the rental index gap between Tier I cities and Tier II logistics center cities have narrowed further in 2019.

(See Chart 3 and 4)
The primary drivers of warehouse market demand continue to be 3PLs, e-commerce, retail and manufacturing. These sectors are likely to witness structural adjustments in 2020. Affected by the economic slowdown, growth rate of total retail sales of consumer goods and online retail sales of physical goods decelerated to a three-year low of 8.0% and 19.5% in 2019, respectively. While demand from leading e-commerce platforms remained robust, expansion rate has slowed due to slower growth from online retail sales. However, the emergence of new e-commerce platforms brought about by the upgrading of online retail channels and evolving consumer behaviors, including vertical e-commerce in fresh food and pharmaceutical sectors, and social e-commerce, have actively fuelled the absorption of warehouse space. This trend has been growing since the COVID-19 outbreak, driven by evolving customer behavior which resulted in online channels expansion and growing penetration rate of fresh food e-commerce. These emerging online platforms have boosted the leasing demand from 3PLs for e-commerce, and the growing trend will continue in 2020.

The prolonged U.S.-China trade war has negatively impacted imports and exports as well as the manufacturing industry – in particular the new energy vehicle and automotive parts manufacturing. The "phase one" trade deal is expected to bring about more uncertainties in 2020.

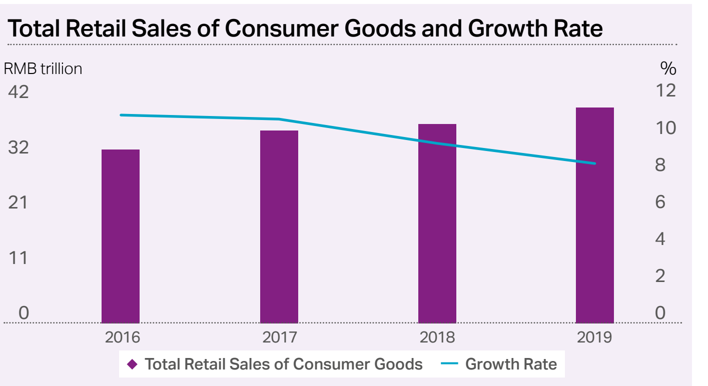
(See Chart 5 and 6)
Meanwhile, e-commerce giants have increasingly been competing for logistics real estate for business expansion and leasing stability, through acquiring land and developing their own warehouses and logistics facilities. According to Colliers International statistics, the warehouses built by China's five e-commerce giants have accumulated to more than 11 million sqm by 2019. Specifically, Alibaba and JD.com accounted for more than half of the warehouse space built by these five e-commerce giants. Notably, only leading e-commerce firms such as Cainiao (Alibaba), and JD.com, have the considerable warehouse real estate

Chart 3



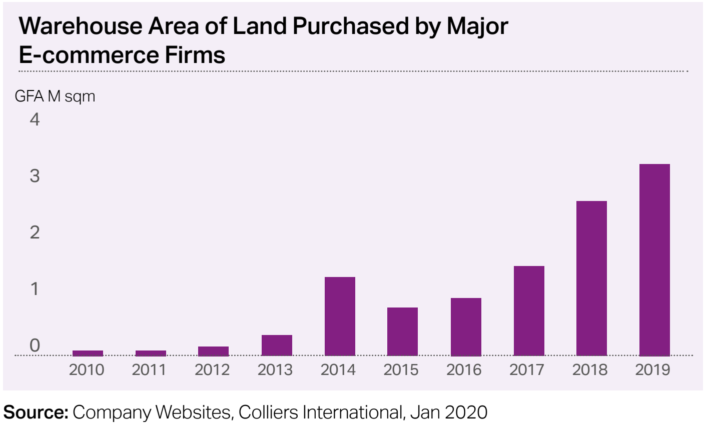
Source: China Federation of Logistics and Purchasing, JD Group and Colliers International, Jan 2020

Chart 4



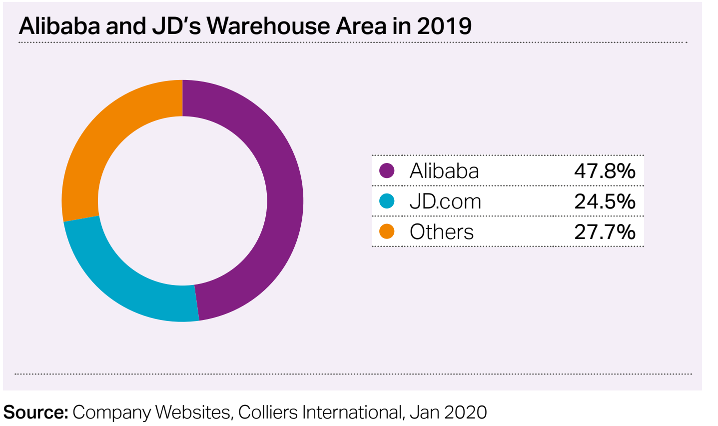
Source: China Federation of Logistics and Purchasing, National Bureau of Statistics of China, Jan 2020

Chart 5[4]



Source: Company Websites, Colliers International, Jan 2020

Chart 6[4]



Source: Company Websites, Colliers International, Jan 2020

Notes:
[3] Tier II Cities refer to the Tier II logistics center cities, rather than the Tier II cities classified by Yicai Global.
[4] Including Alibaba, JD.com, VIP.com, Suning and Jumei.com. The total GFA figure is based on their completed projects information from their official websites.

development expertise to compete with professional warehouse real estate developers. With the gradual delivery of these self-built projects by the e-commerce players, the downward pressure placed on the leasing market became more evident in 2019. Several migrations of e-commerce tenants to self-built facilities were observed in cities like Chengdu and Tianjin.

However, the land acquisition pace has slowed due to the tax contribution restriction placed on e-commerce firms. In addition, it remains essential for e-commerce firms to lease warehouses from third parties for business expansion in the long run due to the remote locations of available land. The robust demand from emerging small and medium e-commerce without considerable property expertise provides additional demand impetus for warehouse space.

Brief Overview of Key Logistics Hub Cities

New Supply Expected to Increase

In the 17 major cities[5], approximately 4.9 million sqm of new Grade A warehouse supply is due for completion in 2020. Most of the new supply is concentrated in Northern and Midwestern China, with Wuhan, Tianjin, Zhengzhou and Changsha accounting for 39% of total new supply. The Eastern cities, such as Jiaxing and Shanghai, account for 35% of total new supply. Southern cities including Guangzhou and Shenzhen will continue to see a lack of new supply. **(See Chart 7)**

Rental Growth Projected to Recover in Selected Markets

Overall rental growth of the selected markets saw a downward trend in 2019 compared with 2018 due to the economic slowdown and the migration of e-commerce firms to their own self-built warehouses. Tianjin registered the largest drop in rental growth due to the huge new supply between 2018 and 2019. This was followed by Shanghai, where stricter tax contribution requirements and alternative warehouse space in adjacent satellite cities with cheaper rents resulted in a considerable decline in rental growth. In contrast, strong demand and limited supply of warehouse space led to increased rental growth in Nanchang.

Looking ahead, a recovery in consumption, booming vertical and social e-commerce platforms and 3PLs for e-commerce will continue to boost demand, with overall rental growth projected to rebound in 2020 for most of the 17 cities covered. However, rental performance in Zhengzhou, Zhenjiang, Nantong, and Jiaxing will face downward pressure due to the large new supply. **(See Chart 8 and 9)**

Infrastructure Improvements to Stimulate Logistics Hubs Development

In September 2019, the National Development and Reform Commission and the Ministry of Transportation listed the first batch of 23 logistics hubs in the National Logistics Hub Distribution and Construction Plan. To be built in cities that have sound infrastructure, strong market demand and huge growth potential, these national-level logistics hubs will serve as the core infrastructure of the national logistics system. They will have a wider influence, a stronger agglomeration effect, better service functions, and higher operational efficiency, playing a vital role in the national logistics network. The 23 hubs are currently at the planning stage.

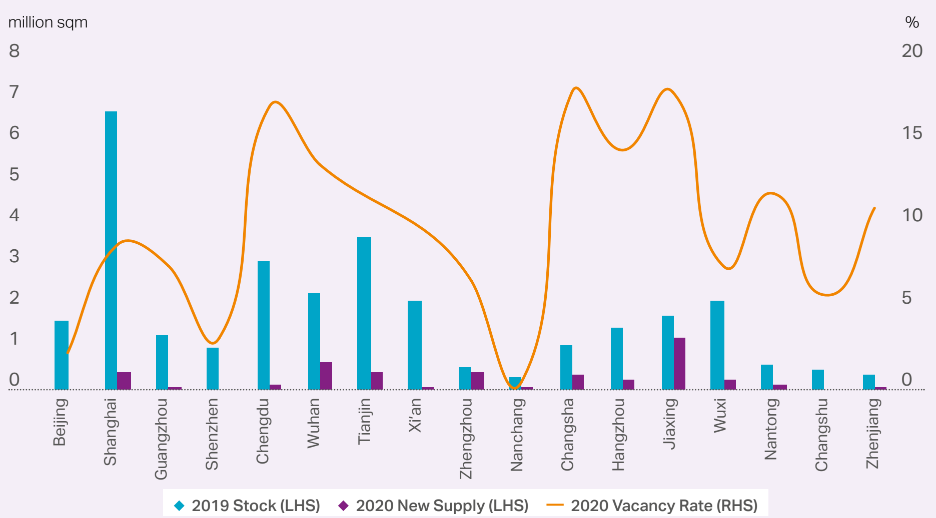
The national logistics hub network is expected to expand to 30 hubs by 2020, and 150 hubs by 2026-2035. This national plan aims to provide strong support for the implementation of major strategies such as the "Belt and Road Initiative" and the development of Beijing-Tianjin-Hebei ("Jing-Jin-Ji"), Yangtze River Delta ("YRD"), and the Greater Bay Area ("GBA") into regional logistics hubs.

Improvements in infrastructure will facilitate growth in the GBA, Jing-Jin-Ji, and YRD. The synergetic development and demand spill over to adjacent cities within these city clusters will contribute to the regional logistics hubs development.

Higher rents and tax revenue thresholds in Beijing have led to the relocation of some tenants to adjacent cities. With the integration of Jing-Jin-Ji and increased investments in infrastructure, demand for modern logistics facilities in Tianjin, Langfang, Baoding, and other adjacent cities will improve. In addition, upcoming high-speed railways and Nantong New Airport will increase the interconnectivity and transportation capabilities of YRD, and thus bring about more logistics opportunities for Nantong. The GBA which includes the cities of Foshan, Dongguan, and Huizhou, has been benefiting from the spill over demand from Guangzhou

Chart 7

2019 Grade A Warehouse Stock and 2020 New Supply in 17 Major Cities



Source: Colliers International, Jan 2020

Note:

[5] Refer to 17 major cities in Chart 7.

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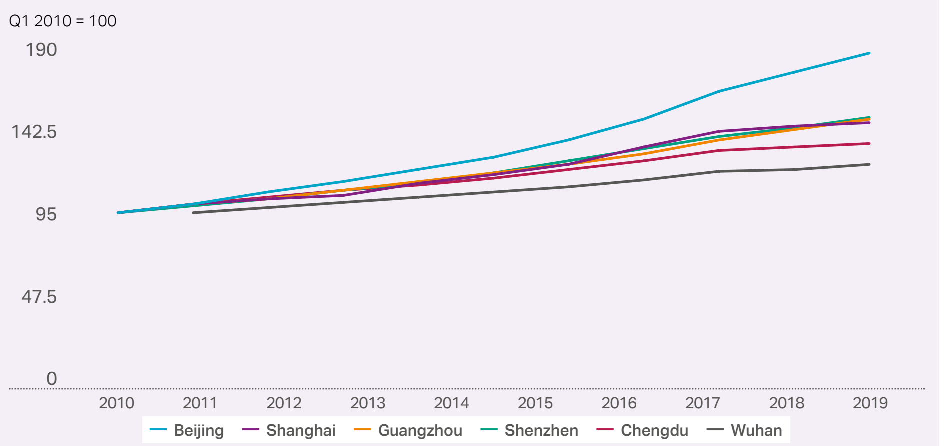
and Shenzhen. The operation of the Hong Kong-Zhuhai-Macao Bridge, the Guangzhou-Shenzhen-Hong Kong Express Rail Link, and Shenzhen-Zhongshan Bridge has improved the integration of GBA and accelerated the economic growth of the Pearl River West Markets. Zhongshan, Jiangmen, and Zhuhai, all of which are expected to see more logistics activities in the future. The implementation of the "Belt and Road Initiative" has significantly improved the high-speed railway and expressway infrastructure in Midwestern China and promoted the free flow of cross-border commodities along these routes. Zhengzhou, Xi'an, and Wuhan will see more opportunities from the logistics hub developments as the land transport infrastructure improves.

Chart 8

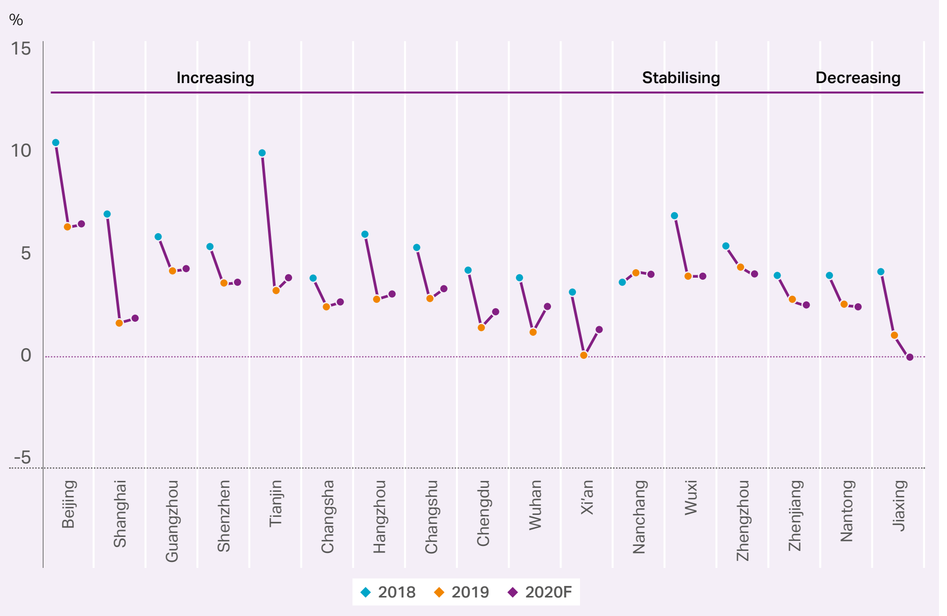
Grade A Warehouse Rental Index of Six Key Hubs (2010-2019)



Source: Colliers International, Jan 2020

Chart 9

China Grade A Warehouse Rental Growth Rates Forecast in 17 Major Cities (2018-2020)



Source: Colliers International, Jan 2020

Summary

The primary demand drivers of Grade A warehouse space continue to be 3PLs, e-commerce, retail, and manufacturing. These sectors are likely to face structural adjustments in 2020. The prolonged U.S.-China trade conflict had weakened demand from manufacturing in 2019 and the "phase one" trade deal is expected to lead to more demand uncertainties in 2020. Nevertheless, the growth of vertical e-commerce in fresh food and pharmacy, social e-commerce and 3PLs supporting these emerging platforms will constitute new demand drivers for warehouse space. In addition, the evolving customer behavior during the COVID-19 outbreak have led to the expansion into online channels and increasing online customers. Therefore, the outbreak is likely to have a limited impact on both demand and rental growth of Grade A warehouse market in the mid to long term. On the other hand, the growing penetration rate of fresh food e-commerce and increasing demand for higher supply chain efficiency will stimulate the development of cold storage and smart logistics. While leading e-commerce firms competing for warehouse assets have negatively impacted the leasing market in 2019, it is expected that the negative impact will dissipate in the long run. The implementation of the national logistics hub plan will continue to support the development of the logistics and warehouse market in China. As a result, the market's overall rental growth is expected to recover to a healthy level this year. Cap rates are expected to compress further as more players enter the logistics real estate market.

March 2020

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Macro-Economic Overview and Outlook

Australia has experienced long-term economic growth – recording 28 consecutive years of positive economic activity.

Gross Domestic Product ("GDP") in 2019 was 1.8%, below the 10-year annual average of 2.6%. The slowing growth was mainly owing to weak household consumption growth and a reduction in housing activity and business investment. Drought conditions have also led to a decline in the farm sector output and rural exports have thus fallen.

Australia's economic growth has been fostered by low interest rates and the depreciation of the exchange rate since 2013, therefore fostering higher export volumes. Higher export prices, coupled with a decline in import values, further increased Australia's trade surplus (4% of GDP in the June quarter of 2019 – which marks the highest level since 1959).

Australia's economic growth is forecast to be underpinned by low interest rates, recent tax cuts, upswing in housing surprises across some markets, infrastructure expenditure, and population growth.

According to the Reserve Bank of Australia ("RBA"):

- GDP growth is forecast to be around 2.0% to 3.0% between 2020 and 2021.
- Unemployment rate is forecast to trend marginally downwards from 5.2% toward 5.0% by 2021.
- Underlying inflation is expected to increase from 1.6% to 2.0% by the end of 2021.

Industrial and Logistics Sector Performance and Trends

The reliance and need for logistics space is at an all-time high, driven by the advancements in e-commerce, food and grocery, pharmaceuticals (fuelled by an aging population), and supply chain outsourcing (third party logistics).

Output from the transport and storage sectors has grown 0.3% over 2019 and is projected to increase at an annual average rate of 2.5% to 2028 (Source: Deloitte Access Economics), driven by solid growth in the demand for goods, on the back of strong projected population growth.

The expansion in e-commerce penetration rates is also benefitting the industrial sector. According to the latest NAB online retail release, there has been continued growth in the online retail trade sector over 2019. This has raised the share of online retail sales to total retail trade to 9.0% (or AUD30.9 billion).

Increased usage of transport and logistics service in Australia (particularly third-party logistics) has not only meant enormous growth in the amount of industrial floorspace, but also significant investment in more sophisticated and automated warehousing facilities. Technology such as automated systems and robotics are being implemented in a growing number of distribution centres. These factors are expected to drive demand for modern distribution centres.

Occupier demand for industrial stock has trended higher since 2014. The level of gross industrial floorspace take-up in 2019 was in line with the 10-year annual average of 2.1 million sqm. Take-up levels across the country continue to be attributed to new entrants and business expansion, rather than a pure operation relocation. The transport/logistics and retail sectors combined have accounted for around 60% of the total take-up of industrial floorspace in Australia.

National Market Trend

Industrial property has emerged as a mature, institutional grade investment sector, and plays a vital role in a diversified portfolio. The Australian industrial sector remains one of the most sought-after sectors, by both domestic, regional and global capital sources, as it is underpinned by stable long-term factors.

Multiple capital sources competed for assets in 2019 with strong activity from domestic and offshore groups.

In 2019 approximately AUD4.0 billion in investment sales occurred nationally (for sales volume of AUD10 million and above). The Eastern Seaboard experienced the highest volume of industrial activity with industrial sales in these markets representing approximately 86% of total national sales in 2019.

One of the challenges for investment into the Australian industrial sector is the limited availability of investment grade stock. Strong demand, coupled with the limited supply of stock have led to the appreciation in land, rent and capital values, and downward pressure on transaction yields. National average prime (6.05%) and secondary (7.19%) yields have compressed by 25bps and 22bps, respectively, over 2019. **(See Chart 1)**

Offshore investors accounted for 22% or AUD0.9 billion of total sales volume in 2019, compared with 28% or AUD0.5 billion in 2018. They are mainly from Hong Kong SAR, USA, and Singapore, with a number of these investors participating in capital raising by domestic fund managers.

Key Demand Drivers

Occupier demand for industrial stock remains strong, and vacancy is at a historic low in 2019 (5.9% as at 4Q19).

The three-year annual average of gross take-up of industrial floorspace for the major Australian markets are as follows:

- Sydney, 834,520 sqm
- Melbourne, 794,840 sqm
- Brisbane, 485,160 sqm
- Adelaide, 166,510 sqm
- Perth, 144,700 sqm **(See Chart 2)**

Underpinning the long run stability of the industrial sector is the non-discretionary retail sector (also known as consumer staples), which includes food, beverages, drugs, and medical supplies. In Australia, the annual growth in non-discretionary retail has been increasing, recording year-on-year ("Y-o-Y") growth of 3.6% in 2019.

On the other hand, the rate of growth in discretionary retail trade turnover over past few years has been slowing, to 2.1% in 2019, below the non-discretionary retail category. The discretionary goods segment is most likely to be supplied via e-retailing due to convenience and cost considerations, which will translate into incremental demand in the logistics sector.

The stability in the demand for consumer staples, which is relatively demand

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inelastic is, and will continue to be, the major driver in demand for industrial and logistics space. The high consumption of consumer staple goods impacts a range of property space requirements, including transport distribution, warehousing and logistics, cold storage, high-tech innovation and development (particularly for food and pharmaceutical products), as well as manufacturing.

Global factors also play a significant role with respect to demand for industrial space. Australia's trade activity is strong - fuelled by the 11 free trade agreements.

While imports of goods have been steadily on the rise, Australia has been exporting more and consistently registered a trade surplus since 2016. Export growth is underpinned by Asia Pacific's robust economic and demographic factors, including growing economies, rapid urbanisation and a growing middle-class population. A depreciating Australian dollar also contributed to export growth.

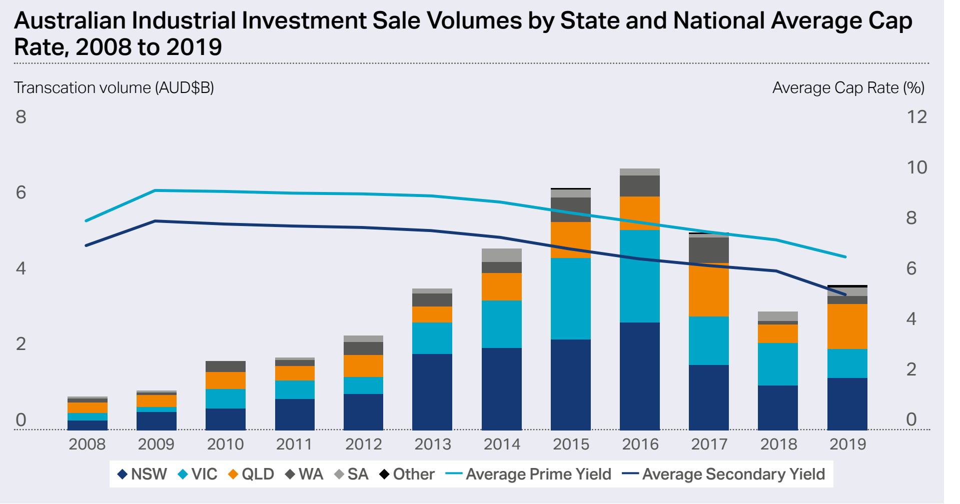
A record high level of infrastructure investment is underway in Australia. This is supported by the 2019-20 Federal Budget, which announced a record $100 billion in transport infrastructure in roads, rail and airports over the coming decade. New transport infrastructure will continue to support the logistics sector and in turn, demand for industrial space.

JLL is forecasting an average of 1.1 million sqm of industrial space per annum to come online between 2020 and 2023. This is below the five-year historic annual average of 1.4 million sqm, indicating that quality assets will be in short supply.
(See Chart 3)

Sydney
The New South Wales investment market sales totalled AUD1.4 billion in 2019. Whilst this is an increase on the 2018 level (AUD1.2 billion), it remains below the market's 10-year average (AUD1.6 billion). As was the case in 2018, this reflects a lack of stock availability, as opposed to a moderation in investor demand.

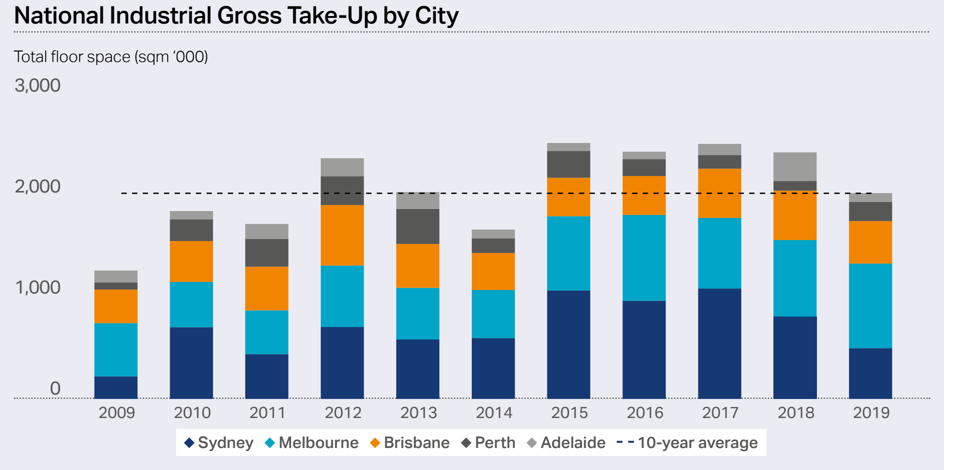
Ongoing demand from investors coupled with a lack of stock availability have led to continued compression of yields across

Chart 1



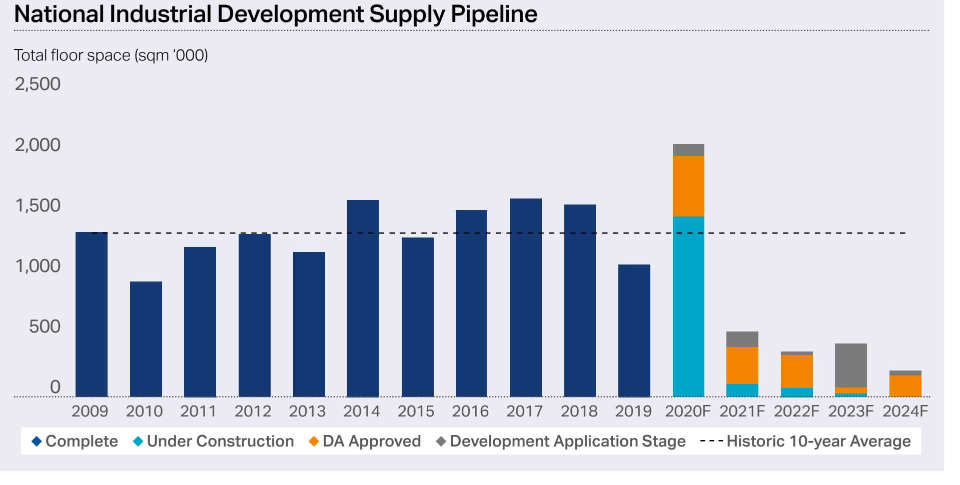
To note: Reflects investments sales AUD 10 million and greater
Source: JLL research

Chart 2



To note: as at 4Q 19
Source: JLL research

Chart 3



To note: as at 4Q 19
Source: JLL research

the market, with prime rates declining by 26 bps to 5.04% and secondary rates declining by 25 bps to 5.80% in 2019. The shortage of core assets to service capital which is looking to deploy in the Sydney market has been exacerbated by a diminishing supply of serviced industrial zoned land. This situation is expected to continue, restricting the development and sales market over the medium term.

Despite this, yield compression is expected to begin to slow over the short to medium term, as some non-core investors may look to alter their strategies to target other markets in Australia. However, the ongoing appeal of the Sydney market, in terms of demand outlook and rental growth, is expected to support strong fundaments for the foreseeable future.

A total of 476,540 sqm of new industrial floorspace was delivered in 2019, in line with the 10-year annual average. Looking ahead, the total supply expected to be delivered in 2020 is 35% higher than 2020 and totals around 644,100 sqm. **(See Chart 6)**

Around 64% of the supply to be delivered in 2020 is currently under construction, and a further 26% of the floorspace has received development approval.

Due to the strong demand and confidence in Sydney's industrial market, over 268,900 sqm of speculative developments are under construction and due to complete by the end of 2020.

Annual take-up was below average, with the 2019 total of 521,600 sqm 30% below the 10-year average of 750,500 sqm. The decline in take-up in the Sydney market over the last 12-18 months can be attributed to a range of factors. These include: lack of available space, which is being exacerbated by a challenging land supply environment; uncertainty of global economic growth which, in turn, is reducing business confidence and delaying decision-making around relocating/expansion requirements.

A limited availability of serviceable land in the inner and central areas of Sydney is likely to continue to bifurcate the rental rates between these areas and the relatively land rich outer precincts. As at 4Q19, there is a rental gap of AUD83 per sqm per annum between the Sydney South and Outer Central West precincts. However, this could extend to as much as AUD115 per sqm by 2025, as the lack of availability of new and existing assets in the inner areas continues to push rents higher at a faster rate.

Having grown at an average of 4.9% per annum over the last five years, the Sydney South precinct is expected to see growth rates remaining robust, averaging 3.7% per annum through to 2024. The Outer Central West has been growing at an average of 1.4% over the same period and is expected to see an uptick in growth over the next five years, as land values appreciate, averaging 2.1% from 2020 to 2024.

The overall outlook for rents in Sydney remains positive, driven by the steady levels of demand and a land constrained market.

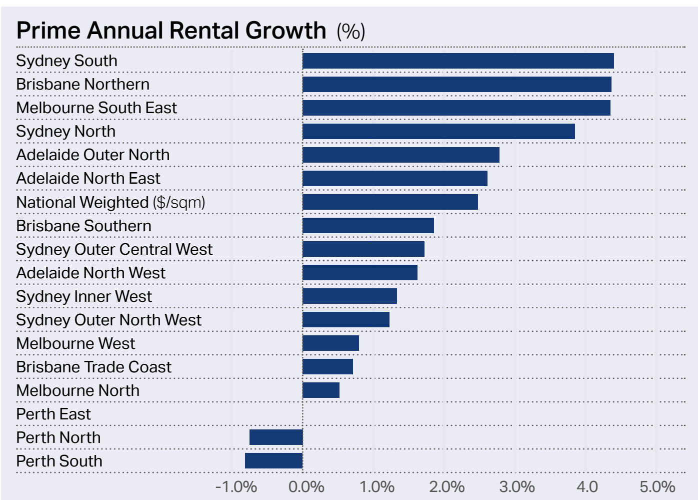
Melbourne

Victoria was the only state in the country to record a Y-o-Y decline in transaction volumes, with the 2019 total of AUD812 million below AUD1 billion for the first time since 2013, and the lowest since 2012. As was the case with New South Wales, this was reflective of a lack of available investment stock on the market, as opposed to a change in investor sentiment. This was evidenced in the continued tightening of prime yields, which declined by 81 bps to 5.08% in 2019.

The strong outlook for industrial demand, underpinned by the state's nation-leading population growth rates, is expected to continue to support robust investor demand for assets in Victoria into the new year.

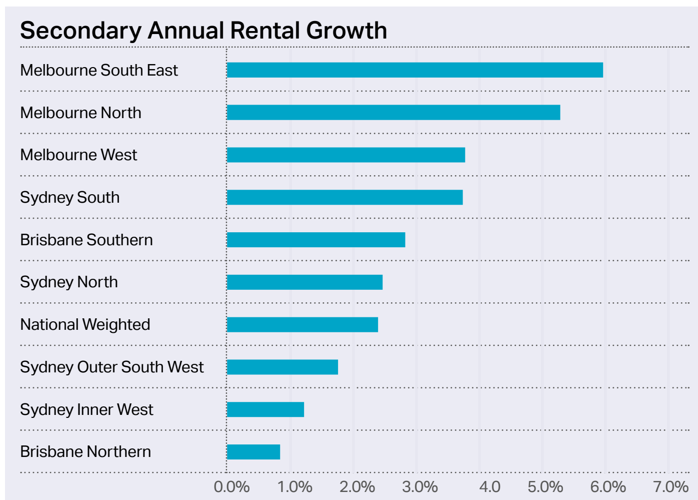
Over the last 12 months, leasing activity has been strong, with approximately 872,100 sqm of gross take-up recorded – above the 10-year annual average of 627,000 sqm.

Chart 4



To note: as at 4Q 19
Source: JLL research

Chart 5



To note: as at 4Q 19
Source: JLL research

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The West constitutes the key source of industrial demand in Melbourne over the last decade, accounting for an average of 50% of gross take-up from 2010 to 2019. Meanwhile, the South East continued to record consistently strong take-up accounting for an average of 32% of gross take-up, over the same period. The emerging North precinct increased its share of leasing activity from just 9% in 2015 to 26% in 2019.

Tenants continue to show a preference for new assets, with 67% of gross take-up for the quarter being recorded in the form of pre-leases. This is especially the case in the North, where all leases recorded this quarter were on a pre-lease basis. 2019 saw a slightly higher weighting to pre-leases than the 10-year average, accounting for 47% in 2019 compared 38%.

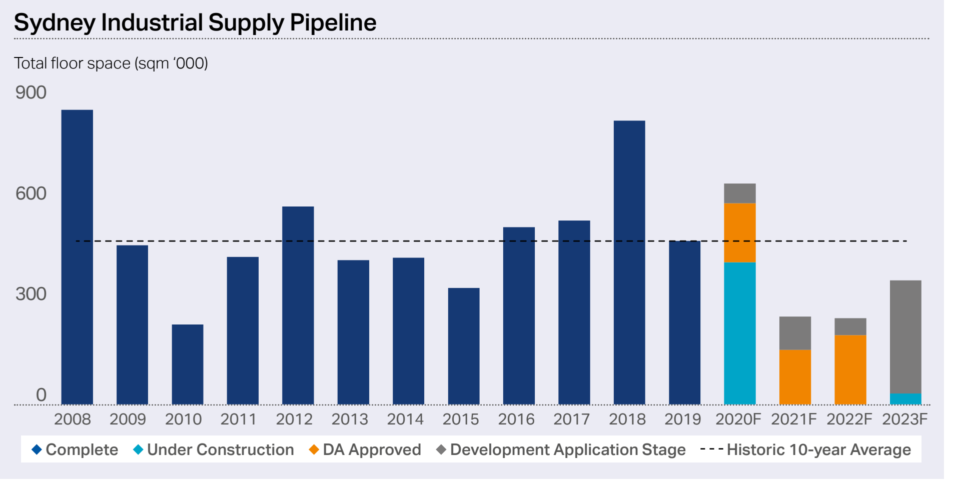
Total gross take-up in 2019 was dominated by the Transport, Postal and Warehousing (34%), Retail Trade (30%) and the Manufacturing (24%) sectors. Low vacancy, robust demand for industrial assets and constrained land supply in the South East have fuelled particularly strong rental growth over the last 12 months, registering Y-o-Y growth of 4.3% in 2019.

Secondary assets have recorded strong rental growth on the back of increasing land values and a reduction in the availability of assets as some get withdrawn for alternative uses. The growing relevance of the Northern precinct led to it recording the strongest Y-o-Y secondary face rental growth rate for any precinct (7.7%), followed by the South-East (6.0%) and the West (3.8%).

Despite recording robust growth across prime and secondary assets over the last 12 months, Melbourne remains a very affordable industrial market. Rents across both grades are the second cheapest of our national tracked markets and remain 39% and 49% lower than their Sydney equivalents.

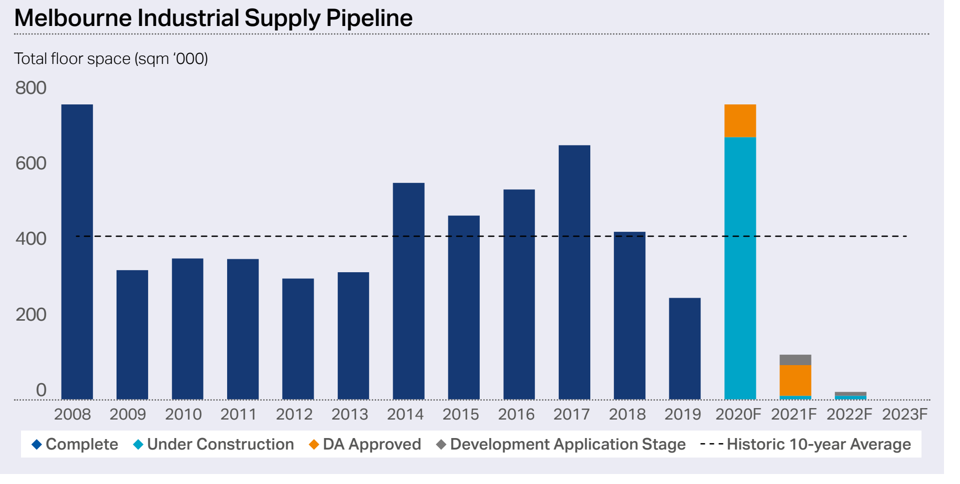
Underpinned by ongoing robust industrial demand, we expect rental growth to remain relatively strong over the short to medium term, with annual growth rates averaging 2.8% in the South East and 2.4% in the West over the next 5 years. This will

Chart 6



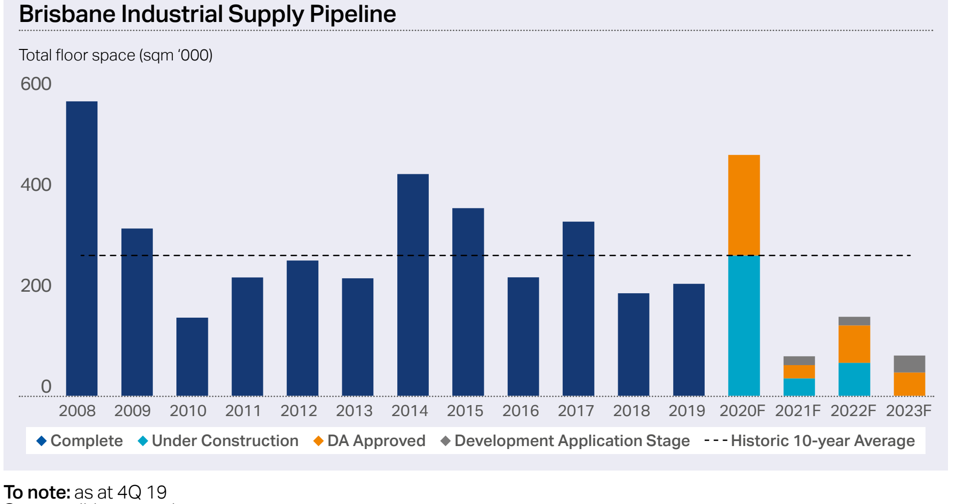
To note: as at 4Q 19
Source: JLL research

Chart 7



To note: as at 4Q 19
Source: JLL research

Chart 8



To note: as at 4Q 19
Source: JLL research

exceed the 10-year average growth rates for both precincts – 0.5% in the South East and 2.4% in the West.

A total of 260,800 sqm of new industrial space was delivered in 2019 – 39% below the 10-year average and the lowest annual total since 2000. However, the 2020 pipeline is expected to set a record for completion in Melbourne.

Around 829,800 sqm of new industrial space in the supply pipeline is expected to be delivered in 2020 (i.e. either under construction or plans approved) – more than three times the amount recorded in 2019. The majority of this stock will be delivered in the West precinct, which accounts for 50% of our current pipeline for 2020. The North will also see a substantial resurgence following a quiet year, delivering 256,300 sqm – thirteen times the stock delivered in 2019. The South East is expected to continue to suffer from declining land supply and residential encroachment, although it will still be delivering an above-average of (134,300 sqm) 155,900 sqm in 2020. **(See Chart 7)**

This significant uptick in supply has come on the back of a strong year of pre-leases in 2019, with the 408,800 sqm of pre-committed take up this year being the highest since 2015. As such, the supply which is slated to complete in 2020 is already 58% pre-committed.

Due to the strong supply pipeline in 2020, it will likely be the slowest year for rental growth within our current forecast horizon. The steady growth in the South East will continue to push the average rate towards the AUD100 per sqm mark, which we expect to be reached in 2022.

The pipeline of major infrastructure projects across Victoria, including the Westgate Tunnel and the North-East Link, are expected to enhance the accessibility of some currently underutilised areas across Melbourne's industrial market, which may also support rental growth in these areas.

Brisbane

Investment sale volumes in Queensland increased significantly in CY2019 (AUD1.2 billion) and recorded the highest annual transaction volume in the state since JLL Research began tracking. Interest in Queensland's industrial market is on the rise as investors seek better value and more opportunities than what is on offer in Sydney and Melbourne.

The largest transaction recorded in the year was Charter Hall's purchase of Crestmead Distribution Centre from Blackstone for AUD183.6 million, reflecting an initial yield of 5.15%.

Investor interest has remained robust and with several prime assets brought to market during the year, this has resulted in further yield compression. As at 4Q19, the prime yield range for Brisbane is now 5.25% to 6.25%. The midpoint of this range (5.69%) is the tightest recorded in Brisbane since JLL began recording the market in 2002. The prime yield gap between Brisbane (Southern) and Sydney (South Sydney) and Melbourne (South East) is currently 119 bps and 69 bps respectively. The secondary yield range remained stable at 7.00% to 8.50%.

Take-up rates within the Brisbane industrial market in 2019 (437,230 sqm) was closely in line with the 10-year annual average of 449,557 sqm.

JLL Research is forecasting the Southern Precinct to experience steady rental growth over the short and medium term. Rents are anticipated to appreciate slightly over 2020, increasing by 2.3% over the year. Similarly, annual growth among prime existing net rents are projected to average 2.4% over the next five year, reaching AUD124 psm p.a. by the end of 2024.

A total of 220,670 sqm of industrial floorspace was delivered in 2019, which was below the 10-year annual average of 274,700 sqm. **(See Chart 8)**

The supply pipeline remains steady, with 23 projects currently under construction, totalling 375,792 sqm. Of this stock, 74% is expected to complete in 2020.

Much of the supply expected to be delivered in 2020 will be in the Southern Precinct, contributing to 79% of stock additions, followed by the Trade Coast (20%) and Northern Precinct (1%).

The heightened level of supply in the Southern precinct is being driven by land supply, proximity to major transport infrastructure and level of precommitments.

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Market Analysis

Challenges and Opportunities for the Export-Driven Economy

The South Korean economy experienced multiple headwinds in 2019, including the global economic slowdown, the U.S.-China trade war and a prolonged downturn in the semiconductor market. The economy delivered a year-on-year ("YOY") real GDP growth of 2.0%, which marks two consecutive years of 2% GDP growth, after recording 3.1% growth in 2017. The near-term outlook for the South Korean economy remains challenging, given the high level of uncertainty due to the novel coronavirus (COVID-19) outbreak, a softening domestic consumption, tight regulations and rising labour costs.

On 27 February 2020, the Bank of Korea ("BOK") revised its outlook for South Korea's economic growth in 2020 to 2.1%, 20 basis points down from 2.3% expansion estimated three months earlier. The downward revision came amidst growing concerns over the surge of the COVID-19 infection in the country since mid-February. The significant part of the negative impact is expected to occur in the first quarter, especially for industries related to tourism, aviation, hotels and restaurants. The BOK indicated that there was a possibility for the economy to contract in the first quarter. Nevertheless, following the success of dramatically slowing the spread of COVID-19 in the country and flattening the curve of new infections, the negative impact from the coronavirus outbreak is expected to be short-term and limited after peaking in March 2020. In fact, whilst the first-half GDP forecast by BOK was revised down from 1.9% to 1.1%, the second-half outlook was raised from 2.2% to 2.6%.

In line with the BOK's forecasts, the South Korean government plans to boost the economy by drawing up a supplementary budget to support the virus-hit regions and economies. The supplementary budget of KRW11.7 trillion (USD9.9 billion) is in addition to its 2020 budget, at a record KRW512.5 trillion (USD422.8 billion).

Separately, on 16 March 2020, the BOK cut its benchmark rate by 50 basis points to a record low of 0.75% in an emergency move to support the economy threatened by the COVID-19 outbreak. This follows the U.S. Federal Reserve's decision to cut the rates to near zero on 15 March 2020 and the Bank of Japan's expansion of monetary stimulus on the same day.

Larger, Modern and Cold-Chain Facilities in High Demand

For the logistics facilities and services market, e-commerce has been a key demand growth driver. The e-commerce market has been expanding rapidly with an annual growth rate of 20% or higher every year since 2016 due to the growing popularity of internet and mobile shopping. E-commerce growth has also spurred the growth of courier services, which are closely related to demand for logistics centres. As e-commerce operators provide same-day or next-day services for high volumes of deliveries, mega scale modern facilities with automation processes, as well as fulfilment centres in strategic locations, are in high demand.

Along with the development of e-commerce, demand for third-party logistics ("3PL") services in South Korea has been rising. The growth of the 3PL industry is also supported by government benefits such as exemption from corporate tax of 3% to 5% on 3PL expenses and a 50% subsidy on 3PL consultation fees. Furthermore, the Korean Legislature is discussing an amendment bill to promote 3PLs, with a major agenda to restrict internal transactions of large conglomerates and 2PL companies. The expansion of the 3PL market is attracting more foreign investors as well as larger warehouse facilities.

Another notable trend in the logistics market in South Korea is the increasing demand for cold-chain logistics warehouse space. Since the successful introduction in 2015 of Market Kurly, an e-commerce grocery platform, demand for early morning and night delivery of fresh food have risen sharply over the past four years. Active retailers in the market such as Emart, Homeplus, Lotte Mart and Coupang are also aggressively expanding into the industry. Notably, Coupang raised funds amounting to KRW2.3 trillion in 2018 and Market Kurly raised KRW135 billion in 2019 for their expansion strategies. In response, newly built logistics assets in recent years have begun to incorporate cold storage options, creating competition among these modern facilities. Aged, low profile and non-core location cold-chain warehouses are losing their competitive edge, requiring further action in the nature of refurbishments or even redevelopment.

Existing Stock and Future Pipeline in the Seoul Metropolitan Area ("SMA")

In recent years, there has been increasingly more developments of sizeable and quality logistic facilities to meet the needs of occupiers (logistic service providers and retailers). According to the Building Registry of Korea and Colliers research,

Chart 1

Total Stock of Sizeable Logistics Centres in SMA

* **Remark:** Includes only logistics warehouses with GFA of at least 1,000 sqm
Source: Ministry of Land, Infrastructure and Transport; Colliers International

14 new logistics warehouses were added in the SMA during 2019, amounting to about 1.93 million square metres. As at 2019, logistics centres located in the SMA provided about 19.8 million sqm of gross floor area, representing about 8% CAGR since 2010. Total stock in SMA is expected to grow by 1.4 million sqm in 2020 and 1.3 million sqm in 2021. At the same time, the number of expected developments has decreased from previous years, indicating a smaller number of developments but with a larger scale. **(See Chart 1)**

Traditional logistics hub cities located in Southeast Gyeonggi-do near major highways such as Icheon and Yongin are saturated, with space there representing around 38% of the total stock of SMA. The new supply is expected to be concentrated in the next generation of development sites in the southwest area, in cities such as Ansan or Pyeongtaek, where investors and developers are attracted by their relatively low land costs and fewer existing distribution centres. **(See Chart 2)**

SMA Logistics Market Leasing Performance

Despite the recent surge in logistics centre supply, the average vacancy rate in SMA logistics centres has remained tight, at below 5%, over the last 5 years. Considering the massive supply built in 2018 and 2019, representing almost one-fifth of total supply at the end of 2019, market sentiment remains strong and demand continues to be robust, leading to low vacancy rates. In particular, there is an increasing number of new purpose-built, pre-leased and owner-occupied facilities. These purpose-built warehouses were well taken up as they are able to fulfill the needs of both developer and lessees equally in that asset management companies were able to secure tenants prior to development to minimise their risks, while major tenants had the opportunity to incorporate any unique requirements at the construction stage. **(See Chart 3)**

Overall average rents in the SMA experienced a slight upward adjustment in 2019 to around KRW8,894 per sqm, with average rent-free periods of 1 to 3 months for lease terms of up to 5 years. While performances of older logistics assets in inferior locations were relatively weak and thus dragged down the average rental level, however, demand for new sizeable and quality logistics centre prompted an overall rental growth in several sub-markets. Marginal growth in rents are expected to continue in the short term as aged facilities will continue to provide substantial discounts, while there will be increased competition in the market to capture quality tenants such as Coupang and CJ Logistics, who will lease large amounts of space for longer periods. Nevertheless, rents for cold chain storage have shown strong performance as demand is currently higher than supply. Looking beyond 2021, there could be potential constraints on Grade A warehouse supply due to several reasons, including limited land supply in prime locations, rise in industrial land prices, and more stringent development permit standards. **(See Chart 4)**

Return on Investment

Driven by continuous growth in the logistics market on the back of active e-commerce transactions, logistics real estate has become one of the most attractive alternative investment asset classes. The average cap rate for logistics centres has continued to compress since 2014, driven by institutional investors' increasing confidence in underlying market fundamentals, and healthy investment returns supported by overall growth in capital values. In 2019, the total transaction volume of logistics facilities grew to a record high, amounting to about KRW2.4 trillion. The gap in cap rates for international standard logistics centres in prime locations and non-core logistics assets in secondary locations also widened. While modern warehouses in Yongin, Icheon, Hwaseong, Anseong and

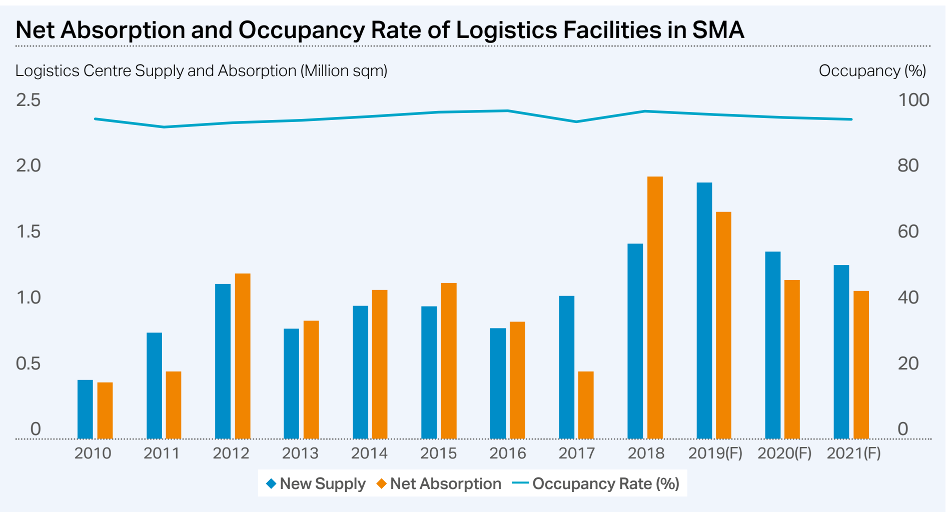
Chart 2

Imminent New Supply in the Pipeline in 2020

Locality/Year	Name	GFA (sqm)	Landlord
Gwangju	Gonjiam Logistics Centre	99,798	Deutche AWM
Hwaseong	Dongtan Logistics Complex Block C	102,472	Halla GLS
Pyeongtaek	Jinwi Logistics Centre	149,623	Pacific AMC
Anseong	Kendall Square Anseong Wongok	147,597	Kendall Square
Gimpo	Kendall Square Gimpo Gochon	137,144	Kendall Square
Anseong	Juksan Logistics Park	94,973	ESR
Icheon	KClavis Logistics Centre	49,500	Woomi Construction

Source: Colliers International

Chart 3



* **Remark:** For logistics warehouses with GFA of about 1,000 sqm or over only
Source: Colliers International

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Ansan reached cap rates of about 5.5%, non-core logistics assets in secondary locations were transacted at 6% to low 7% range. In 2019, the market witnessed transactions with cap rates at record low of sub 5%, for instance KB Real Estate Trust's memorandum of understanding with KTB Asset Management to acquire Homeplus Fresh Logistics Centre in Anseong at KRW137 billion and a cap rate of around 4.7%. **(See Chart 5)**

Looking forward, the logistics market expects further yield compression in the short to medium term for modern and newly-built logistics warehouses due to intense competition for acquisitions and the elevated value of assets. Logistics assets are still favoured by investors, as reflected in the high increase in number of real estate investment trusts ("REITs") and private equity funds ("PEFs"). In addition, in the face of healthy investment returns, institutional investors are now willing to take on more risk and are prepared to acquire assets with vacant possession prior to completion.

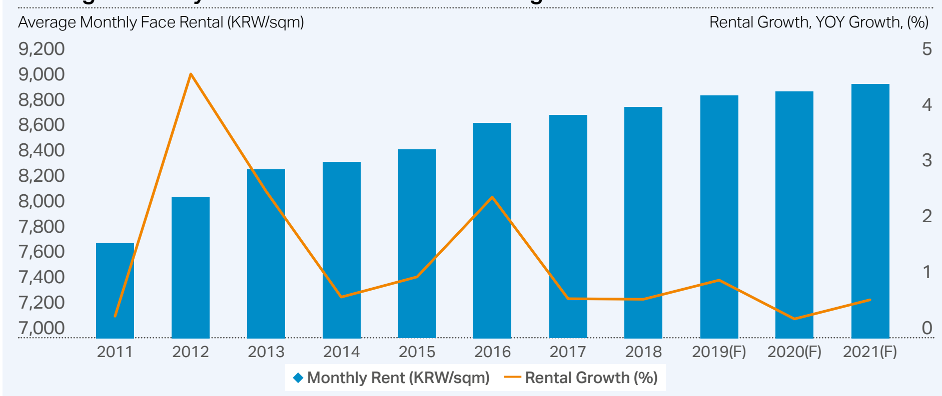
Logistics Market Regional Comparison
Traditionally, the southern part of the SMA has been the main hub for logistics centres. This is mainly attributable to its connectivity to Seoul via various expressways. Cities situated in the southeast of the SMA, such as Icheon, Yeoju and Yongin, have seen continuous development of logistics warehouses due to its proximity to Gyeongbu (Route 1) and Jungbu (Route 35) Expressways, and relatively stable average market rent level within a range of KRW7,895 to KRW8,288 per sqm. Newly completed modern logistics assets achieved year-on-year rental growth of 3% to 5% in 2019. As future supply is likely to be limited due to prohibitive development restrictions, modern facilities in these areas are expected to enjoy further growth. **(See Chart 6)**

As land price increase continues to accelerate in these traditional cities, investors and developers are turning to cities in the south and southwest of SMA, such as Anseong, Hwaseong, Pyeongtaek and Ansan, as alternative development sites due to the relatively limited number of quality logistics centres and low development costs in these areas. These areas have the advantage of proximity to the Seohaean or Pyeongtaek-Jaechon Expressways, and they will also benefit from the new Seoul Beltway Phase 2, scheduled to open in 2024.

March 2020

Chart 4

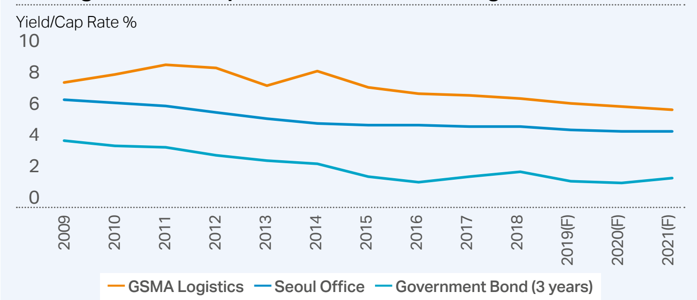
Average Monthly Face Rental Trend of SMA Logistics Facilities



* **Remark:** Monthly rental for 1F dry storage facilities only on GFA basis
Source: Colliers International

Chart 5

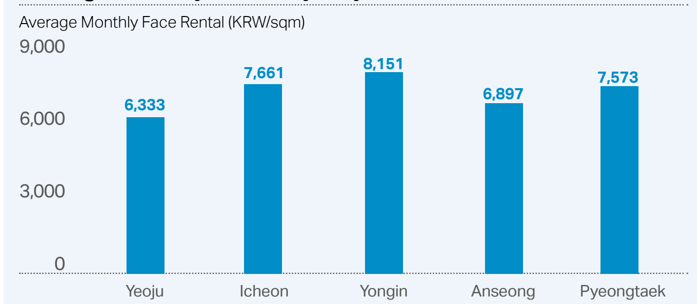
Average Market Cap Rate Trend of SMA Logistics Facilities



Source: Bank of Korea; National Assembly Budget Office; Colliers International

Chart 6

Average Monthly Rental by City



* **Remark:** Monthly rental for 1F dry storage facilities only on GFA basis
Source: Colliers International

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Malaysia by Knight Frank Malaysia

Macro Economy Overview

Gross Domestic Product and Inflation Rate

The Malaysian economy expanded 3.6% in 4Q2019 (3Q2019: 4.4%), its weakest growth in a decade since third quarter 2009 amid falling net exports. Economic growth, however, continues to be supported by higher private sector spending. The services and manufacturing sectors remained key drivers of growth. For the year as a whole, the country's economy grew by 4.3% (2018: 4.7%).

Moving into 1Q2020, growth is expected to moderate further as the COVID-19 outbreak continues to disrupt sectors such as tourism, transport and manufacturing as well as the global supply chains. Thus, the central bank is expected to review its 4.3% to 4.8% forecast for 2020. Growth will be sustained by household spending, private investment and public sector capital spending.

Headline inflation as measured by the annual percentage change in Malaysia's Consumer Price Index ("CPI") averaged at 0.7% in 2019 as the impact of the SST ("Sales & Service Tax") implementation lapsed (2018: 1.0%). As for 2020, headline inflation is expected to edge higher but remain at a modest level. **(See Chart 1)**

Foreign Direct Investment

The total approved Foreign Direct Investment ("FDI") into Malaysia had remained positive and peaked at RM80.1 billion in 2018 (2017: RM54.4 billion). During the same period, Malaysia's FDI in the manufacturing sector was recorded at RM58.0 billion (2017: RM21.6 billion) with sources of investments mainly from China, Indonesia, the Netherlands, Japan and the USA.

As of 3Q2019, the total FDI inflow was recorded at RM66.3 billion (circa 82.7% of the total FDI in 2018) with the bulk of investment from the manufacturing sector. Amid the on-going trade tensions, the concerted efforts of the government and various stakeholders in attracting strategic partners to invest in Malaysia will generate growth of the local supply chain and create more spill-over impact to the country's economy and real estate sector. **(See Chart 2)**

Logistics Market Indicators

Logistics Market Trends and Performance

The logistics industry is expected to grow in tandem with increasing trade, while also benefiting from the e-commerce wave. Various policies have been implemented to elevate Malaysia as a regional logistics hub under the Logistics and Trade Facilitation Masterplan (2015 – 2020). In 2018, the Transportation, Storage and Information and Communication sub-sectors contributed circa RM129.3 billion or 8.9% share to the country's GDP (RM1,446.9 million). The contribution of these sub-sectors is forecasted to increase by circa 6.9% in 2019, indicating growing demand for logistics and warehouse space.

E-Commerce

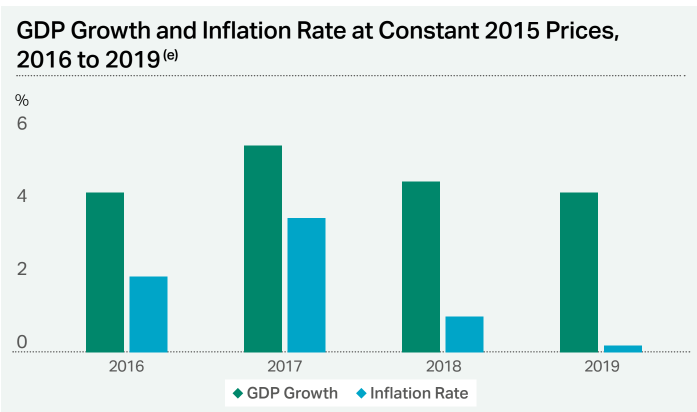
In line with global growth of the digital economy such as e-commerce and last mile delivery markets, the logistics industry is undergoing a major revolution to adapt to the changing landscape.

With more business entities diversifying onto online platforms, there is growing demand for strategically located logistics centres that are close to airports, seaports, inland cargo terminals as well as road and rail links catering to the vibrant e-commerce activities.

The gross value added of Malaysia's e-commerce sector to GDP has been growing healthily with a Compound Annual Growth Rate ("CAGR") of 9.01% from RM89.2 billion in 2015 to RM115.5 billion in 2018[p] with the percentage share to the nation's GDP improving from 7.6% to 8.0% during the same period. **(See Chart 3)**

The growth of the e-commerce sector has resulted in the increasing demand of warehousing space over the past few years. In addition, the growing e-commerce market is expected to drive more logistics players to automate their operations to increase the efficiency of their centres. The automation of warehouse space requires logistics facilities that are built to modern

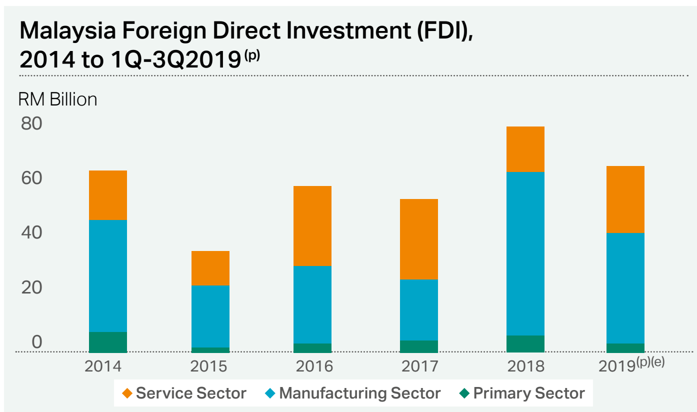
Chart 1



Sources: Department of Statistics Malaysia (DOSM)/Bank Negara Malaysia (BNM)

Notes:
1. Malaysia's Gross Domestic Product (GDP) and Inflation Rate following the rebasing exercise.
2. (e) = estimates

Chart 2



Sources: Malaysian Investment Development Authority (MIDA)/Knight Frank Research

Note: (p) = preliminary

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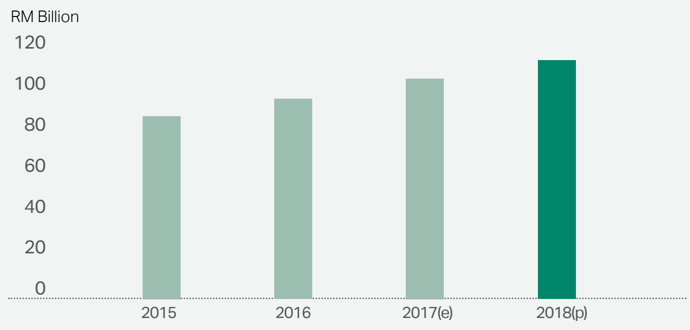
Chart 3

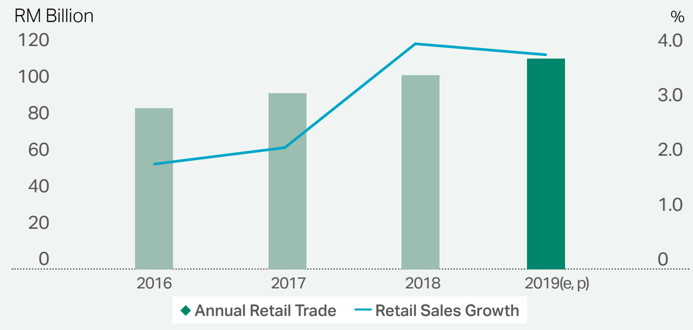
Malaysia – E-Commerce Gross Value Added to GDP, 2015 to 2018 (p)



Sources: Department of Statistics Malaysia (DOSM)/Knight Frank Research
Notes:
1. Malaysia's E-Commerce Gross Value Added following the rebasing exercise.
2. (e) = estimates; (p) = preliminary

Chart 4

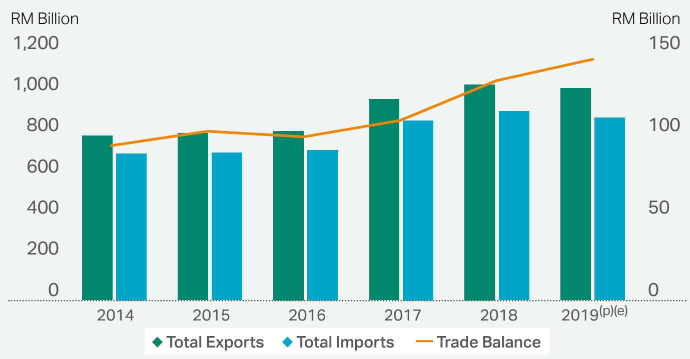
Malaysia – Retail Trade at Constant 2015 Prices and Retail Sales Growth, 2016 to 2019



Sources: Malaysia Retailers Association (MRA)/DOSM/Knight Frank Research
Notes:
1. Malaysia's Retail Trade and Retail Sales Growth following the rebasing exercise.
2. (p) = preliminary for annual retail trade; (e) = estimates for retail sales growth

Chart 5

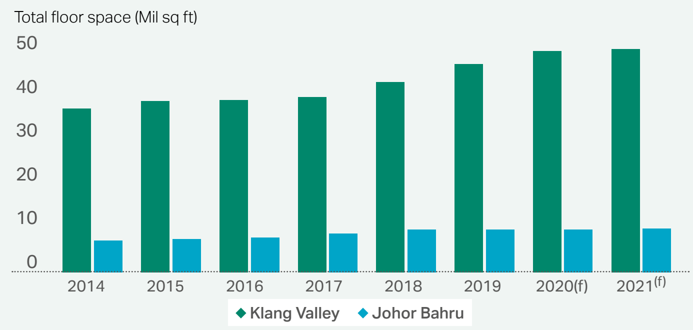
Malaysia – External Trade, 2014 to 2019 (p)



Sources: DOSM/Knight Frank Research
Note: (p) = preliminary

Chart 6

Klang Valley and Johor Bahru – Estimated Warehouse Supply, 2014 to 2021(f)



Source: Knight Frank Research
Note: (f) = forecast

specifications, which encompass features such as high floor-loading capacity, high floor-to-ceiling height and high electrical loading, as well as super-flat floors.

Retail Trade and Retail Sales Growth
Malaysia's GDP contribution arising from economic activities in the retail trade has been growing steadily from 2016 to 2018. In 2018, retail trade was higher by circa 10.1% at RM101.3 billion (2017: RM92.0 billion), contributing circa 7.0% to the country's GDP. The GDP from retail trade is forecasted to grow to RM107.8 billion in 2019, reflecting an 8.6% CAGR from 2016 to 2019. Similarly, retail sales is also poised to improve from 2016 to 2019. The positive growth in retail trade and retail sales are expected to generate higher demand for logistics services and warehousing space. **(See Chart 4)**

Malaysia External Trade
Growth in the high-tech manufacturing segment coupled with the spill-over effects from the on-going U.S.-China trade war, have spurred the growth of the country's external trade as seen in the steady increase of the country's total exports and imports from 2014 to 2018.

The trade dispute, however, impedes growth and weighs down on export-oriented countries as Southeast Asian manufacturing countries such as Malaysia and Vietnam, compete to attract manufacturing companies moving out from China.

From January to November 2019, Malaysia's total exports and imports were lower by circa 2.1% and 3.9% at RM899.9 billion and RM775.2 billion respectively. (Jan to Nov 2018: Total exports – RM919.5 billion, Total imports – RM806.6 billion). For the whole year of 2019, total exports and imports are forecast to drop.

The trade balance, on the other hand, is forecast to increase by 7.2% to RM132.6 billion in 2019. The healthy trade balance indicates that the country has more export-oriented economic activities and this augurs well for the industrial market. **(See Chart 5)**

Logistics Market In Klang Valley and Johor Bahru

Existing Supply

In tandem with the growth of the e-commerce and retail trade sector, there is higher demand for warehouse space. In Klang Valley, the total warehouse space increased from 35.7 million sq ft in 2014 to 45.3 million sq ft in 2019, reflecting a CAGR of circa 4.9% while the warehouse space in Johor posted healthy CAGR of circa 6.3%, from 6.5 million sq ft in 2014 to 9.3 million sq ft in 2019. **(See Chart 6)**

In Klang Valley, Grade A warehouse stock made up circa 5.5 million sq ft or 12.1% of the existing warehouse stock in 2019 while in Johor Bahru, warehouse space of similar specification made up circa 2.8 million sq ft or 29.8% of existing warehouse stock.

Mature and established industrial areas such as Shah Alam, Klang and Petaling Jaya in Selangor as well as Port of Tanjung Pelepas, Senai and Pasir Gudang in Johor continue to garner interest of potential investors due to their good connectivity and accessibility to seaports and airports.

Future Supply

Within Klang Valley, there are four notable upcoming warehouses/distribution centres, namely the flatted warehousing at Hap Seng Industrial Hub @ Shah Alam, D Project Malaysia I in Shah Alam, Ikea Distribution Centre in Pulau Indah and Axis Mega Distribution Centre (Phase 2) in Sijangkang. Collectively, these warehouses, which are expected to be completed within the next two years, will add circa 3.3 million sq ft of space to the existing stock.

Meanwhile, in Johor Bahru, notable stock in the pipeline include Phase 2 of BMW Group Regional Parts Distribution Centre in Senai.

Demand/Occupancy Rate

Selected warehouses/distribution centres within Klang Valley which are under review enjoy commendable occupancies at circa 100%. These warehouses/distribution centres are mainly located in established industrial areas such as Shah Alam, Klang and Subang Jaya and enjoy the benefit of easy accessibility and connectivity to public infrastructure that are vital to the transportation and logistics sector – seaports including Port Klang and international airports including KLIA and KLIA 2.

Selected logistics centres located in Johor Bahru are also achieving close to 100% occupancies. The majority of these facilities are situated in Senai, Pasir Gudang and Tanjung Pelepas and well served by both seaport and airport, namely Port of Tanjung Pelepas and Senai International Airport. **(See Table 1)**

Market Rental

The asking gross rentals of industrial premises in selected prime industrial areas within Klang Valley range from RM1.00 per sq ft to RM2.80 per sq ft per month.

Detached industrial premises which are located in Port Klang, Glenmarie, Shah Alam and Bukit Raja have asking rental rates ranging from RM1.00 per sq ft to RM2.00 per sq ft while in other selected established industrial areas such as Petaling Jaya and Subang Jaya, the rental rates are higher and range from RM1.30 per sq ft to RM2.80 per sq ft per month.

In Johor Bahru, the asking rental rates of industrial units in the localities of Pasir Gudang, Senai and Port of Tanjung Pelepas, hover between RM1.00 per sq ft and RM1.60 per sq ft per month. **(See Table 2)**

Table 1

Occupancies of Selected Warehouses/Distribution Centres in Klang Valley and Johor Bahru

	Klang Valley[1]		Johor Bahru[1]	
Locality/Year	**2016**	**2018**	**2016**	**2018**
Sample Size	22	25	14	16
Location	• Klang • Puchong • Rawang • Shah Alam • Subang • Subang Jaya		• Senai • Johor Bahru • Nusajaya • Gelang Patah • Pasir Gudang • Tanjung Pelepas	
Estimated Net Lettable Area (NLA) (sq ft)[2]	5.40 million	5.92 million	3.02 million	3.26 million
Estimated Occupancy (%)[2]	98.7	100.0	96.5	100.0
Estimated Average Gross Rental Rate (RM per sq ft)[3]	1.36	1.46	1.32	1.31

Source: Knight Frank Research

Notes:

1 The selected warehouses/distribution centres include portfolio of notable REITs that are located in Klang Valley and Johor Bahru.

2 The estimated NLA and occupancy are based on published information/annual reports of respective REITs.

3 The estimated average gross rental rate is calculated by dividing the gross revenue with the NLA of the property taking into consideration its occupancy level.

Table 2

Selected Prime Industrial Areas in Klang Valley and Johor Bahru

	Asking Gross Rental (RM per sq ft/month)	
Location	**Min**	**Max**
Klang Valley		
Petaling Jaya	2.00	2.80
Subang Jaya	1.30	2.50
Port Klang	1.20	2.00
Glenmarie	1.10	2.00
Shah Alam	1.00	2.00
Bukit Raja	1.00	1.80
Johor Bahru		
Port of Tanjung Pelepas	1.20	1.60
Pasir Gudang	1.00	1.40
Senai	1.00	1.50

Source: Knight Frank Research

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Summary and Market Outlook

The logistics industry has continued to gather speed amid growing opportunities in the global e-commerce sector. With inflation rate falling below 2.0%, consumers' confidence level is expected to be on the positive side and this will subsequently improve the logistics market. The consistent growth of the country's trade balance has also opened up new opportunities for the warehouse and logistics market, especially for export-oriented manufacturing activities.

There is growing demand for build-to-suit/customised industrial premises such as the pre-committed phase 2 development for BMW Regional Distribution Centre at the Free Industrial Zone of the Senai International Airport in Johor Bahru and Ikea's first southern store in Tebrau. The attractiveness of state-of-the-art warehousing facilities has also made the industrial market a bright spot in this relatively challenging property market.

The Federal Government has allocated RM50 million in the Budget 2020 provision for the repair and maintenance of roads leading to Port Klang. Plans to elevate Port Klang as a regional maritime centre and cargo logistics hub were also drawn to further boost the industrial market in the vicinity.

Time efficiency plays a pivotal role in the flow of supply chain. The on-going East Coast Rail Link ("ECRL"), connecting Port Klang on the Straits of Melaka to Kota Bahru on the South China Sea, augurs well for the logistics sector as freight and shipping time will be reduced significantly and as such, key infrastructure investments will continue to draw the attention of investors and industrial players.

In the short term, the coronavirus (COVID-19) pandemic continues to send global economies, including Malaysia's, reeling. Hospitality, tourism and aviation related segments are being hit the hardest evident by cancellations of flights, tour packages and hotel bookings following international travel restrictions and lockdown of countries.

The current disruptions may further give rise to potential decentralisation of logistics players into multiple smaller satellite distribution hubs in Malaysia to support local distribution channels.

On the global front, manufacturers may adopt the geographical diversification strategies by locating last-mile assembly plants in multiple countries/regions in order to mitigate any geographical risks that may disrupt supply chains.

The mid to longer term market outlook for the industrial and logistics segment, however, remains cautiously positive with the growth of last-mile delivery fulfilment centres and logistics services, driven by the rapid growth of the e-commerce segment.

Malaysia also stands to benefit from the on-going U.S.-China trade war as American and Chinese companies look to move some of their manufacturing out of China. Occupancy levels of good grade industrial and warehousing facilities continue to hold steady while rental rates are expected to trend up.

March 2020

Vietnam by Cushman & Wakefield Vietnam

Vietnam Warehouse Market

Recent global disruptions such as the U.S.-China trade war and COVID-19 outbreak have given greater impetus for businesses to re-configure and diversify their supply chains for risk mitigation. This puts Vietnam in a positive light as the country ranks favourably in terms of regional supply chain relevance, favourable demographics, market integration and geographic location. Besides these global events, domestic e-commerce has been driving warehousing development in the past few years. In addition, the growing demand for convenience, such as on-demand delivery of fresh goods, has spurred the development of end-to-end cold-chain networks.

The Vietnam logistics market is currently dominated by international third-party logistics service providers ("3PLs"). With growing demand and interest for co-operation from international investors, local players are also expanding their presence. Supported by the recent surge in mergers and acquisitions, the market has witnessed the rise of some local 3PLs such as Gemadept and Vinafco.

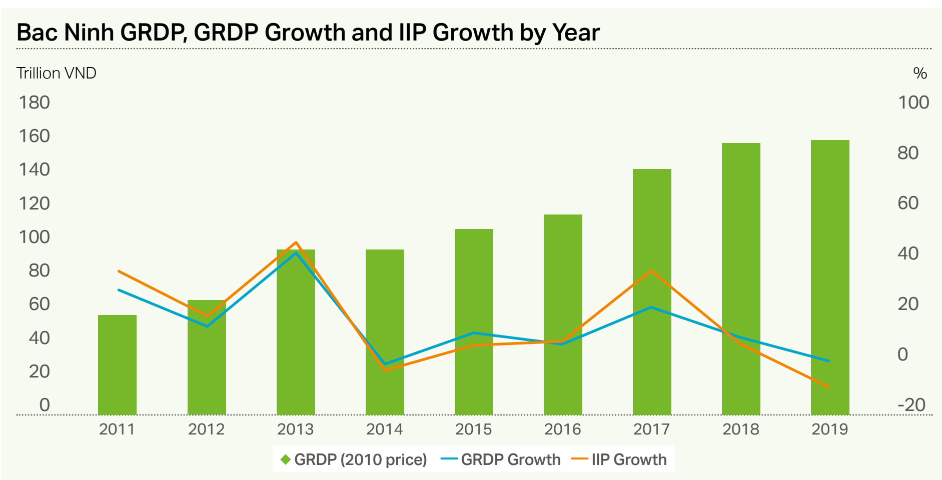
In the South, a substantial number of warehouses in development are expected to be ready by end 2021. Located in Nha Be, Ben Luc, Dong Nai and Binh Duong, these warehouses are focused on catering to the e-commerce, express, pharma, retail and automotive sectors.

Upcoming infrastructure developments will also contribute to improvements in logistics efficiency. The development of road networks between Hiep Phuoc, Cat Lai and Cai Mep port aim to relieve some of the congestion and overload at Cat Lai port. Additionally, the future international airport in Long Thanh district also has the potential to transform this district into the next logistics hub after Binh Duong, for distribution and consolidation. Currently the demand in Long Thanh is still moderate but is expected to increase as Binh Duong becomes saturated.

In the North, demand for warehouses grew rapidly alongside significant new investments from multinational corporations ("MNCs") notably in Bac Ninh, Thai Nguyen and Hai Phong. Another location gaining popularity is the Hung Yen province, due to its close proximity to Hanoi, accessibility to key infrastructures and Hai Phong, available land and lower costs. While the Northern warehousing market is traditionally several times smaller than the South, the surge in manufacturing supported by developed infrastructure is expected to accelerate market growth. The lack of available warehousing also presents opportunities for logistics development at more attractive rental rates.

This report describes the respective warehouse markets in Bac Ninh and Binh Duong.

Chart 1



Source: Bac Ninh Statistics Office

Bac Ninh

Economy

Bac Ninh's economy has expanded significantly between 2015- 2018. However, the province witnessed a slowdown in 2019 with its Index of Industrial Production ("IIP") contracting 9%, resulting in a Gross Regional Domestic Product ("GRDP") growth of only 1.1%. This was mainly due to a weakening phone and accessories production, particularly from Samsung Electronics and Samsung Display. (See Chart 1)

Despite the sluggish trend in 2019, Bac Ninh remains one of the top industrial hubs of Vietnam and is expected to recover in 2020, thanks to sustained foreign direct investment ("FDI") inflows, development of domestic enterprises, improvement of business environment as well as rising labour productivity.

Bac Ninh's economic development is mainly driven by the robust influx of FDI. This is derived from its favourable geographical position, abundant labour force, good infrastructure for production (15 industrial parks in the province) and support from government policies. As of December 2019, Bac Ninh's total FDI capital ranked sixth amongst 63 provinces/ cities nationwide. (See Chart 2)

Overview of Warehouse Market

Established developers, competitive rents, favourable incentives, developed infrastructure, strategic location, strong inflow of FDI and manufacturing growth are the major advantages attributed to the development of the industrial market in Bac Ninh. The presence of powerhouses like Samsung, Canon, Foxconn, LG and the recent arrival of Goertek demonstrate that nearly 98% of the province's newly registered FDI capital in 2019 came from manufacturing, which drives demand for industrial and warehouse space.

Consequently, Bac Ninh has seen a growing presence of big 3PLs such as Logisvalley, DB Schenker, DHL, Linfox, FM Logistics, ALS and Maersk. Many Korean and Japanese 3PLs have also followed the MNCs like Samsung, Canon and Foxconn to set up operations in the province. By 2019, warehouse supply in Bac Ninh exceeded 550,000 sqm, having

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expanded by 45% in the past two years. New players in the market are BWID, Emergent Capital Partners and Logos. The most popular districts for logistics are Tu Son for distribution and Yen Phong for consolidation.

The asking gross rent of available newly built Grade A warehouse in Bac Ninh is between USD3.8 psm pm and USD5.5 psm pm. Existing Grade A supply is predominantly provided by reputable developers such as Mapletree, BWID, Vinafco, Bac Ky and ALS. These properties are located close to Hanoi and major highways and built to modern specifications, thus commanding high rentals.

The average occupancy rate is ~95% as Bac Ninh is in high demand.

Outlook
Increasing local consumption, the expansion of retailers and FMCG, e-commerce and Bac Ninh's ability to attract higher value-added technology manufacturing are providing further impetus for warehouse demand.

Looking ahead, Bac Ninh will continue to invest in infrastructure and industrial parks to create a favourable environment for FDI. Priority will be given to high-tech, environmentally-friendly, high value-added industries such as electronics, information and communication, new materials production, automation equipment and biotechnology.

In response to rising demand, the warehouse supply in Bac Ninh is expected to expand over the next three years due to new developments from both existing and new players. These include projects by BWID (48,000sm in Q1-2021) and FM Logistics (52,000sm in Q1-2020 with air-conditioned chambers). In 2022, projects by several new developers like BWID, Emergent and Logos will add over 400,000sm in VSIP Bac Ninh and Yen Phong. (See Table 1)

Despite the healthy pipeline of new supply, demand seems to be keeping pace with supply. Logisvalley Phase 1 & 2 (2018) are full while Phase 3 (2021) is estimated to be 20% pre-committed. On average, quality warehouses are able to achieve full occupancy within 3 to 6 months. Vacancy rates are expected to remain low while rentals are expected to increase steadily with the growing presence of quality logistics names and increasing demand for space.

Binh Duong
Economy
Over the last decade, Binh Duong province has become a tour de force of the Southern Key Economic Region, driven by growing Gross Regional Domestic Product ("GRDP"), strong FDI attraction as well as well-planned infrastructure.

Binh Duong Province maintained a GRDP growth rate of 7% to 9% during 2011 to 2018, and reached its highest growth rate in ten years at 9.5% in 2019. Industry and construction continued to be the leading sectors with approximately 66.8% of total GRDP. IIP grew by 9.86% in 2019. (See Chart 3)

FDI is still a significant driver of socio-economic development in the region. In 2019, the province attracted total registered capital of USD3,412.8 million with 243 newly FDI projects, ranking third in FDI inflows after Hanoi and Ho Chi Minh City. The manufacturing and processing sectors consistently account for the majority of FDI into Binh Duong, which made up over 90% of total capital in 2019. Japan and Hong Kong SAR were major investors in the province. Notable projects include a USD135 million initiative by Sharp Manufacturing; a USD186 million venture by Nitto Denko; two projects by BWID at USD106 million; and Lacquer Craft Vietnam with investment capital of USD98.3 million. (See Chart 4)

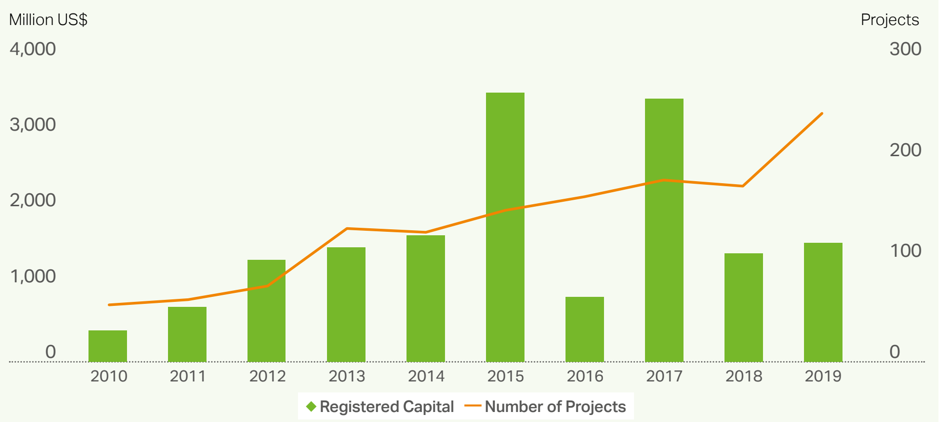
Furthermore, with the Binh Duong Smart City Project, the province has transformed its economy into service industries, high tech production and green urbanisation to catch the wave of Industrial Revolution 4.0.

Table 1
Significant Future Projects (Bac Ninh)

No.	Future Supply	NLA (sqm)	Expected launch
1	KTG Yen Phong	9,000	2020
2	Logisvalley Phase 3	115,000	2020
3	Mapletree Phase 3	56,300	2021
4	BWID VSIP 2	200,000	2021
5	BWID VSIP 1	23,000	2021
6	BWID Que Vo 3	20,000	2021
7	Yen Phong 2 Exp.	>100,000	2021
8	Mapletree Phase 5	71,150	2022

Source: Cushman & Wakefield Vietnam

Chart 2
FDI Capital by Year

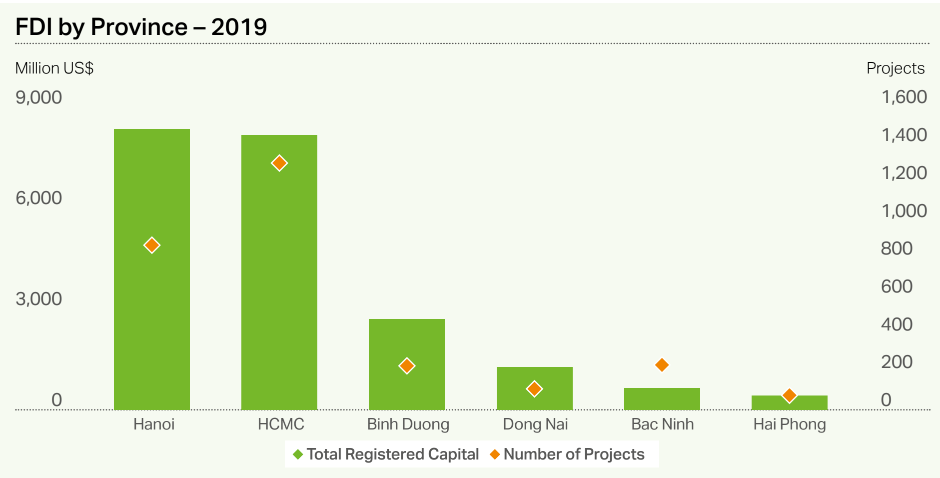


Source: Bac Ninh Statistics Office, MPI

Chart 3

Source: Binh Duong Statistic Office

Chart 4



Source: MPI

Table 2

Significant Future Projects (Binh Duong)

No.	Future Supply	NLA (sqm)	Expected launch
1	Mapletree Phase 5	60,000	2020
2	BWID VSIP 2	30,000	2020
3	Pan Pacific Song Than	20,000	2020
4	An Binh Thu Dau Mot	30,000	2020
5	BWID My Phuoc 4	30,000	2020 – 2021
6	TBS Tan Van Binh Duong	70,000	2020 – 2021
7	NF Song Than 3	90,000	2021
8	Retrofit Factories to Warehouse in Song Than area	20,000 – 40,000	2021
9	Dang Huynh VSIP 3	30,000	2021
10	Mapletree Phase 4 & 6	122,000	2022

Source: Cushman & Wakefield Vietnam

This will boost global economic cooperation and attract more investments into the province.

In 2018, Binh Duong significantly improved its Province Competitiveness Index ranking, rising to sixth place from fourteenth in 2017, surpassing HCMC to gain the top position in the Southeast region.

Overview of Warehouse Market

Binh Duong remains the hotspot for warehouse with a total supply of over 2,000,000sm or 46% of total supply in the South, due to its established infrastructure and strategic location. Between 2011 and 2019, warehouse supply increased by 7% per annum on average.

With its proximity to HCMC, there is a strong demand for warehouse space to support e-commerce and foreign/local retailers. Exports growth provides further impetus for warehousing to serve inbound/outbound and consolidation for manufacturing. As most manufacturing sites are almost fully occupied, the outsourcing of warehousing is now a priority for manufacturers. Most of the warehouse facilities are located in the Di An and Thuan An areas, which are closely located to HCMC, the international airport and seaport. There are also a number of Inland Container Depots in these areas which support and improve the efficiency of goods flowing to and from the ports.

Despite a large supply addition over the last three years, the average occupancy rate of warehouses in Binh Duong has remained at a healthy level of 94%.

The average gross rent in Binh Duong in 2019 was USD4.30 psm pm, an increase of 5% Y-o-Y. Large warehouse providers like Kerry and TBS bundle 3PL services with warehousing and do not quote space for lease only. This has contributed to a scarcity of warehouse space and rising rentals.

Overview
Performance
Governance
Sustainability
Financial

Performance
Independent Market Research

Vietnam by Cushman & Wakefield Vietnam

Outlook
Supply is expected to grow with the expansion of existing warehouses and new projects from developers. Notable future supply include projects by BWID (60,000sm by 2021), An Binh (15,000sm to 30,000sm by 2021) and Pan Pacific (20,000sm in 2020). TBS Logistics has retrofitted the American Standard factory into a 20,000sm warehouse. This is a trend seen in older industrial parks with high demand, such as Song Than area and Tan Binh Vinh Loc in HCMC. The supply around VSIP 2 and VSIP 3 linked to My Phuoc Tan Van transportation corridor will see more consolidation of fulfillment and distribution centers. To diversify from high demand areas, occupiers and developers are gaining interest in areas such as Nha Be in HCMC, Ben Luc and Can Giuoc in Long An, Nhon Trach and Long Thanh in Dong Nai. **(See Table 2)**

Growing private consumption as a result of the expanding middle class and the accompanying increase in imports of consumption goods will continue to boost demand for warehouse space. E-commerce, which registered 18% revenue growth in 2019, remains a key demand driver as Binh Duong is the second biggest catchment after HCMC for Tiki, Shopee and Lazada. Smaller warehouses might see vacancy in 2020 due to consolidation from e-commerce and 3PL players, such as Schenker and FM Logistics, which are building their own distribution centres as large as 50,000 sqm.

The market is expected to perform positively in the next two years with low vacancy and high rentals. Nevertheless, rent growth rate is expected to moderate due to consolidation of existing scattered warehousing portfolios and the significant addition of supply from new players like Logos, JD Property, NP/Gaw and Cai Nyao Alibaba and existing developers like Unidepot. Cross docking and built-to-suit will be the trend for the coming years. Although alternative areas in HCMC, Long An and Dong Nai are not seeing too much demand at this moment, these locations are expected to gradually take off by end 2020.

March 2020

Governance
Investor Relations

The Manager is committed to engaging and developing long-term relationships with the various key stakeholders through equitable, timely and transparent communications. To this end, the Manager has a dedicated investor relations team who works closely with senior management to facilitate high standards of disclosure and promote regular and effective stakeholder engagement.

Timely and Transparent Disclosures

All announcements and press releases on MLT's latest corporate developments are issued promptly through the Singapore Exchange Securities Trading Limited and are made available on MLT's website (www.mapletreelogisticstrust.com). General information on MLT including annual reports, sustainability reports and portfolio information are updated regularly on the corporate website and are easily accessible to investors and the general public. Investors may also sign up for MLT's email alerts to receive prompt updates as well as send questions to the Manager through a dedicated email address.

Every quarter, the Manager conducts post-results analyst briefings following the release of MLT's financial results. MLT's half-year and full-year results briefings are webcast 'live' allowing management to address online queries from the investment community. Recordings of the audio webcasts are accessible on MLT's website.

In recognition of the Manager's good standard of disclosure and corporate reporting, MLT won the Best Annual Report – Bronze under the REITs and Business Trusts category at the Singapore Corporate Awards 2019.

Active Stakeholder Outreach

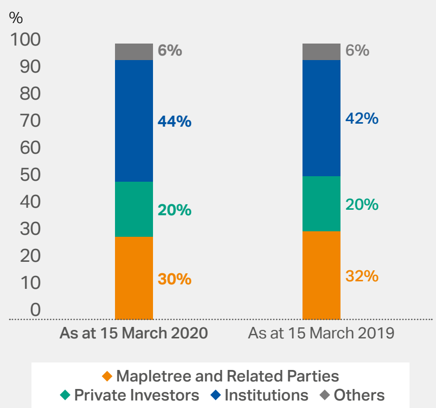
In July 2019, MLT held its 10th annual general meeting ("AGM") with Unitholders approving all resolutions tabled at the meeting. Well attended by over 300 Unitholders, the AGM provided an important channel for communication between the Manager and Unitholders. During the AGM, senior management presented on MLT's financial performance, business operations and strategic directions. Unitholders also have the opportunity to raise questions and communicate their feedback to the Board and management during the question and answer session. An independent scrutineer was appointed to validate the vote tabulation procedures and electronic voting by poll was used to improve efficiency in the polling process. The Manager has also published the AGM minutes on MLT's website for greater transparency and accessibility.

During the financial year, the Manager actively reached out to both institutional and retail investors through multiple platforms. The Manager met with over 130 institutional investors in Singapore and globally through one-on-one meetings, investor conferences, non-deal roadshows and conference calls. Local and overseas property site visits were also arranged upon request, for investors to gain a better appreciation of MLT's business operations and its logistics facilities. The senior management and the investor relations team also engaged with retail investors through participation in large group seminars and events. In May 2019, the Manager participated in the REITs Symposium held in Singapore, which was attended by over 1,200 retail investors. MLT is also a member of the Investor Relations Professionals Association Singapore (IRPAS) and the REIT Association of Singapore (REITAS).

The Manager's Chief Executive Officer, Ms Ng Kiat, providing an update on MLT's performance to Unitholders during the Annual General Meeting.

Q&A session during MLT's 10th Annual General Meeting.

Unitholders' Profile By Type

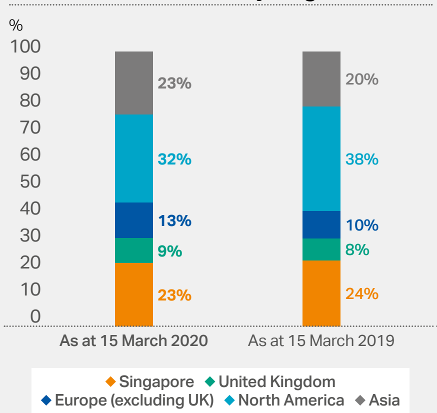


Notes:

[1] Institutions include private banks.

[2] Others include corporates, brokers, non-profit organisations, custodians and nominees.

Institutional Holders By Region



Research Analyst Coverage

MLT attracts active research coverage from sell-side analysts and had over 90 reports published during the year. As at 31 March 2020, MLT was covered by 15 local and foreign research houses.

- Bank of America
- CGS-CIMB Research
- Citigroup Research
- CLSA
- Credit Suisse
- Daiwa Capital Markets
- DBS Bank
- HSBC Global Research
- J.P. Morgan Securities
- Maybank Kim Eng Research
- Mizuho Securities Asia Limited
- Morningstar Equity Research
- OCBC Investment Research
- UBS Securities
- UOB Kay Hian Research

Unitholders Enquiries

For enquiries on MLT, please contact:

The Manager

Ms Lum Yuen May
Investor Relations

T: (65) 6377 6111
F: (65) 6273 2007
E: lum.yuenmay@mapletree.com.sg
E: Ask-MapletreeLog@mapletree.com.sg
W: www.mapletreelogisticstrust.com

Substantial Unitholders Enquiries:

E: _MLT_disclosure@mapletree.com.sg

Unit Registrar

Boardroom Corporate & Advisory Services Pte. Ltd.
50 Raffles Place
#32-01 Singapore Land Tower
Singapore 048623

T: (65) 6536 5355
F: (65) 6438 8710
E: srs.teamd@boardroomlimited.com

Unitholder Depository

For depository-related matters, please contact:

The Central Depository (Pte) Limited
11 North Buona Vista Drive
#01-19/20 The Metropolis Tower 2
Singapore 138589

T: (65) 6535 7511
E: asksgx@sgx.com
W: www.sgx.com/cdp

Financial Calendar

Event/Activity	FY19/20	FY20/21 (tentative)
1Q results announcement	22 July 2019	July 2020
1Q distribution to Unitholders	6 September 2019	September 2020
2Q results announcement	21 October 2019	October 2020
2Q distribution to Unitholders • Cumulative Distribution (1 July 2019 to 31 October 2019)	6 December 2019	December 2020
3Q results announcement	20 January 2020	January 2021
3Q distribution to Unitholders • Balance 3Q Distribution (1 November 2019 to 31 December 2019)	6 March 2020	March 2021
4Q results announcement	23 April 2020	April 2021
4Q distribution to Unitholders	12 June 2020	June 2021

Governance

Corporate Governance Report

The Manager of Mapletree Logistics Trust ("MLT" or the "Trust") is responsible for the strategic direction and management of the assets and liabilities of MLT and its subsidiaries (collectively, the "Group"). As a REIT manager, the Manager is licensed by the Monetary Authority of Singapore (the "MAS") and holds a Capital Markets Services Licence for REIT management ("CMS Licence").

The Manager discharges its responsibility for the benefit of MLT and its unitholders ("Unitholders"), in accordance with the applicable laws and regulations as well as the trust deed constituting MLT (as amended) (the "Trust Deed"). To this end, the Manager sets the strategic direction of the Group and gives recommendations to HSBC Institutional Trust Services (Singapore) Limited, in its capacity as trustee of MLT (the "Trustee"), on the acquisition, divestment and enhancement of assets of the Group.

The Manager's roles and responsibilities include:

- carrying on the Group's business to generate returns in a sustainable manner and conducting all transactions on normal commercial terms and on an arm's length basis;
- preparing annual budget proposal with forecast on gross revenue, property expenditure, capital expenditure and providing explanations on major variances against prior year's actual results and written commentaries on key issues and any other relevant assumptions. The purposes of such proposals and analyses are to chart the Group's business for the year ahead and to explain the performance of MLT's properties compared to the prior year; and
- ensuring compliance with applicable laws and regulations, including the Securities and Futures Act (Chapter 289 of Singapore), the Listing Manual of Singapore Exchange Securities Trading Limited (the "SGX-ST"), the Code on Collective Investment Schemes ("CIS Code") issued by the MAS (including Appendix 6 of the CIS Code, the "Property Funds Appendix"), the Singapore Code on Takeovers and Mergers, the Trust Deed, written directions, notices, codes and other guidelines that the MAS may issue from time to time and any tax rulings.

The Manager is committed to complying with the substance and spirit of the Code of Corporate Governance 2018 (the "Code"). The following describes the main corporate governance policies and practices of the Manager with reference to the Code and, where there are deviations from any of the provisions of the Code, explanations for such deviations are provided in this report including an explanation on how the practices adopted are consistent with the intent of the principles of the Code.

(A) Board Matters

The Board's Conduct of Affairs

Principle 1: Effective Board

Our Policy and Practices

The Manager adopts the principle that an effective Board of Directors (the "Board") for the Manager is one constituted with the right core competencies and diversity of experience, so that the collective wisdom of the Board can give guidance and provide insights as well as strategic thinking to the management team of the Manager ("Management").

The key roles of the Board are to:

- guide the corporate strategy and direction of the Manager;
- ensure that Management discharges business leadership and demonstrates the highest quality of management with integrity and enterprise; and
- oversee the proper conduct of the Manager.

In discharging their roles and responsibilities, all Directors of the Board are expected to act and have acted in the best interests of MLT.

The positions of Chairman and Chief Executive Officer ("CEO") are held by two separate persons in order to maintain effective oversight. The Board has also established the Audit and Risk Committee (the "AC") and the Nominating and Remuneration Committee (the "NRC"), each of which operates under delegated authority from the Board, to assist the Board in discharging its oversight function.

The Board comprises eleven directors (the "Directors"), of whom ten are Non-Executive Directors and six are Independent Non-Executive Directors.

The following sets out the composition of the Board as at 31 March 2020:

Mr Lee Chong Kwee Non-Executive Chairman and Director	**Mr Tarun Kataria** Lead Independent Non-Executive Director and Chairman of the NRC
Mr Lim Joo Boon Independent Non-Executive Director and Chairman of the AC	**Ms Lim Mei** Independent Non-Executive Director and Member of the NRC
Mr Loh Shai Weng Independent Non-Executive Director and Member of the AC	**Mr Tan Wah Yeow** Independent Non-Executive Director and Member of the AC
Mr Wee Siew Kim Independent Non-Executive Director and Member of the AC	**Mr Goh Chye Boon** Non-Executive Director
Ms Wendy Koh Mui Ai Non-Executive Director	**Mr Wong Mun Hoong** Non-Executive Director and Member of the NRC
Ms Ng Kiat Executive Director and CEO	

Governance
Corporate Governance Report

The Board comprises business leaders and distinguished professionals with banking, legal, real estate, strategic planning, management and accounting experience.

The diverse professional backgrounds of the Directors enable Management to benefit from their external, varied and objective perspectives on issues brought before the Board for discussion and deliberation. Each Director is appointed on the strength of his or her calibre, experience, stature, and potential to give proper guidance to Management on the business of the Group. In addition, the Board considers additional factors such as the age, gender and educational background of its members. The profiles of the Directors are set out in pages 20 to 23 of this Annual Report. The Board is of the view that the present principal directorships included in their individual profiles are sufficient to inform Unitholders of their principal commitments. The Board meets regularly, at least once every quarter, to review the business performance and outlook of the Group and deliberate on business strategy, including any significant acquisitions, disposals, fund-raisings and development projects undertaken by the Group.

When exigencies prevent a Director from attending a Board or Board committee meeting in person, such Director can participate by audio or video conference.

The Directors' attendance for the meetings of the Board, the AC, the NRC and the general meetings of MLT held in FY19/20 is as follows:

		Board	AC	NRC	AGM[2]	EGM[3]
Number of meetings held in FY19/20		6	5	1	1	2
Board Members	**Membership**					
Mr Lee Chong Kwee (Appointed on 1 July 2016) (Last reappointment on 17 September 2019)	Non-Executive Chairman and Director	6	N.A.[1]	N.A.[1]	1	2
Mrs Penny Goh (Retired on 31 March 2020)	Lead Independent Non-Executive Director and Chairperson of the NRC	5	N.A.[1]	1	1	2
Mr Tarun Kataria (Appointed on 1 September 2013) (Last reappointment on 24 September 2018)	Lead Independent Non-Executive Director and Chairman of the NRC	6	N.A.[1]	1	1	2
Mr Lim Joo Boon (Appointed on 20 February 2017) (Last reappointment on 11 September 2017)	Independent Non-Executive Director and Chairman of the AC	6	5	N.A.[1]	1	2
Ms Lim Mei (Appointed on 5 March 2020)	Independent Non-Executive Director and Member of the NRC	1	N.A.[1]	N.A.[1]	N.A.[1]	N.A.[1]
Mr Loh Shai Weng (Appointed on 1 July 2018) (Last reappointment on 24 September 2018)	Independent Non-Executive Director and Member of the AC	6	5	N.A.[1]	1	1
Mr Tan Wah Yeow (Appointed on 1 November 2017) (Last reappointment on 24 September 2018)	Independent Non-Executive Director and Member of the AC	6	5	N.A.[1]	1	2
Mr Wee Siew Kim (Appointed on 1 April 2013) (Last reappointment on 24 September 2018)	Independent Non-Executive Director and Member of the AC	6	5	N.A.[1]	1	0
Mr Hiew Yoon Khong (Resigned on 1 January 2020)	Non-Executive Director and Member of the NRC	3	N.A.[1]	1	1	1
Mr Chua Tiow Chye (Resigned on 1 January 2020)	Non-Executive Director	3	N.A.[1]	N.A.[1]	1	1
Mr Goh Chye Boon (Appointed on 1 January 2020)	Non-Executive Director	2	N.A.[1]	N.A.[1]	N.A.[1]	0
Ms Wendy Koh Mui Ai (Appointed on 1 January 2020)	Non-Executive Director	2	2[4]	N.A.[1]	N.A.[1]	1
Mr Wong Mun Hoong (Appointed on 15 July 2006) (Last reappointment on 24 September 2018)	Non-Executive Director and Member of the NRC	6	2[4]	N.A.[1]	1	1
Ms Ng Kiat (Appointed on 2 October 2012) (Last reappointment on 24 September 2018)	Executive Director and CEO	6	5[4]	N.A.[1]	1	2

Notes:
1 Not applicable.
2 Held on 15 July 2019.
3 Held on 20 November 2019 and 21 February 2020.
4 Attendance was by invitation.

The Board has also approved a set of delegations of authority which sets out approval limits for investments and divestments, development, operational and capital expenditures and treasury activities to be undertaken by the Group. Approval sub-limits are also provided at various management levels to facilitate operational efficiency as well as provide a system of checks and balances.

The Board's approval is required for material transactions undertaken by the Group. Such material transactions are also included in the set of delegations of authority which has been clearly communicated to Management in writing. These include:

- equity fund-raising;
- acquisition, development and disposal of properties above Board-prescribed limits;
- overall project budget variance and ad hoc development budget above Board-prescribed limits;
- debt fund-raising above Board-prescribed limits; and
- derivative contracts above Board-prescribed limits.

The Board recognises that the Directors are fiduciaries who are obliged at all times to act objectively in the best interests of MLT and hold the Management accountable for performance. In line with this, the Board has a standing policy that a Director must not allow himself or herself to get into a position where there is a conflict between his or her duty to MLT and his or her own interests. The Manager has a policy which provides that where a Director has a conflict of interest in a particular matter, he or she will be required to disclose his or her interest to the Board, recuse himself or herself from deliberations on the matter and abstain from voting on the matter. Every Director has complied with this policy, and where relevant, such compliance has been duly recorded in the minutes of meeting or written resolutions.

The Manager has in place an internal code on general conduct and discipline which sets out the framework and guidelines on ethical values such as honesty and responsibility as well as the appropriate conduct expected of Management and employees. The Board sets the appropriate tone from the top in respect of the desired organisational culture and ensure proper accountability within the Manager.

Each Director is given a formal letter of appointment setting out his or her duties and obligations under the relevant laws and regulations governing the Manager and the Group. The Manager also has in place an orientation programme to brief new Directors on the Group's business, strategic directions, risk management policies, the regulatory environment in which the Group operates and the governance practices of the Group and the Manager, including in areas such as accounting, legal and industry-specific knowledge as appropriate. The Board is updated on any material change to relevant laws, regulations and accounting standards by way of briefings from professionals or updates issued by Management.

The Management provides the Board with timely and complete information prior to Board meetings, as well as when the need arises.

Management is required to provide adequate and timely information to the Board, which includes matters requiring the Board's decision, as well as ongoing reports relating to the operational and financial performance of the Group. Management is also required to furnish any additional information requested by the Board in a timely manner in order for the Board to make informed decisions.

Directors have separate and independent access to Management and the Company Secretary.

The appointment and removal of the Company Secretary is subject to the approval of the Board.

The Company Secretary attends to the administration of corporate secretarial matters and advises the Board on governance matters. The Company Secretary also attends all Board and Board committee meetings and provides assistance to the Chairman in ensuring adherence to Board procedures.

The Board takes independent professional advice as and when necessary, at the Manager's expense, to enable it and/or the Independent Directors to discharge their responsibilities effectively. The AC meets the external and internal auditors separately at least once a year, without the presence of Management.

Board Composition and Guidance

Principle 2: Appropriate level of independence and diversity of thought

Our Policy and Practices

The Board reviews from time to time the size and composition of the Board and each Board Committee, to ensure that the size of the Board and each Board Committee is appropriate in facilitating effective decision making.

The Manager adopts the principle that a board composition with a strong and independent element as well as diversity of thought and background will allow the Directors to engage in robust deliberations with Management and provide external, diverse and objective insights on issues brought before the Board for discussion and deliberation. In particular, the Non-Executive Directors will also conduct periodic review of the investment mandate as well as the strategic focus of MLT with Management. Further, such a board composition, and the separation of the roles of the Chairman and the CEO, provides oversight to ensure that Management discharges its roles and responsibilities effectively and with integrity.

Governance
Corporate Governance Report

The Board assesses the independence of each Director in accordance with the requirements of the Code and Regulations 13D to 13H6 of the Securities and Futures (Licensing and Conduct of Business) Regulations ("SFLCB Regulations"). A Director is considered to be independent if he or she is independent in conduct, character and judgement, and has no relationship with the Manager, its related corporations, its substantial shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of his or her independent business judgement in the best interests of MLT; and is independent from the management and any business relationship with the Manager and MLT, every substantial shareholder of the Manager and every substantial unitholder of MLT, is not a substantial shareholder of the Manager or a substantial unitholder of MLT and has not served on the Board for a continuous period of nine years or longer.

For FY19/20, each of the Independent Directors had carried out an assessment on whether there were any relationships or circumstances which may impact his or her independent status. Accordingly, each of the Independent Directors had either made a negative declaration or disclosed such relationships or circumstances as applicable. The declarations or disclosures made by each Independent Director had been reviewed by the NRC.

The Board of the Manager, after considering the relevant requirements under the SFLCB Regulations, specifically Regulation 13E(b)(i) of the SFLCB Regulations, and the Code, wishes to set out its views in respect of each of the Directors as follows:

Name of Director	(i) had been independent from the management of the Manager and MLT during FY19/20	(ii) had been independent from any business relationship with the Manager and MLT during FY19/20	(iii) had been independent from every substantial shareholder of the Manager and every substantial unitholder of MLT during FY19/20	(iv) had not been a substantial shareholder of the Manager or a substantial unitholder of MLT during FY19/20	(v) has not served as a director of the Manager for a continuous period of 9 years or longer as at the last day of FY19/20
Mr Lee Chong Kwee[1, 12]	√			√	√
Mr Tarun Kataria[2,12]	√		√	√	√
Mr Lim Joo Boon	√	√	√	√	√
Mrs Penny Goh [3,12] (retired on 31 March 2020)	√			√	√
Ms Lim Mei [4,12]	√		√	√	√
Mr Loh Shai Weng[5,12]	√	√	√	√	√
Mr Tan Wah Yeow [6,12]	√	√		√	√
Mr Wee Siew Kim [7,12]	√			√	√
Mr Goh Chye Boon [8,12]				√	√
Ms Wendy Koh Mui Ai [9,12]				√	√
Mr Wong Mun Hoong [10,12]				√	
Ms Ng Kiat [11,12]				√	√

Notes:

1 Mr Lee Chong Kwee is currently a Director, Chairman of the Audit and Risk Committee and the Transaction Review Committee of Mapletree Investments Pte Ltd ("Sponsor") and a Corporate Advisor to Temasek Holdings (Private) Limited ("Temasek"). Temasek is a related corporation of the Manager as it wholly-owns the Sponsor which in turn wholly-owns the Manager and is a substantial unitholder of MLT. Pursuant to the SFLCB Regulations, during FY19/20, Mr Lee is deemed not to be (a) independent from any business relationship with the Manager and MLT; and (b) independent from every substantial shareholder of the Manager and every substantial unitholder of MLT, by virtue of his directorship on the Sponsor and appointment at Temasek. The Board is satisfied that, as at 31 March 2020, Mr Lee was able to act in the best interests of all Unitholders of MLT as a whole.

2 Mr Tarun Kataria is a Non-Executive Director of HSBC Bank (Singapore) Limited and the Chairman of its audit committee. In connection with the equity fund raising exercise undertaken in October 2019, MLT paid underwriting and incentive fees in excess of S$200,000 to The HongKong and Shanghai Banking Corporation Limited, Singapore Branch ("HSBC Singapore Branch") (which was appointed as one of the joint global coordinators and bookrunners for the equity fund raising exercise) in FY19/20.

Under the Code's Practice Guidance 2(b), a director may be considered as not independent if he is, among others, a director of an organisation to which a company or any of its subsidiaries made, or from which the company or any of its subsidiaries received, significant payments or material services in the current or immediate past financial year. As a guide, payments aggregated over any financial year in excess of S$200,000 should generally be deemed significant. Pursuant to the SFLCB Regulations, during FY19/20, Mr Kataria is deemed to have a business relationship with the Manager and MLT, by virtue of the underwriting and incentive fees paid by MLT to HSBC Singapore Branch, as Mr Kataria is a Non-Executive Director of HSBC Bank (Singapore) Limited (a related entity of HSBC Singapore Branch). The Board would also like to mention that Mr Kataria currently receives fees for being the Independent Chairman of the investment committee of MUSEL Private Trust, which is a private real estate trust managed by a wholly-owned subsidiary of the Sponsor.

Notwithstanding the above, the Board takes the view that his Independent Director status is not affected as (a) Mr Kataria is not involved in the management of the business of HSBC Singapore Branch, (b) the underwriting and incentive fees paid by MLT to HSBC Singapore Branch for the equity fund raising exercise was agreed on an arm's length basis and on normal commercial terms and (c) Mr Kataria is appointed as the Independent Chairman of the investment committee of MUSEL Private Trust and he is not under an obligation to act in accordance with the directions, instructions or wishes of the Sponsor in such capacity. The Board is satisfied that, as at 31 March 2020, Mr Kataria was able to act in the best interests of all Unitholders of MLT as a whole.

3 Mrs Penny Goh was formerly the Co-Chairman and Senior Partner of Allen & Gledhill LLP ("A&G"). She is now Senior Adviser of A&G with effect from 1 January 2020. MLT paid fees in excess of S$200,000 to A&G for legal services in FY19/20. Mrs Goh was also appointed as an Independent Non-Executive Director of HSBC Bank (Singapore) Limited on 12 August 2019. In connection with the equity fund raising exercise undertaken in October 2019, MLT paid underwriting and incentive fees in excess of S$200,000 to HSBC Singapore Branch (which was appointed as one of the joint global coordinators and bookrunners for the equity fund raising exercise) in FY19/20.

Under the Code's Practice Guidance 2(b), a director may be considered as not independent if he is, among others, a partner or director of an organisation to which a company or any of its subsidiaries made, or from which the company or any of its subsidiaries received, significant payments or material services in the current or immediate past financial year. As a guide, payments aggregated over any financial year in excess of S$200,000 should generally be deemed significant.

Pursuant to the SFLCB Regulations, during FY19/20, Mrs Goh is deemed to have a business relationship with the Manager and MLT, by virtue of (i) the payments made by MLT to A&G, where Mrs Goh was the Co-Chairman and Senior Partner (up until 1 January 2020) and (ii) the underwriting and incentive fees paid by MLT to HSBC Singapore Branch, as Mrs Goh is an Independent Non-Executive Director of HSBC Bank (Singapore) Limited (a related entity of HSBC Singapore Branch). Mrs Penny Goh is also an Independent and Non-Executive Director of Keppel Corporation Limited, and the Chairman and Non-Independent Director of Keppel REIT Management Limited (the manager of Keppel REIT), both of which are associated corporations of Temasek. Pursuant to the SFLCB Regulations, during FY19/20, Mrs Goh is deemed not to be independent from every substantial shareholder of the Manager and every substantial unitholder of MLT by virtue of her directorships on Keppel Corporation Limited and Keppel REIT Management Limited.

Notwithstanding the above, the Board takes the view that her Independent Director status is not affected as (a) Mrs Goh has declared that she did not hold a substantial partnership interest in A&G and the legal fees which A&G receives from MLT and Mapletree Group are insubstantial in relation to A&G's overall revenue, (b) Mrs Goh does not personally represent MLT in relation to A&G's legal work for MLT, (c) Mrs Goh is not involved in the selection and appointment of legal counsels for MLT and the fees were agreed on an arm's length basis and on normal commercial terms, (d) Mrs Goh is not involved in the management of the business of HSBC Singapore Branch and the underwriting and incentive fees paid by MLT to HSBC Singapore Branch for the equity fund raising exercise was agreed on an arm's length basis and on normal commercial terms, (e) Mrs Goh serves on Keppel Corporation Limited and Keppel REIT Management Limited in her personal capacity as Independent and Non-Executive Director (of Keppel Corporation Limited) and as Chairman and Non-Independent Director (of Keppel REIT Management Limited) respectively, and not as a representative or nominee of Temasek and (f) she is not in any employment relationship with the Mapletree Group or Temasek and is not under any obligation to act in accordance with the directions, instructions or wishes of the Mapletree Group or Temasek. The Board is satisfied that, as at 31 March 2020, Mrs Goh was able to act in the best interests of all Unitholders of MLT as a whole. Mrs Penny Goh has retired from the Board as Lead Independent Non-Executive Director and Chairperson of the NRC with effect from 31 March 2020.

4 Ms Lim Mei is currently the Co-Head of the Corporate Mergers and Acquisitions Department at A&G. MLT paid fees in excess of S$200,000 to A&G for legal services in FY19/20. Under the Code's Practice Guidance 2(b), a director may be considered as not independent if he is, among others, a partner of an organisation to which a company or any of its subsidiaries made, or from which the company or any of its subsidiaries received, significant payments or material services in the current or immediate past financial year. As a guide, payments aggregated over any financial year in excess of S$200,000 should generally be deemed significant.

Pursuant to the SFLCB Regulations, during FY19/20, Ms Lim is deemed to have a business relationship with the Manager and MLT, by virtue of the payments made by MLT to A&G, where Ms Lim is a partner. Notwithstanding the above, the Board takes the view that her Independent Director status is not affected as (a) Ms Lim has declared that she did not hold a substantial partnership interest in A&G and the legal fees which A&G receives from MLT and Mapletree Group are insubstantial in relation to A&G's overall revenue, (b) Ms Lim does not personally represent MLT in relation to A&G's legal work for MLT, (c) Ms Lim is not involved in the selection and appointment of legal counsels for MLT and the fees were agreed on an arm's length basis and on normal commercial terms. The Board is satisfied that, as at 31 March 2020, Ms Lim was able to act in the best interests of all Unitholders of MLT as a whole.

5 The Board would like to mention that Mr Loh Shai Weng currently receives fees for being the Independent Chairman and a member of the investment committees of Mapletree China Opportunity II Fund and Mapletree India China Fund respectively, both of which are private real estate funds managed by wholly-owned subsidiaries of the Sponsor (the "Mapletree Private Funds"). Notwithstanding the foregoing, the Board takes the view that Mr Loh's status as an Independent Director is not affected as (a) he is appointed as the Independent Chairman and independent member of the investment committees of the Mapletree Private Funds and (b) Mr Loh is not under an obligation to act in accordance with the directions, instructions or wishes of the Sponsor in such capacity. The Board is satisfied that, as at 31 March 2020, Mr Loh was able to act in the best interests of all Unitholders of MLT as a whole.

6 Mr Tan Wah Yeow is currently an Independent Director of Sembcorp Marine Ltd which is an associated corporation of Temasek. Pursuant to the SFLCB Regulations, during FY19/20, Mr Tan is deemed not to be independent from every substantial shareholder of the Manager and every substantial unitholder of MLT by virtue of his directorship on Sembcorp Marine Ltd. Notwithstanding this, the Board takes the view that his Independent Director status is not affected as (a) Mr Tan serves on Sembcorp Marine Ltd in his personal capacity as an Independent Director, and not as a representative or nominee of Temasek; and (b) he is not in any employment relationship with Temasek and is not under any obligation to act in accordance with the directions, instructions or wishes of Temasek. The Board is satisfied that, as at 31 March 2020, Mr Tan was able to act in the best interests of all Unitholders of MLT as a whole.

7 Mr Wee Siew Kim is currently an Independent Director of SIA Engineering Company Limited which is a related corporation of the Manager as it is a subsidiary of Temasek. Pursuant to the SFLCB Regulations, during FY19/20, Mr Wee is deemed not to be be (a) independent from any business relationship with the Manager and MLT and (b) independent from every substantial shareholder of the Manager and every substantial unitholder of MLT by virtue of his directorship on SIA Engineering Company Limited. Notwithstanding this, the Board takes the view that his Independent Director status is not affected as (a) Mr Wee serves on SIA Engineering Company Limited in his personal capacity as an Independent Director and not as a representative or nominee of Temasek; and (b) he is not in any employment relationship with Temasek and is not under any obligation to act in accordance with the directions, instructions or wishes of Temasek. The Board is satisfied that, as at 31 March 2020, Mr Wee was able to act in the best interests of all Unitholders of MLT as a whole.

8 Mr Goh Chye Boon is currently the Regional Chief Executive Officer of China of the Sponsor, which is a substantial shareholder of the Manager and a substantial unitholder of MLT. Pursuant to the SFLCB Regulations, during FY19/20, Mr Goh is deemed not to be (a) independent from management relationship with the Manager and MLT by virtue of his employment with the Sponsor; (b) independent from any business relationship with the Manager and MLT by virtue of payments which the Sponsor had received from the Manager and/or the trustee of MLT during FY19/20; and (c) independent from every substantial shareholder of the Manager and every substantial unitholder of MLT by virtue of his directorships on related corporations of the Sponsor. The Board is satisfied that, as at 31 March 2020, Mr Goh was able to act in the best interests of all Unitholders of MLT as a whole.

9 Ms Wendy Koh Mui Ai is currently the Group Chief Financial Officer of the Sponsor, which is a substantial shareholder of the Manager and a substantial unitholder of MLT. She is also a Non-Executive Director of Mapletree Commercial Trust Management Ltd. (the manager of Mapletree Commercial Trust), Mapletree Industrial Trust Management Ltd. (the manager of Mapletree Industrial Trust) and Mapletree North Asia Commercial Trust Management Ltd. (the manager of Mapletree North Asia Commercial Trust), all of which are related corporations of the Sponsor. Pursuant to the SFLCB Regulations, during FY19/20, Ms Koh is deemed not to be (a) independent from management relationship with the Manager and MLT by virtue of her employment with the Sponsor; (b) independent from any business relationship with the Manager and MLT by virtue of payments which the Sponsor had received from the Manager and/or the trustee of MLT during FY19/20; and (c) independent from every substantial shareholder of the Manager and every substantial unitholder of MLT by virtue of her directorships on related corporations of the Sponsor. The Board is satisfied that, as at 31 March 2020, Ms Koh was able to act in the best interests of all Unitholders of MLT as a whole.

10 Mr Wong Mun Hoong is currently the Regional Chief Executive Officer of Australia & North Asia of the Sponsor, which is a substantial shareholder of the Manager and a substantial unitholder of MLT. Pursuant to the SFLCB Regulations, during FY19/20, Mr Wong is deemed not to be (a) independent from management relationship with the Manager and MLT by virtue of his employment with the Sponsor; (b) independent from any business relationship with the Manager and MLT by virtue of payments which the Sponsor had received from the Manager and/or the trustee of MLT during FY19/20; and (c) independent from every substantial shareholder of the Manager and every substantial unitholder of MLT by virtue of his directorships on related corporations of the Sponsor. The Board is satisfied that, as at 31 March 2020, Mr Wong was able to act in the best interests of all Unitholders of MLT as a whole.

11 Ms Ng Kiat is currently the Executive Director and Chief Executive Officer of the Manager. Pursuant to the SFLCB Regulations, during FY19/20, Ms Ng is deemed not to be (a) independent from management relationship with the Manager and MLT by virtue of her employment with the Manager; (b) independent from any business relationship with the Manager and MLT by virtue of payments which the Manager had made to the Sponsor and/or received from the trustee of MLT during FY19/20; and (c) independent from every substantial shareholder of the Manager and every substantial unitholder of MLT by virtue of her employment with the Manager, which is a related corporation of the Sponsor. The Board is satisfied that, as at 31 March 2020, Ms Ng was able to act in the best interests of all Unitholders of MLT as a whole.

12 For the purposes of Regulation 13E(b)(ii) of the SFLCB Regulations, as at 31 March 2020, each of the abovementioned Directors was able to act in the best interests of all Unitholders of MLT as a whole.

Governance
Corporate Governance Report

Based on a review of the relationships between the Directors and the Group in accordance with the requirements of the Code and the SFLCB Regulations and declarations of independence by the Independent Directors, the Board considers the following Directors to be independent:

- Mrs Penny Goh (retired from the Board on 31 March 2020);
- Mr Tarun Kataria;
- Mr Lim Joo Boon;
- Ms Lim Mei;
- Mr Loh Shai Weng;
- Mr Tan Wah Yeow; and
- Mr Wee Siew Kim.

In view of the above and notwithstanding Mrs Goh's retirement from the Board, more than half of the Board comprises Independent Directors. Non-Executive Directors make up a majority of the Board.

The Board is of the opinion that its current size is appropriate, taking into account the scope and nature of operations of the Manager and the Group, for effective decision-making and constructive debate. The Board comprises Directors who collectively have the core competencies, such as accounting or finance, business or management experience, industry knowledge, strategic planning experience and customer-based experience or knowledge, required for the Board to be effective in all aspects of its roles.

Provision 2.4 of the Code requires the disclosure of the Manager's board diversity policy and progress made towards implementing a board diversity policy. Given that the Code only recently took effect to apply to annual reports covering financial years commencing from 1 January 2019, the Manager has not formalised a board diversity policy. Nonetheless, the NRC is of the view that it has been and continues to ensure that the Board and board committees have an appropriate level of independence and diversity of thought and background in its composition to enable it to make decisions in the best interests of the Group as explained in other parts of this report.

Chairman and CEO
Principle 3: Clear division of responsibilities

Our Policy and Practices
The Board and the Manager adopts the principle of clear separation of the roles and division of responsibilities between the Chairman of the Board and the CEO of the Manager (which has been set out in writing) and that no one individual has unfettered powers of decision-making. The Chairman and the CEO are not related to each other so as to maintain an appropriate balance of power, increased accountability and greater capacity of the Board for independent decision-making.

The Chairman is a Non-Executive Director who is responsible for the overall management of the Board as well as ensuring that the Directors and Management work together with integrity and competency, and he guides the Board in constructive debates on the Group's strategic direction, management of its assets and governance matters.

The CEO is responsible for the running of the Manager's business operations. She has full executive responsibilities over the business and operational decisions of the Group. The CEO is also responsible for ensuring the Group's compliance with the applicable laws and regulations in its day-to-day operations.

As the Chairman is not an Independent Director, in accordance with Provision 3.3 of the Code, Mr Tarun Kataria has been appointed as Lead Independent Non-Executive Director of the Manager. The principal responsibilities of the Lead Independent Non-Executive Director are to act as Chairman of the Board when matters concerning the Chairman are to be considered, and to be available to the Board and Unitholders for communication of Unitholders' concerns when other channels of communication through the Chairman or the CEO are inappropriate, as well as for leading all deliberations on feedback regarding performance of the CEO and any interested party transactions.

Mr Kataria also has the discretion to hold meetings with the other Independent Directors without the presence of the Management as he deems appropriate or necessary and to provide feedback to the Chairman after such meetings.

Board Membership
Principle 4: Formal and transparent process for appointments

Our Policy and Practices
The Manager adopts the principle that Board renewal is an ongoing process to ensure good governance and to remain relevant to the changing needs of the Manager and the Group's business.

The Board established the Nominating and Remuneration Committee ("NRC") in January 2016 and it comprises three Directors, being Mr Tarun Kataria, Ms Lim Mei and Mr Wong Mun Hoong, all non-executive and the majority of whom (including the Chairman) are independent. Mr Tarun Kataria is the Chairman of the NRC and also the Lead Independent Non-Executive Director of the Manager.

The NRC has written terms of reference setting out its scope and authority in performing the functions of a nominating committee, which include assisting the Board in matters relating to:

- the appointment and re-appointment of Board and committee members;
- the appointment of the Executive Director and CEO and the framework for the appointment of key management personnel of the Manager, as well as the succession plan and framework for the Executive Director, CEO and the key management personnel of the Manager;
- training and professional development programmes for the Board;
- the process and criteria for evaluating the performance of the Board, the Board committees and the Directors; and

- the determination, on an annual basis and as and when circumstances require, of the independent status of a Director, bearing in mind the relevant principles and provisions of the Code and the SFLCB Regulations, as well as any other applicable regulations and guidelines and salient factors.

The composition of the Board is determined based on the following principles:

- the Chairman of the Board should be a non-executive director of the Manager;
- the Board should comprise directors with a broad range of commercial experience including expertise in funds management, law, finance, audit, accounting and real estate;
- independent directors make up a majority of the Board if the Chairman is not an independent director; and
- non-executive directors make up a majority of the Board.

The Board adheres to the principle of progressive renewal and seeks to ensure its composition provides for appropriate level of independence and diversity of thought and background. In identifying suitable candidates for appointment to the Board, the Board prioritises the needs of the Group and takes into account the industry and business experience, skills, expertise and background of the candidates. In addition, the Board will give due regard to the requirements in the Listing Manual and the Code. The Board will also consider the candidate's ability to commit sufficient time to the affairs of the Group so as to diligently fulfil director's duties. The Board has the option to engage external consultants if necessary to assist the Board in identifying suitable candidates.

As at least half of the Board comprises Independent Directors, the Manager will not be voluntarily subjecting any appointment or reappointment of directors to voting by Unitholders.

The Manager does not, as a matter of policy, limit the maximum number of listed company board representations its Board members may hold as long as each of the Board members is able to commit his or her time and attention to the affairs of the Group, including attending Board and Board committee meetings and contributing constructively to the management of the Manager and the Group. The Manager believes that each Director is best placed to decide whether he or she has sufficient capacity to discharge his or her duties and responsibilities as Director in the best interests of the Manager and Unitholders. Taking into account the meeting attendance records of the Directors in FY19/20, as well as the contribution and performance of each individual Director at such meetings, the Board is satisfied that all the Directors have been able to adequately carry out their duties as Director notwithstanding their principal commitments.

In keeping with the principle that a Director must be able to commit his or her time and attention to the affairs of the Group, the Board will generally not approve the appointment of alternate directors. There were no alternate directors appointed in FY19/20.

The NRC reviews and makes recommendations of nominations and/ or re-nominations of Directors on the Board and Board Committees to the Board for approvals. As a principle of good corporate governance, all Board members are required to submit themselves for re-nomination and re-election at regular intervals during the annual general meeting of the Manager.

Board Performance

Principle 5: Formal assessment of the effectiveness of the Board

Our Policy and Practices

The Manager adopts the principle that the Board's performance is ultimately reflected in the performance of the Manager and the Group.

To assess the performance of the Board and the Board committees, the Manager conducts annual confidential board effectiveness surveys. The survey of the effectiveness of the Board, the AC and the NRC in respect of FY19/20 was undertaken in May 2020.

To this end, the NRC will assist the Board in the assessment of the effectiveness of the Board, its Board committees, as well as the contribution by the Chairman and each Director, by reviewing the performance evaluation process and making recommendations to the Board. The evaluation results will be reviewed by the NRC and then shared with the Board. As part of the assessment, the NRC considers the adequacy of Board composition, the Board's performance and areas of improvement, level of strategic guidance to Management and the overall effectiveness of the Board, as well as each individual Director's attendance, contribution and participation at the Board and Board committee meetings. The Board also believes that performance evaluation is an ongoing process and strives to maintain regular feedback and interactions between Directors and Management.

(B) Remuneration Matters

Procedures for Developing Remuneration Policies

Principle 6: Formal and transparent procedure for fixing the remuneration of Directors and key management personnel

Level and Mix of Remuneration

Principle 7: Appropriate level of remuneration

Disclosure on Remuneration

Principle 8: Clear disclosure of remuneration matters

Governance
Corporate Governance Report

Our Policy and Practices
The Manager adopts the principle that remuneration matters should be sufficiently structured and benchmarked with good market practices to attract qualified talent to grow and manage its business.

The Manager adopts the principle that remuneration for the Board and Management should be viewed in totality. The remuneration structure supports the continuous development of the management bench strength to ensure robust talent management and succession planning.

Pursuant to the Guidelines to All Holders of a Capital Markets Services Licence for Real Estate Investment Trust Management (Guideline No: SFA04-G07), the Manager has disclosed in this report information on its NRC as set out below.

Additional information on remuneration matters are disclosed in accordance with the Alternative Investment Fund Managers Directive (the "AIFMD") in compliance with the requirements of the AIFMD.

Nominating and Remuneration Committee
The Manager has an established NRC which consists of a minimum of three members and is constituted in a way that enables it to exercise its judgment and demonstrate its ability to make decisions which are consistent with the current and future financial status of the business.

The current members are: Mr Tarun Kataria, Lead Independent Non-Executive Director and Chairman of the NRC, Ms Lim Mei, Independent Non-Executive Director and Mr Wong Mun Hoong, Non-Executive Director. The NRC met once during FY19/20 and was guided by an independent remuneration consultant Willis Towers Watson, who has no relationship with the Manager, the controlling shareholders of the Manager or its related entities and the Board of Directors that would interfere with its ability to provide independent advice to the NRC.

The NRC has written terms of reference setting out its scope and authority in performing the functions of a nominating and remuneration committee, which include, but are not limited to, assisting the Board in matters relating to:

- reviewing and recommending to the Board all nominations for the appointment and re-appointment of Directors and of members to the various Board committees;
- reviewing and recommending to the Board the succession plan for the Executive Director and CEO of the Manager;
- the remuneration framework for the Directors, the Executive Director and CEO, and Management of the Manager, including all option plans, stock plans and the like, as well as the performance hurdles of such plans;
- the specific remuneration package for the Directors and key management personnel; and
- the termination payment, gratuities, severance payment and other similar payments to the Executive Director and CEO of the Manager.

Decision-making Process for Determining the Remuneration Policy
The NRC is responsible for the annual review of the remuneration policy (including termination terms), its implementation and ensuring that such terms of remuneration are fair and in compliance with relevant legislation and regulation. The NRC makes remuneration decisions for employees annually in May following the end of the performance year. This timing allows full-year financial results to be considered along with the other non-financial goals and objectives. The NRC developed the Manager's remuneration policy with a number of principles in mind (the "Remuneration Principles"). The overarching policy is to promote sustainable long-term success of MLT. The remuneration policy should:

- Align with Unitholders: A proportion of variable remuneration is deferred and delivered in the form of deferred awards over MLT phantom units, thereby aligning the interests of employees and Unitholders;
- Align with performance and value creation: Total variable compensation is managed and structured taking into consideration the level of performance and value creation attained which is being assessed holistically and determined based on financial performance and achievement of non-financial goals;
- Encourage retention: Deferred variable compensation does not give rise to any immediate entitlement. Awards normally require the participant to be employed continuously by the Manager until at least the third anniversary of the grant in order to vest in full; and
- Be competitive: Employees receive competitive compensation and benefits packages, which are reviewed annually and benchmarked by an independent remuneration consultant to the external market.

In determining specific individual compensation amounts, a number of factors are considered including non-financial goals and objectives, financial performance of MLT and the individual performance and contributions to MLT during the financial year. Particularly for Management and key management personnel, a portion of their variable compensation is deferred and subjected to downside risks to prevent excessive risk taking.

Directors' fees are paid entirely in cash.

Guided by the Remuneration Principles, the key objectives and features of the Manager's policy on the remuneration of its Directors are as follows:

- the level of directors' fees should be appropriate (but not excessive) to attract and retain the Directors to provide good stewardship of the Manager and the Group;
- directors' fees are reviewed annually and subject to the approval of the Manager's shareholder;

- to ensure that each Director's fees are commensurate with his or her responsibilities and time spent, each Director is paid a basic retainer and Directors who perform additional services through the Board committees are paid additional fees for such services;
- Non-Executive Directors who are employees of the Sponsor do not receive any director's fees in their capacity as Directors, and the CEO also does not receive any director's fees in her capacity as a Director; and
- no Director is involved in deciding his or her own remuneration.

Guided by the Remuneration Principles, the key objectives and features of the Manager's policy on the remuneration of its executives are as follows:

- the level and structure of executive remuneration should be competitive (but not excessive) to attract, motivate and retain a pool of talented executives for the present and future growth of the Manager; and
- executive remuneration should be performance-related with a view to promoting the long-term success and sustainability of the Manager.

The CEO is not present during the discussions relating to her own compensation and terms and conditions of service, and the review of her performance. However, the Board, with the assistance of the NRC, reviews the CEO's performance and the NRC Chairman, or his designate, will share with the CEO their views of her performance. In accordance with the directions and guidelines from the MAS on the remuneration of key executive officers of REIT managers, the Board, with the assistance of the NRC, reviews the CEO's specific remuneration package to ensure its compliance with the substance and spirit of such directions and guidelines from the MAS.

The remuneration of the Board and the employees of the Manager is paid by the Manager, and not paid by MLT. The Manager has set out in the table below information on the fees paid to the Directors for FY19/20:

Board Members	Membership	Fees Paid for FY19/20
Mr Lee Chong Kwee	Non-Executive Chairman and Director	S$136,500
Mrs Penny Goh (Retired on 31 March 2020)	Lead Independent Non-Executive Director and Chairperson of the NRC	S$96,500
Mr Tarun Kataria (Re-designated as Lead Independent Non-Executive Director and Chairman of the NRC on 31 March 2020)	Lead Independent Non-Executive Director and Chairman of the NRC	S$81,500
Mr Lim Joo Boon	Independent Non-Executive Director and Chairman of the AC	S$106,500
Ms Lim Mei (Appointed as Independent Non-Executive Director on 5 March 2020 and Member of the NRC on 31 March 2020)	Independent Non-Executive Director and Member of the NRC	N.A.[1]
Mr Loh Shai Weng	Independent Non-Executive Director and Member of the AC	S$121,500[2]
Mr Tan Wah Yeow	Independent Non-Executive Director and Member of the AC	S$91,500
Mr Wee Siew Kim	Independent Non-Executive Director and Member of the AC	S$91,500
Mr Hiew Yoon Khong (Resigned on 1 January 2020)	Non-Executive Director and Member of the NRC	Nil[3]
Mr Chua Tiow Chye (Resigned on 1 January 2020)	Non-Executive Director	Nil[3]
Mr Goh Chye Boon (Appointed on 1 January 2020)	Non-Executive Director	Nil[3]
Ms Wendy Koh Mui Ai (Appointed on 1 January 2020)	Non-Executive Director	Nil[3]
Mr Wong Mun Hoong (Appointed as Member of the NRC on 1 January 2020)	Non-Executive Director and Member of the NRC	Nil[3]
Ms Ng Kiat	Executive Director and CEO	Nil[4]

Notes:
1 Not applicable.
2 This includes attendance fees for Mr Loh Shai Weng being a director who is not residing in Singapore.
3 Non-Executive Directors who are employees of the Sponsor do not receive any director's fees in their capacity as Directors.
4 The CEO does not receive any director's fees in her capacity as a Director.

Governance
Corporate Governance Report

Link between Pay, Performance and Value Creation

Employee remuneration at the Manager comprises fixed pay, variable incentive, allowances and benefits. Fixed pay comprises a salary and an annual wage supplement. All employees receive a salary that reflects their responsibilities and the level of experience and expertise needed to undertake their roles. Allowances and benefits include statutory provident contributions and benefits-in-kind to enable employees to undertake their roles by ensuring their wellbeing.

Variable incentive is a material component of total remuneration and comprises Performance Target Bonus ("PTB"), Variable Bonus ("VB") and Long-term Incentive ("LTI") award. The PTB amount is determined based on the achievement of non-financial Key Performance Indicators ("KPIs") which are critical to improving the organisational effectiveness and operating efficiency of the Manager, e.g. improving workflow and processes by implementing e-workflow/e-Approval system, high participation rate in active and healthy lifestyle activities, participation in Corporate Social Responsibility ("CSR") events, investors and tenants engagement, raising the capability of the workforce through increased participation in learning and development. The VB amount is assessed based on the achievement of financial KPIs such as Net Property Income ("NPI"), Distribution per Unit ("DPU") and Weighted Average Lease Expiry ("WALE") which measure the financial metrics essential to the Unitholders. KPIs and their weightages may change from year to year. The LTI award is a form of unit-linked incentive plan and represents conditional rights to receive a cash sum based on the achievement of MLT's Total Shareholder Return ("TSR") targets and value of a notional investment in MLT.

To this end, the NRC has reviewed the performance of the Manager for FY19/20 and is satisfied that all KPIs have been achieved.

For Management, a significant proportion of their variable incentive is deferred under the Manager's VB banking mechanism and vesting schedule of LTI award. Deferral of these two components is a key mechanism to building sustainable business performance. Under the VB banking mechanism, only a portion of a VB award declared in the financial year will be paid out while the rest of the VB award will be deferred and paid out in the subsequent years. The deferred VB award will be subjected to downside risks depending on future performance. This ensures alignment between remuneration and sustaining business performance in the longer term. For the LTI award, it is subject to three to five years vesting schedule. The settlement value of the LTI award is linked to the value of MLT's units at the time of vesting.

Employees of the Manager are eligible to be considered for variable pay each year. Variable pay for all employees takes into account MLT, the Manager and the individual's performance against agreed financial and non-financial objectives similar to that of the senior management.

However, in execution, the PTB and VB are combined to form consolidated variable pay for the employees.

The Manager will continue to be guided by the objective of delivering long term sustainable returns to Unitholders. The remuneration of the senior management team will continue to be aligned with the goal of value creation for Unitholders. The performance will be measured over the next 5-year period, with an interim review at the end of the third year.

All fixed pay, variable incentives and allowances are payable wholly in cash. All payments are entirely paid by the Manager and not as an additional expense imposed on MLT.

To assess the individual performance, a 5-point rating scale is used by the supervisors to provide an overall assessment of an employee's performance, and employees are required to perform a self-evaluation. The Manager has ensured that this has been adhered to. The overall final rating is reconciled during each employee's performance appraisal.

The remuneration for the CEO in bands of S$250,000, and a breakdown of the remuneration of the CEO and the top 5 key management personnel of the Manager in percentage terms, are provided in the remuneration table below.

Total Remuneration Bands of CEO and Key Management Personnel for FY19/20

	Salary, Allowances and Statutory Contributions	Bonus[1]	Long-term Incentives[2]	Benefits	Total
Above S$1,250,000 to S$1,500,000					
Ng Kiat	29%	46%	25%	N.M.[3]	100%
Other Key Management Personnel					
Charmaine Lum[4]	39%	44%	17%	N.M.[3]	100%
Jean Kam	49%	38%	13%	N.M.[3]	100%
Fion Ng	56%	34%	10%	N.M.[3]	100%
David Won	54%	36%	10%	N.M.[3]	100%
Yuko Shimazu	57%	35%	8%	N.M.[3]	100%

Notes:
1 The amounts disclosed are bonuses declared during the financial year.
2 The amounts disclosed include the grant of the LTI award. The LTI award is a form of unit-linked incentive plan and represents conditional rights to receive a cash sum based on the achievement of MLT's TSR targets and fulfillment of vesting period of up to five years.
3 Not meaningful.
4 Charmaine Lum joined the Manager on 1 January 2020. Total remuneration disclosed is pro-rated accordingly.

The total remuneration for the CEO and the key management personnel in FY19/20 was S$2.93 million.

The Manager is cognisant of the requirements as set out under Provision 8.1 of the Code and the "Notice to All Holders of a Capital Markets Services Licence for Real Estate Investment Trust Management" to disclose: (a) the remuneration of its CEO and each individual Director on a named basis; (b) the remuneration of at least its top five executive officers (who are neither Directors nor the CEO), on a named basis, in bands of S$250,000; and (c) in aggregate the total remuneration paid to its top five key management personnel (who are not Directors or the CEO), and in the event of non-disclosure, the Manager is required to provide reasons for such non-disclosure.

The Board had assessed and decided not to disclose (i) the remuneration of the CEO in exact quantum; (ii) the remuneration of at least its top five key management personnel (who are neither Directors nor the CEO), on a named basis, in bands of S$250,000; and (iii) the aggregate remuneration paid to its top five key management personnel (who are not Directors or the CEO) as the Manager is of the view that remuneration details are commercially sensitive due to the confidential nature of remuneration matters and with keen competition for management staff in the REIT industry, such disclosure may result in talent retention issues. The Board is of the view that despite the deviation from Provision 8.1 of the Code, the Manager has been transparent on remuneration matters in line with the intent of Principle 8 of the Code, as information on the Manager's remuneration policies, level and mix of remuneration, procedure for setting remuneration and the relationships between remuneration, performance and value creation has been disclosed in detail in the preceding paragraphs.

Since the remuneration of the CEO and key management personnel of the Manager are not separately billed but paid by the Manager, the Manager is also of the view that the interest of the Unitholders would not be prejudiced as the indicative range of the CEO's remuneration, as well as the total remuneration for the CEO and key management personnel of the Manager, have been provided.

There were no employees of the Manager who were substantial shareholders of the Manager, substantial unitholder of MLT or immediate family members of a Director, the CEO, a substantial shareholder of the Manager or a substantial unitholder of MLT and whose remuneration exceeded S$100,000 during FY19/20.

In solidarity with its stakeholders in overcoming the challenges posed by COVID-19, the senior management and Board of the Manager have elected to take a reduction in their base salary and basic retainer fee by between 5% to 10% for FY20/21. This will be subject to review when the COVID-19 situation stabilizes.

Quantitative Remuneration Disclosure Under AIFMD

The Manager is required under the AIFMD to make quantitative disclosures of remuneration. Disclosures are provided in relation to (a) the employees of the Manager; (b) employees who are senior management; and (c) employees who have the ability to materially affect the risk profile of MLT.

All individuals included in the aggregated figures disclosed are rewarded in line with the Manager's remuneration policies.

The aggregate amount of remuneration awarded by the Manager to its staff in respect of the Manager's financial year ended 31 March 2020 was S$10.67 million. This figure comprised fixed pay of S$6.16 million, variable pay of S$4.04 million and allowances/ benefits-in-kind of S$0.47 million. There were a total of 59 beneficiaries of the remuneration described above.

In respect of the Manager's financial year ended 31 March 2020, the aggregate amount of remuneration awarded by the Manager to its senior management (who are also members of staff whose actions have a material impact on the risk profile of MLT) was S$5.14 million, comprising 13 individuals identified having considered, among others, their roles and decision making powers.

(C) Accountability and Audit

Risk Management and Internal Controls

Principle 9: Sound system of risk management and internal controls

Our Policy and Practices

The Manager adopts the principle that a sound system of internal controls and risk management is necessary for the Group's business.

The Manager, working with the Sponsor, has established internal controls and risk management systems that address key operational, financial, compliance and information technology risks relevant to the Group's business and operating environment. These systems provide reasonable but not absolute assurance on the achievement of their intended internal controls and risk management objectives.

The key elements of the Group's internal controls and risk management systems are as follows:

Operating Structure

The Manager has a well-defined operating structure with clear lines of responsibility and delegated authority, as well as reporting mechanisms to Management and the Board. This structure includes certain functions, such as Human Resource, Information Systems & Technology, Internal Audit, Legal and Risk Management, which are outsourced to the Sponsor. The Manager also conducts an annual review of such outsourced functions to ensure required performance standards are met.

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Policies, Procedures and Practices
Controls are detailed in formal procedures and manuals. For example, the Board has approved a set of delegations of authority which sets out approval limits for investments and divestments, development, operational and capital expenditures and treasury activities. Approval sub-limits are also provided at various management levels to facilitate operational efficiency, as well as provide a system of checks and balances.

The Board's approval is required for material transactions, including the following:

- equity fund-raising;
- acquisition, development and disposal of properties above Board-prescribed limits;
- overall project budget variance and ad hoc development budget above Board-prescribed limits;
- debt fund-raising above Board-prescribed limits; and
- derivative contracts above Board-prescribed limits.

The Group's procedures and practices are regularly reviewed and revised where necessary to enhance controls and efficiency. The Group has implemented a Control Self-Assessment programme to reinforce risk awareness and compliance with internal controls within the Group, by fostering accountability, control and risk ownership.

The internal audit function, which is outsourced to the Sponsor, reviews the Group's compliance with the controls procedures and policies established within the internal control and risk management systems. The internal audit function is also involved in the validation of the results from the Control Self-Assessment programme.

Whistle-blowing Policy
To reinforce a culture of good business ethics and governance, the Manager has a Whistle-blowing Policy to encourage the reporting, in good faith, of any suspected improper conduct, including possible financial irregularities, while protecting the whistle-blowers from reprisals. Any reporting concerning the Group or the Manager is notified to the AC Chairman of the Sponsor as well as the AC Chairman of the Manager for investigation and to the AC of the Manager on the findings.

For queries or to make a report, please write to reporting@mapletree.com.sg.

Risk Management
Risk management is an integral part of the Manager's business strategy. In order to safeguard and create value for Unitholders, the Manager proactively manages risks and embeds the risk management process into the Manager's planning and decision-making process.

The risk management function which is outsourced to the Sponsor's Risk Management Department oversees the Enterprise Risk Management ("ERM") framework, which is adapted from the International Organisation for Standardisation under (ISO) 31000 Risk Management. It reports key risk exposures, portfolio risk profile and activities in respect of significant risk matters to the AC and the Board independently on a quarterly basis.

The risk management system established by the Manager, which encompasses the ERM framework and the risk management process, is dynamic and evolves with the business. The Manager has identified key risks, assessed their likelihood and impact on MLT's business, and established corresponding mitigating controls. The information is maintained in a risk register that is reviewed and updated regularly. The Risk Management Department works closely with the Manager to review and enhance the risk management system in accordance with market practices and regulatory requirements, under the guidance and direction of the AC and the Board.

The Manager's policies and procedures relating to risk management can be found on pages 123 to 125 of this Annual Report.

Information Technology Controls
As part of the Group's risk management process, information technology controls and cybersecurity measures have been put in place and are periodically reviewed to ensure that information technology risks and cybersecurity threats are identified and mitigated. In addition, as part of the Manager's business continuity plan, information technology disaster recovery planning and tests are conducted to ensure that critical information technology systems remain functional in a crisis situation.

On annual basis, external specialists are engaged to perform a Vulnerability and Penetration Test on the Group's networks and devices as part of cybersecurity measures.

In addition, an annual review of the information technology controls was conducted by the Sponsor's Internal Audit Department as part of the FY19/20 annual Control Self-Assessment programme. The audit findings were submitted to the AC and the Board for review and appropriate remedial actions were implemented as at 31 March 2020.

Financial Reporting
The Board is updated on a quarterly basis on the Group's financial performance. The Manager reports on significant variances in financial performance, in comparison with budgets and financial performance of corresponding periods in the preceding year and provides an updated full year forecast. In addition, the Board is provided with quarterly updates on key operational activities of the Group.

A management representation letter is provided by the Manager to the AC and Board quarterly in connection with the preparation of the Group's financial statements. The representation letter is supported by declarations made individually by the various Heads of Department. Compliance checklists on announcement of financial statements, which are required for submission to the SGX-ST, are reviewed and confirmed by the Chief Financial Officer ("CFO") of the Manager.

The Group's financial results are prepared in accordance with the Singapore Financial Reporting Standards (International) and are reported to Unitholders in accordance with the requirements of the SGX-ST. These results announcements provide analyses of significant variances in financial performance and commentary on the industry's competitive conditions in which the Group operates and any known factors or events that may affect the Group in the next reporting period and the next twelve months.

Detailed disclosure and analysis of the full-year financial performance of the Group can be found on pages 29 to 34 and pages 145 to 244 of this Annual Report.

Financial Management

As a matter of financial and operational discipline, Management reviews on a monthly basis the performance of the MLT portfolio properties.

The key financial risks which the Group is exposed to include interest rate risk, foreign exchange rate risk, liquidity risk, and credit risk. Where appropriate, the Manager procures hedging transactions to be entered into so as to protect the Group against interest rate and foreign exchange rate fluctuations. In addition, the Manager proactively manages liquidity risk by ensuring that sufficient working capital lines and loan facilities are maintained for the Group. The Manager's capital management strategy can be found on pages 35 to 37 of this Annual Report. The Manager also has in place credit control procedures for managing tenant credit risk and monitoring of arrears collection.

Internal Audit

The internal audit function, which is outsourced to the Sponsor's Internal Audit Department, prepares a risk-based audit plan annually to review the adequacy and effectiveness of the Group's system of internal controls and this audit plan is approved by the AC before execution. The Sponsor's Internal Audit Department is also involved during the year in conducting ad hoc audits and reviews that may be requested by the AC or Management on specific areas of concern, including validating the responses under the Manager's Control Self-Assessment programme. In doing so, the Sponsor's Internal Audit Department is able to obtain assurance that business objectives for the internal control processes under review are being achieved and key control mechanisms are in place.

Upon completion of each review, a formal report detailing the audit findings and the appropriate recommendations is issued to the AC. The Sponsor's Internal Audit Department monitors and reports on a quarterly basis the timely implementation of the action plans to Management and the AC.

The external auditors also provide an independent perspective on certain aspects of the internal financial controls system arising from their work and report their findings to the AC on an annual basis. The external auditors are also updated on the findings of the Manager's Control Self-Assessment programme.

Interested Person Transactions

All interested person transactions are undertaken on normal commercial terms and the AC regularly reviews all interested person transactions to ensure compliance with the internal control system, as well as with relevant provisions of the Listing Manual and the Property Funds Appendix. In addition, the Trustee has the right to review such transactions to ascertain that the Property Funds Appendix has been complied with.

The following procedures are also undertaken:

- transactions (either individually or as part of a series or if aggregated with other transactions involving the same interested person during the same financial year) equal to or exceeding S$100,000 in value but below 3.0% of the value of the Group's net tangible assets will be subject to review by the AC at regular intervals;
- transactions (either individually or as part of a series or if aggregated with other transactions involving the same interested person during the same financial year) equal to or exceeding 3.0% but below 5.0% of the value of the Group's net tangible assets will be subject to the review and prior approval of the AC. Such approval shall only be given if the transactions are on normal commercial terms and are consistent with similar types of transactions made by the Trustee with third parties which are unrelated to the Manager; and
- transactions (either individually or as part of a series or if aggregated with other transactions involving the same interested person during the same financial year) equal to or exceeding 5.0% of the value of the Group's net tangible assets will be reviewed and approved prior to such transactions being entered into, on the basis described in the preceding paragraph, by the AC which may, as it deems fit, request advice on the transaction from independent sources or advisers, including the obtaining of valuations from independent professional valuers. Further, under the Listing Manual and the Property Funds Appendix, such transactions would have to be approved by the Unitholders at a meeting of the Unitholders.

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The interested person transactions undertaken by the Group in FY19/20 are set out on page 247 of this Annual Report. For the purpose of the disclosures, the full contract sum is taken as the value of the transaction where the interested person transaction has a fixed term and contract value, while the annual amount incurred and/or accrued is taken as the value of the transaction where an interested person transaction has an indefinite term or where the contract sum is not specified.

Dealing in MLT Units

The Manager adopts the best practices on dealings in securities set out in the Listing Manual. All Directors are required to disclose their interests in MLT and are also provided with disclosures of interests by other Directors, as well as reminders on trading restrictions.

On trading in MLT units, the Directors and employees of the Manager are reminded not to deal in MLT units on short term considerations and are prohibited from dealing in MLT units:

- in the period commencing one month before the public announcement of the Group's annual results;
- in the period commencing two weeks before the public announcement of the Group's quarterly and semi-annual results; and
- at any time whilst in possession of price-sensitive information.

Each Director is required to notify the Manager of his or her acquisition of MLT units or of changes in the number of MLT units which he or she holds or in which he or she has an interest, within two business days of such acquisition or change of interest. In addition, employees of the Manager and the Sponsor are to give pre-trading notifications before any dealing in MLT units.

Role of the Board and AC

The Board recognises the importance of maintaining a sound internal controls and risk management system to safeguard the assets of the Group and Unitholders' interests, through a framework that enables risks to be assessed and managed.

The AC provides oversight of the financial reporting, accounting policies and the adequacy and effectiveness of the Group's internal controls and risk management systems, as well as its compliance processes.

The Board and the AC also take into account the results from the Control Self-Assessment programme, which requires various departments to review and report on compliance with key control processes. As part of the Control Self-Assessment programme, the Internal Audit function performs a validation of Management's self-assessment responses on a sampling basis, after which the validated self-assessment results are reported to the AC and the Board.

It should be recognised that all internal controls and risk management systems contain inherent limitations and, accordingly, the internal controls and risk management systems can only provide reasonable but not absolute assurance.

The Board has received written assurance from the CEO and the CFO that the Group's financial records have been properly maintained and the Group's financial statements give a true and fair view of the Group's operations and finances. It has also received assurance from the CEO, the CFO and other relevant key management personnel, who have responsibility regarding various aspects of the risk management and internal controls systems, that the systems of risk management and internal controls in place for the Group are adequate and effective to address the risks (including financial, operational, compliance and IT risks) that the Manager considers relevant and material to the current business environment.

Comment and Opinion on Internal Controls

Based on the internal controls and risk management systems established and maintained by the Manager and the Sponsor, work performed by the Sponsor's Internal Audit and Risk Management Departments, as well as by the external auditors, reviews performed by Management and the above-mentioned assurance from the CEO, the CFO and other key management personnel, the Board is of the opinion that the Group's internal controls and risk management systems, addressing key financial, operational, compliance, information technology and risk management objectives and which the Group considers relevant and material to its operations, were adequate and effective to meet the needs of the Group in its business as at 31 March 2020. However, the Board also notes that the system of internal controls and risk management provides reasonable, but not absolute, assurance that the Group will not be adversely affected by any event that could be reasonably foreseen as it works to achieve its business objectives. In this regard, the Board also notes that no system of internal controls and risk management can provide absolute assurance against the occurrence of material errors, poor judgment in decision making, human error, losses, fraud or other irregularities. The AC concurs with the Board's comments provided in the foregoing. For the financial year ended 31 March 2020, the Board and the AC have not identified any material weaknesses in the Group's internal controls and risk management systems.

Audit and Risk Committee

Principle 10: The Board has an AC which discharges its duties objectively

Our Policy and Practices

The Board is supported by the AC which provides additional oversight of financial, risks and audit matters, so as to maximise the effectiveness of the Board and foster active participation and contribution.

The Manager adopts the principle that the AC shall have at least three members, all of whom must be non-executive and the majority of whom, including the AC Chairman, must be independent. The Board is of the view that the AC members collectively have recent and relevant expertise or experience in financial management and are appropriately qualified to discharge their responsibilities.

The AC consists of four members, all of whom are independent and are appropriately qualified to discharge their responsibilities. They are:

- Mr Lim Joo Boon, Chairman;
- Mr Loh Shai Weng, Member;
- Mr Tan Wah Yeow, Member; and
- Mr Wee Siew Kim, Member.

None of the AC members is a partner or director of the incumbent external auditors, member firms of PricewaterhouseCoopers International Limited ("PwCIL"), within the previous two years, nor does any of the AC members have any financial interest in PwCIL.

The AC has written terms of reference setting out its scope and authority, which include:

- examination of interested person transactions;
- review and approval of the scope of internal audit activities;
- review of the adequacy, effectiveness, independence, scope and audit findings of internal and external auditors as well as Management's responses to them and the implementation of remedial actions to address such findings;
- evaluation of the nature and extent of non-audit services performed by external auditors. In this regard, for FY19/20, MLT paid S$831,000 to the network of member firms of PwCIL, of which S$736,000 was for audit services and S$95,000 was for non-audit services relating to advisory services for the Group. The AC has undertaken a review of all non-audit services provided by PwCIL and is of the opinion that such non-audit services would not affect the independence of PwCIL as the external auditors;
- review of the quality and reliability of information prepared for inclusion in financial reports;
- authority to investigate any matters within its terms of reference, full access to and co-operation by Management and full discretion to invite any Director or executive officer to attend its meetings, and reasonable resources to enable it to discharge its functions properly;
- making recommendation to the Board on the appointment and re-appointment of external auditors; and
- making recommendations to the Board on the remuneration and terms of engagement of external auditors.

In addition, the AC also:

- reviews significant financial reporting issues and judgements so as to ensure the integrity of the financial statements of the Group and any formal announcements relating to the Group's financial performance;
- reviews at least annually the adequacy and effectiveness of the Group's internal controls and risk management systems;
- reviews the assurance from the CEO and the CFO on the financial records and financial statements;
- meets with the external and internal auditors, without the presence of Management, at least once a year to review and discuss the financial reporting process, system of internal controls (including financial, operational, compliance and information technology controls), and significant concerns, audit comments and recommendations;
- reviews and, if required, investigates the matters reported via the whistle-blowing mechanism, by which employees may, in confidence, raise concerns about suspected improprieties including financial irregularities. The objective of the whistle-blowing mechanism is to ensure that arrangements are in place for independent investigations of any reported matters and reviews of such investigations, to ensure appropriate follow-up actions are taken; and
- discuss during the AC meetings any changes to accounting standards and issues which have a direct impact on the financial statements.

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Corporate Governance Report

In the review of the financial statements, the AC has discussed with the Management the accounting principles that were applied and their judgment of items that might affect the integrity of the financial statements. The AC has reviewed, in discussion with the Management, the following key audit matter as reported by the external auditor:

Key Audit Matter	How this issue was addressed by AC
Valuation of investment properties	The AC considered the selection of valuers based on their independence, expertise and relevant experience in valuing the logistics properties. The independent valuer should not value the same property for more than two consecutive financial years as required by the CIS Code. The AC reviewed the valuation methodologies, assumptions and outcomes and discussed the detailed analysis of asset valuation by country with Management. The AC considered the findings of the external auditor, including their assessment of the appropriateness of the valuation methodologies and key assumptions applied in the valuation of the investment properties. The AC was satisfied with the appropriateness of the valuation methodologies and assumptions applied across all investment properties as disclosed in the financial statements. The outbreak of Novel Coronavirus (COVID-19) situation is rapidly evolving and may continue for an extended period, which has brought about additional uncertainties to the Group's operations subsequent to the financial year-ended 31 March 2020. While the effects of COVID-19 outbreak had been taken into consideration in arriving at the valuation of the investment properties, there is significant uncertainty over the duration and magnitude of COVID-19, and its impact on the real estate market subsequent to the valuation date. The AC will continue to monitor the situation and seek professional advice on the property values as and when necessary.

As part of its oversight role over financial reporting, the AC reviewed the financial statements before recommending them to the Board for approval. The process involved discussions with the Management and external auditors on significant accounting matters. The AC reviewed among other matters, the valuation of investment properties, being the key audit matter identified by external auditors. The AC had a robust discussion with Management to review the methodology and assumptions used by the professional valuers in arriving at the valuation of the investment properties, focusing on significant changes in fair value including assessing the reasonableness of the assumptions used by the valuers.

The AC also considered the work performed by the external auditor, including their assessment of the appropriateness of valuation, methodologies and the key assumptions applied in the valuation of investment properties.

The AC is satisfied that the methodology and assumptions used are reasonable and the valuation for investment properties as adopted and disclosed in the financial statements.

A total of five AC meetings were held in FY19/20.

The Manager, on behalf of the Group, confirms that the Group has complied with Rules 712 and 715 of the Listing Manual in relation to the Group's auditing firm.

Internal Audit
Our Policy and Practices

The Manager adopts the principle that a robust system of internal audits is required to safeguard Unitholders' interests, the Group's assets, and to manage risks. Apart from the AC, other Board committees may be set up from time to time to address specific issues or risks.

The internal audit function of the Group is outsourced to the Sponsor's Internal Audit Department and the Head of Internal Audit reports directly to the AC Chairman of both the Manager and the Sponsor.

The Chairman of the AC is consulted and provides feedback to the AC of the Sponsor in the hiring, removal, remuneration and evaluation of the Head of Internal Audit. The Sponsor's Internal Audit Department (including the Head of Internal Audit) has unfettered access to all of the Group's documents, records, properties and personnel, including access to the AC and has appropriate standing within the Group.

The role of the Sponsor's Internal Audit Department is to conduct internal audit work in consultation with, but independently of, Management. Its annual audit plan and audit findings are submitted to the AC for approval and review respectively. The AC also meets with the Head of Internal Audit at least once a year without the presence of Management.

The Sponsor's Internal Audit Department is a member of the Singapore branch of the Institute of Internal Auditors Inc. (the "IIA"), which has its headquarters in the United States. The Sponsor's Internal Audit Department subscribes to, and is in conformance with, the International Standards for the Professional Practice of Internal Auditing developed by the IIA (the "IIA Standards") and has incorporated these standards into its audit practices.

The IIA Standards cover requirements on:

- independence and objectivity;
- proficiency and due professional care;
- managing the internal audit activity;
- engagement planning;
- performing engagement;
- communicating results; and
- monitoring progress.

The Sponsor's Internal Audit Department employees involved in information technology audits are Certified Information System Auditors and members of the Information System Audit and Control Association (the "ISACA") in the USA. The ISACA Information System Auditing Standards provide guidance on the standards and procedures to apply in information technology audits.

To ensure that the internal audits are performed by competent professionals, the Sponsor's Internal Audit Department recruits and employs qualified employees. In order that their technical knowledge remains current and relevant, the Sponsor's Internal Audit Department identifies and provides training and development opportunities to the employees.

In compliance with the IIA Standards, an external quality assessment review ("QAR") of the Sponsor's Internal Audit Department is conducted at least once every five years by a qualified, independent reviewer. The last external QAR of the Sponsor's Internal Audit Department was completed in 2018 and it was assessed that the Group's internal audit function is in conformance with the IIA Standards. The next external QAR will be conducted in 2023.

For FY19/20, the AC is of the opinion that the internal audit function is independent, effective and adequately resourced.

(D) Unitholder Rights and Engagement

Unitholder rights and conduct of general meetings

Principle 11: Fair and equitable treatment of all Unitholders

Engagement with Unitholders

Principle 12: Regular, effective and fair communication with Unitholders

Our Policy and Practices

The Manager adopts the principle that all Unitholders should be treated fairly and equitably in order to enable them to exercise their ownership rights arising from their unitholdings and have the opportunity to communicate their views on matters affecting MLT. The Manager provides Unitholders with periodic, balanced and understandable assessments of MLT's performance, position and prospects.

To this end, the Manager issues via SGXNET announcements and press releases on the Group's latest corporate developments on an immediate basis where required by the Listing Manual. Where immediate disclosure is not practicable, the relevant announcement will be made as soon as possible to ensure that all stakeholders and the public have equal access to the information.

The public can access the electronic copy of the Annual Report via SGXNET as well as MLT's website and under normal circumstances, all Unitholders will receive a booklet containing key highlights of MLT, instructions on accessing the Annual Report online with the option of receiving a printed version of the Annual Report, a notice of annual general meeting and a proxy form with instructions on the appointment of proxies. However, in view of the COVID-19 situation, the Manager will be conducting MLT's 11th annual general meeting by electronic means and therefore, alternative arrangements will be made to take into account the online nature of the annual general meeting[1]. The notice of annual general meeting for each annual general meeting is also published via SGXNET and MLT's website as well as in the newspaper.

An annual general meeting is held once a year to provide a platform for Unitholders to interact with the Board and Management, in particular the Chairman of the Board, the Chairman of the AC, the CEO and the CFO. The external auditors are also present to address Unitholders' queries about the audit and the financial statements of the Group. A record of the Directors' attendance at the annual general meeting can be found in the records of their attendance of meetings set out at page 106 of the Annual Report.

Provision 11.4 of the Code requires an issuer's constitutive documents to allow for absentia voting at general meetings of Unitholders. The Trust Deed currently does not provide for absentia voting which may be considered by the Manager following careful study, to ensure that the integrity of information and authentication of the identity of Unitholders through the web are not compromised, and legislative changes are effected to recognise remote voting. The Manager is of the view that despite the deviation from Provision 11.4 of the Code, Unitholders nevertheless

[1] Please refer to the notice of annual general meeting dated 22 June 2020 for further information.

Governance
Corporate Governance Report

have opportunities to communicate their views on matters affecting the Group even when they are not in attendance at general meetings. For example, in an ordinary meeting setting (i.e. physical meetings), Unitholders may appoint proxies to attend, speak and vote, on their behalf, at general meetings. Where a general meeting is convened, all Unitholders are entitled to receive a circular enclosing a proxy form with instructions on the appointment of proxies. Prior to voting at an annual general meeting or any other general meeting, the voting procedures will be made known to the Unitholders to facilitate them in exercising their votes.

To safeguard Unitholders' interests and rights, a separate resolution is proposed for each substantially separate issue at an annual general meeting. Each resolution proposed at an annual general meeting and any other general meeting will be voted on by way of electronic polling. An independent scrutineer is also appointed to validate the vote tabulation and procedures. The Manager will announce the results of the votes cast for and against each resolution and the respective percentages and prepare minutes of such meetings.

As the Manager will be conducting MLT's 11th annual general meeting by electronic means and therefore Unitholders are not allowed to attend the MLT's 11th annual general meeting in person, Unitholders may appoint the Chairman of the meeting as proxy to vote on their behalf at the general meeting and submit questions relating to the business of the meeting in advance. Please refer to the notice of annual general meeting dated 22 June 2020 for further information.

The Manager has an Investor Relations Department which works with the Legal and Corporate Secretariat Department of the Sponsor to ensure the Group's compliance with the legal and regulatory requirements applicable to listed REITs, as well as to incorporate best practices in its investor relations programme. To keep the Board abreast of market perception and concerns, the Investor Relations Department provides regular updates on analyst and investor feedback.

The Manager's investor relations policy prioritises proactive engagement and timely and effective communication with its stakeholders. The Manager regularly communicates major developments in the Group's businesses and operations to Unitholders, analysts and the media through the issuance of announcements and press releases. In addition, all announcements and press releases are first made on SGXNET and subsequently on MLT's website. The Manager also communicates with MLT's investors on a regular basis through group/individual meetings with investors, investor conferences and non-deal roadshows. The Manager's CEO and CFO are present at briefings and communication sessions to answer questions from investors. "Live" audio webcast of analyst briefings are conducted, where practicable. Stakeholders can subscribe for email alerts to receive the latest updates on the Group and also contact the Investor Relations Department via a dedicated email address. Further details on the Manager's investor relations activities and efforts are found on pages 103 to 104 of this Annual Report.

Minutes of the general meetings recording the substantive and relevant comments made and questions raised by Unitholders are available to Unitholders for their inspection upon request. Minutes of the annual general meeting (which record substantial and relevant comments and queries from Unitholders and the response from the Board and the Management) are also available on MLT's website at www.mapletreelogisticstrust.com.

MLT's distribution policy is to distribute at least 90% of its distributable income and such distributions are typically paid on a quarterly basis. For FY19/20, MLT made a total of four distributions to Unitholders, including advanced distributions in view of the equity fund raising exercise which was undertaken during the financial year.

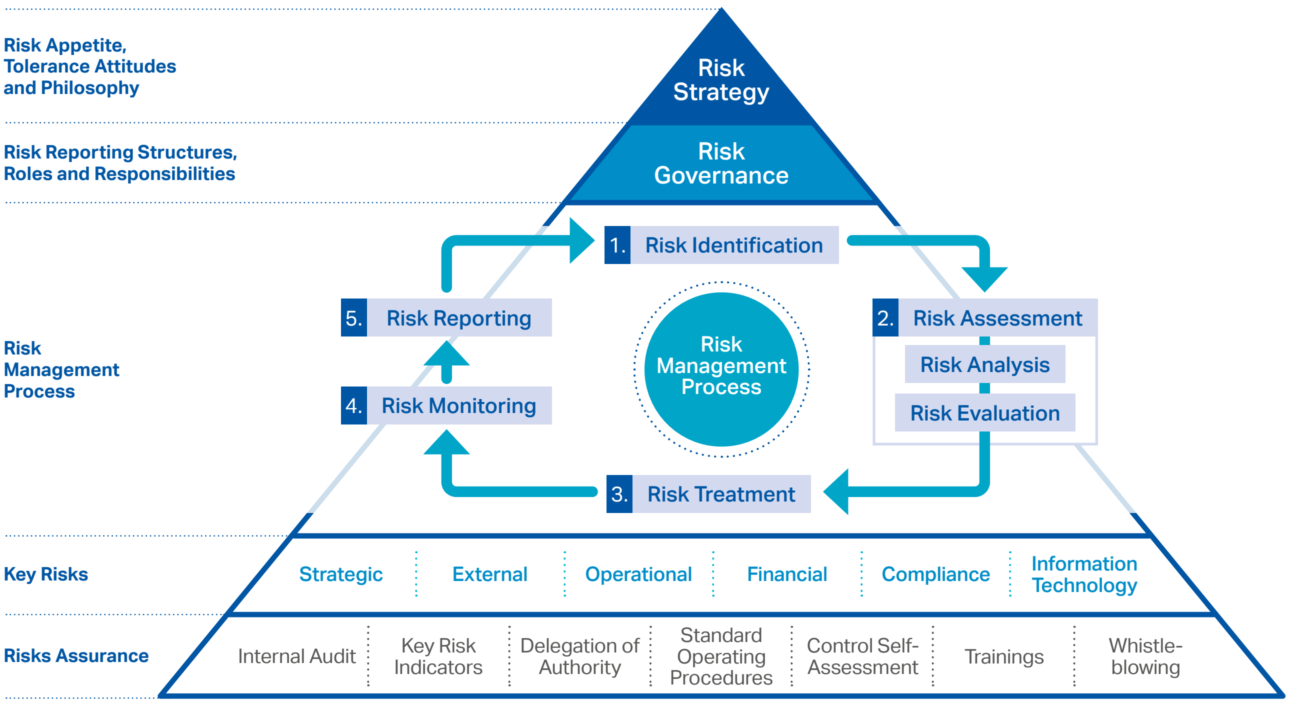
Principle 13: Engagement with Stakeholders

Our Policy and Practices

The Manager adopts the principle that to build confidence among stakeholders, there is a need to deliver sustainable value. The Sustainability Report from pages 126 to 144 in the Annual Report provides the Group's approach in identifying its material stakeholders, as well as addressing stakeholders' concerns and methods of engagement. The Sustainability Report also sets out the key areas of focus in relation to the management of stakeholder relationships for the financial year ended 31 March 2020.

Governance
Risk Management

Risk Management continues to be an integral part of the Manager's business strategy in order to deliver competitive total returns. To safeguard and create value for Unitholders, the Manager proactively manages risks and embeds the risk management process as part of the planning and decision making process.



Strong Oversight and Governance

The Board is responsible for determining the overall risk strategy and risk governance, and ensuring that the Manager implements sound risk management and internal control practices. The Board also approves the risk appetite and tolerance statements, which set out the nature and extent of risks that can be taken to achieve the Manager's business objectives. The Board which is supported by the Audit and Risk Committee ("AC"), comprises independent directors whose collective diverse experience and knowledge serve to give guidance and provide strategic insights to the Manager. The AC has direct access to the Sponsor's Risk Management ("RM") department, which it engages with quarterly as part of its review of MLT's portfolio risks.

At the Manager, the risk management culture involves both top-down oversight and bottom-up engagement from all employees. This ensures a risk approach that is aligned with the business objectives and strategies for MLT, which is also integrated with operational processes for effectiveness and accountability.

The Manager's ERM framework is adapted from the International Organisation for Standardisation ("ISO") 31000 Risk Management. It is dynamic and evolves with the business, thus providing the Manager with a holistic and consistent process for the identification, assessment, monitoring and reporting of risks. The Sponsor's RM department works closely with the Manager to continually review and enhance the risk management system in accordance with market practices and regulatory requirements, under the guidance and direction of the AC and the Board. A control self-assessment ("CSA") framework further reinforces risk awareness by fostering accountability, control and risk ownership and provides additional assurance to the Manager and the Board that operational risks are being effectively and adequately managed and controlled.

Robust Measurement and Analysis

The Manager's risk measurement framework is based on Value-at-Risk ("VaR"), a methodology which measures the volatilities of market and property risk drivers such as rental rates, occupancy rates, capital values, interest rates and foreign exchange rates. It takes into consideration changes in market environment and asset cash flows. To complement the VaR methodology, other risks such as refinancing, tenant-related and development risks are also assessed, monitored and measured as part of the framework where feasible.

The VaR methodology measures risks consistently across the portfolio. It enables the Manager to quantify the benefits that arise from diversification across the portfolio and to assess risk by country and risk type. The Manager recognises the limitations of any statistically-based system that relies on historical data. Therefore, MLT's portfolio is subject to stress testing and scenario analyses to ensure that the business remains resilient in the event of unexpected market shocks.

Governance
Risk Management

Risk Identification and Assessment

The Manager identifies key risks, assesses their likelihood and impact on the business, as well as establishes corresponding mitigating controls. The information is maintained in a risk register that is reviewed and updated regularly. The key risks identified include but are not limited to:

Strategic Risks

Market risk

MLT's portfolio is subject to real estate market risks such as rental rate and occupancy volatilities and country specific factors including competition, supply, demand, and local regulations. Such risks are quantified, aggregated and monitored for existing assets and prospective acquisitions. Significant risk profile changes or emerging trends are reported for assessment and/or action.

Investment risk

The risks arising from investment activities are managed through a rigorous and disciplined investment approach, particularly in the area of asset evaluation and pricing. All acquisitions are aligned with MLT's investment strategy to enhance returns to Unitholders and improve future income and capital growth. Sensitivity analysis is performed for each acquisition on all key project variables to test the robustness of the assumptions used. For significant acquisitions, independent risk assessments are conducted by the Sponsor's RM department and included in the investment proposal submitted to the Board for approval. All investment proposals are subject to rigorous scrutiny by the Board (or delegated to the Management Committee), in accordance with the Board's approved delegation of authority.

Upon receiving the Board's or Management Committee's approval, the investment proposals are then submitted to the Trustee, who is the final approving authority for all investment decisions.

The Trustee also monitors the compliance of the Manager's executed investment transactions with the Listing Manual of the Singapore Exchange Securities Trading Limited, MAS's Property Funds Appendix and the provisions in the Trust Deed.

Project development risk

New development projects usually take a few years to complete, depending on the project size and complexity. To mitigate the risk of development delays, cost overruns and lower than expected quality, the Manager has put in place stringent pre-qualifications of consultants and contractors, and continually reviews the project progress.

Operational Risks

Comprehensive operating, reporting and monitoring guidelines enable the Manager to manage day-to-day activities and mitigate operational risks. To ensure relevance, the Manager regularly reviews its standard operating procedures ("SOPs") and benchmarks them against industry practices where appropriate. Compliance with SOPs is assessed under the CSA framework and reinforced through training of employees and regular reviews by the Sponsor's Internal Audit department.

Human resource risk

Loss of key management personnel and identified talents can cause disruptions to the Manager's business operations and hinder the achievement of its business objectives. The Manager has put in place succession planning, talent management, competitive compensation and benefits plans to reward and retain performing personnel.

Property damage and business disruption risks

In the event of unforeseen catastrophic events, the Manager has a Business Continuity Plan ("BCP") and crisis communication plan that should enable it to resume operations with minimal disruption and loss. MLT's properties are insured in accordance with industry norms in their respective jurisdictions and benchmarked against those in Singapore.

Credit risk

Credit risks are mitigated from the outset by conducting tenant credit assessment as part of the investment due diligence process prior to an acquisition. For new and sizeable leases, credit assessments of prospective tenants are undertaken prior to signing of lease agreements. On an ongoing basis, tenants' credit worthiness is closely monitored by the Manager's asset management team and arrears are managed by the Manager's Credit Control Committee, who meets regularly to review debtor balances. To further mitigate risks security deposits in the form of cash or banker's guarantees are collected from prospective tenants prior to the commencement of leases, where applicable.

External Risks

Economic and Geopolitical risk

To manage country risks such as economic uncertainties or political turbulence in countries where it operates, the Manager conducts rigorous country and real estate market research, and monitors economic, geopolitical and political developments closely.

Financial Risks

Financial market risks and capital adequacy are closely monitored and actively managed by the Manager, and reported to the Board on a quarterly basis. At the portfolio level, the risk impact of interest rate and currency volatilities on value is quantified, monitored and reported quarterly using the VaR methodology. Refinancing risk is also quantified, taking into account the concentration of loan maturity profile and credit spread volatility.

Interest rate risk
MLT hedges its portfolio exposure to interest rate volatility arising from its floating rate borrowings by way of interest rate derivatives and fixed rate debts.

Foreign exchange risk
Where feasible, after taking into account cost, tax and other relevant considerations, the Manager will borrow in the same currency as the underlying assets to provide some natural hedge. To mitigate foreign exchange risks and to provide investors with a degree of income stability, a large proportion of rental income receivable from overseas assets is hedged using forward contracts and secured in Singapore Dollar terms.

Liquidity risk
The Manager actively monitors MLT's cash flow position and funding requirements to ensure significant liquid reserves to fund operations, meet short-term obligations, and achieve a well staggered debt maturity profile. (see Capital Management on pages 35 to 37).

The Manager also maintains sufficient financial flexibility and adequate debt headroom for MLT to fund future acquisitions. In addition, the Manager monitors and mitigates bank concentration risks by having a well-diversified funding base. The limit on aggregate leverage ratio is observed and monitored to ensure compliance with MAS's Property Funds Appendix.

Compliance Risks

Regulatory risk
The Manager is committed to complying with applicable laws and regulations of the various jurisdictions in which it operates. Non-compliance may result in litigation, penalties, fines or revocation of business licences. The Manager identifies applicable laws and regulatory obligations and ensures compliance with these laws and regulations in day-to-day business processes.

Fraud risk
A comprehensive corporate governance framework has been established to maintain responsible and transparent business practices. The framework contains specific guidelines on anti-corruption practices – such as the prohibition of bribery, acceptance or offer of gifts and entertainment.

The Manager also has a whistleblowing policy that allows employees and stakeholders to raise any serious concerns about any danger, risk, malpractice or wrongdoing in the workplace while protecting them from reprisals.

Compliance with the policies and procedures is required at all times, which include policies on ethics and code of conduct, safe work practices and professional conduct. If an employee is found guilty of fraud, dishonesty or criminal conduct in relation to his/her employment, the Manager reserves the rights to take appropriate disciplinary action, including termination of employment.

Information Technology ("IT") Risks

Concerns over the threat posed by cybersecurity attacks have risen as such attacks become increasingly more prevalent and sophisticated. The Manager has in place comprehensive policies and procedures governing information availability, control and governance, as well as data security. An IT disaster recovery plan is in place and tested annually to ensure business recovery objectives are met. All employees are required to complete a mandatory online training on IT security awareness to ensure that they are aware of potential cybersecurity threats. There is also constant monitoring of Internet gateways to detect potential security event. In addition, network vulnerability assessment and penetration testing are conducted regularly to check for potential security gaps.

Rigorous Monitoring and Control

The Manager has developed internal key risk indicators that serve as an early-warning system to highlight risks that have escalated beyond agreed tolerance levels. The Manager has also established required actions to be taken when risk thresholds are breached.

Every quarter, the Sponsor's RM department presents a comprehensive report to the Board and AC, highlighting key risk exposures, portfolio risk profile, results of stress testing scenarios and status of key risk indicators. The Board and AC are also kept abreast of any material changes to MLT's risk profile and activities.

A SUSTAINABLE AND RESPONSIBLE APPROACH TO DOING BUSINESS IS INTEGRAL TO OUR LONG-TERM SUCCESS.

GOVERNANCE

0

material breaches of relevant local laws and regulations

SOCIAL

6

CSR projects in Singapore, Hong Kong SAR, Japan, China and Australia

ENVIRONMENT

6.4%

reduction in energy intensity in Singapore, Hong Kong SAR and Vietnam from FY18/19 baseline

ENVIRONMENT

22.2%

reduction in water intensity in Singapore from FY18/19 baseline

ENVIRONMENT

35.3%

increase in total rooftop solar energy generating capacity from FY18/19 baseline

ENVIRONMENT

S$200M

sustainability-linked loan for rooftop solar installation programme

Board Statement

The Board of Directors (the "Board") is pleased to publish the fourth Sustainability Report ("SR") for Mapletree Logistics Trust ("MLT"). This report captures our overarching approach towards sustainability risks and opportunities, as well as our sustainability performance for the period from 1 April 2019 to 31 March 2020 ("FY19/20").

The Board believes that a responsible approach to business is integral to our long-term success and considers sustainability as part of our business strategy. We are committed to implementing sustainable practices across our operations, empowering individuals, enriching communities and creating a positive impact on the environment.

Our approach towards sustainability is aligned with that of our Sponsor, Mapletree Investments Pte Ltd ("Sponsor" or the "Mapletree Group"). The Board is supported by the Sponsor's Sustainability Steering Committee ("SSC") and management in overseeing the sustainability direction and management for MLT. The Board has also reviewed and endorsed the material sustainability matters in this report. As with last year, we have continued to expand our geographical scope for energy reporting, with the addition of two more countries – China and Malaysia – to the existing coverage on Singapore, Hong Kong SAR and Vietnam.

In FY19/20, we are proud to have successfully implemented several key sustainability initiatives, including:

- Securing a sustainability-linked loan for MLT's rooftop solar installation programme and being the first Singapore-listed REIT ("S-REIT") to link renewable energy generating targets to sustainable finance;
- Reducing energy intensity by 6.4% from FY18/19 baseline[1];
- Reducing water intensity by 22.2% from FY18/19 baseline[2];
- Increasing MLT's total rooftop solar generating capacity by 35.3% from FY18/19 baseline; and
- Engaging employees in six community service projects across Singapore, Hong Kong SAR, Japan, China and Australia.

Towards the end of FY19/20, we have seen the global spread of the coronavirus ("COVID-19") and its pervasive and significant impacts on our business and global communities. Our top priority is to support the well-being of our stakeholders in these challenging times. We also remain vigilant in assessing the situation as it evolves to ensure business continuity.

We thank our staff, partners and stakeholders for their support in our sustainability journey. As we continue to enhance our sustainability approach and performance, we look forward to your continuing support and partnership.

About This Report

Reporting Scope

This report covers the sustainability performance of MLT for FY19/20 and includes prior year data ("FY18/19") for comparison where applicable. Unless otherwise stated, all information disclosed in this SR relates to MLT's operations across its eight geographic markets and is limited to operations within our direct control.

This SR should be read together with the financial performance and governance information detailed in the Annual Report ("AR") for a more comprehensive picture of our business and performance.

Reporting Standards

This report has been prepared in accordance with the GRI Standards: Core option. The GRI Standards was selected as it represents the global best practice for organisations to report on a wide range of economic, environmental, social and governance impacts. We have applied additional guidance set forth by the GRI-G4 Construction and Real Estate Sector Disclosures which are relevant to our industry. The SR also meets the requirements of the SGX-ST Listing Rules (711A and 711B) – Sustainability Reporting Guide. All data is disclosed in good faith and to the best of our knowledge. We have included supplementary details on our methodology on page 142.

The Manager welcomes feedback or questions at: **Ask-MapletreeLog@mapletree.com.sg.**

Sustainability Contents

Notes:

[1] FY18/19 baseline represents the energy intensity of MLT's portfolios in Singapore, Hong Kong SAR and Vietnam.

[2] FY18/19 baseline represents the water intensity of MLT's Singapore portfolio.

Sustainability
Sustainability Report

Our Sustainability Approach

As a Mapletree-sponsored REIT, MLT's sustainability approach is aligned with that of our Sponsor. With a focus on creating long-term value for our stakeholders, we seek to embed sustainability across our business strategy and daily operations.

Amidst a dynamic business environment and evolving stakeholders' needs, we strive to stay relevant by keeping abreast of the latest market developments while identifying our key environmental, social and governance ("ESG") risks and opportunities.

In our quest to drive sustainable economic growth, we uphold our responsibility to both people and planet – maintaining good corporate governance, safeguarding the health and safety of our employees and tenants, contributing to the local communities and minimising our environmental footprint. Our commitment to sustainability is underpinned by a robust framework of policies and practices anchored on our ESG responsibilities and regular engagement with our stakeholders. As part of our continual efforts to enhance our performance, we regularly evaluate the effectiveness of existing policies and measures to address any gaps.

Sustainability Governance Structure

The Sponsor has established a formalised structure to ensure sustainability is managed and incorporated across the organisation at all levels. A strong governance structure enables us to implement our sustainability strategy in a coordinated manner, strengthen relations with stakeholders as well as ensure overall accountability.

The Manager's sustainability strategy and management come under the purview of the SSC. The SSC is co-led by the Sponsor's Deputy Group Chief Executive Officer ("CEO") and Group Chief Corporate Officer, and includes CEOs of the Mapletree-sponsored REIT managers, and other members of the Sponsor's senior management team. Ms Ng Kiat, Executive Director and CEO, represented the Manager in this committee in FY19/20.

The SSC is supported by the Sustainability Working Committee, which comprises senior management representatives from the Sponsor across business units and functions, including representation from the Manager and Property Manager of MLT.

To ensure proactive ownership of sustainability in MLT, the Manager has a team of ESG champions who helms the sustainability efforts in MLT's operations. They are responsible for developing annual work plans and targets based on the ESG priorities set for the year. The Manager's Board is updated periodically on key issues including material matters, performance, targets and key initiatives for improvement.

Stakeholder Engagement

The Manager aims to build lasting relationships with our stakeholders by engaging with them on a regular basis to seek feedback and understand their concerns through dedicated engagement channels. These inputs are taken into consideration during the development of our sustainability plans. The Manager has identified five key stakeholder groups that have a significant impact on, or are meaningfully affected by our sustainability performance. Please refer to the table below for more details on the modes of communication and key topics of concerns for the identified stakeholder groups.

Stakeholder Engagement

Key Stakeholders	Engagement Methods	Frequency	Key Topics of Interest
Tenants (existing and potential)	Regular one-on-one meetings to exchange ideas and updates on important initiatives and matters	◆ Throughout the year	• Safety, security and management of premises • Responsiveness to tenant requests and feedback • Competitive rental rates and locations
	Established channels of communication for tenant and property-related issues, such as hotlines and assigning a dedicated asset manager to each property	◆ Throughout the year	
Investors and Unitholders	Timely and transparent updates of financial results and announcements, business developments, press releases and other relevant disclosures via SGXNet and the MLT website	◆ Throughout the year	• Long-term sustainable distribution and total returns • Transparent reporting • Sound corporate governance practices • Business strategy and outlook
	Roadshows and investor conferences	◆ Throughout the year	
	One-on-one meetings and site visits	◆ Throughout the year	
	Webcasts of results briefings	◆ Biannually	
	Annual General Meeting	◆ Annually	
Employees	Induction programme for new employees	◆ Throughout the year	• Equitable remuneration • Fair and competitive employment practices and policies • Safe and healthy work environment • Employee development and well-being
	Training and development programmes	◆ Throughout the year	
	Career development performance appraisals	◆ Annually	
	Recreational and wellness activities	◆ Throughout the year	
	Regular e-mails, meetings and town hall sessions	◆ Throughout the year	
Government and Regulators	Meetings and dialogue sessions	◆ Throughout the year	Compliance with and updates on changing laws and regulations
	Membership in industry associations such as REIT Association of Singapore	◆ Throughout the year	
Business Partners (e.g. Third-Party Service Providers)	Regular operations meeting with service providers and property managers	◆ Monthly	Regular and punctual payments upon enlistment of service
	Established channels of communication for property-related issues	◆ Throughout the year	

◆ Throughout the year ◆ Biannually ◆ Annually ◆ Monthly

At the time of publication, the spread of COVID-19 has caused widespread disruption to global communities. We are concerned about the health and safety of our stakeholders and remain committed to delivering quality services. Together with the Sponsor, we continue to closely monitor the situation and work with our stakeholders to minimise the impact of the disruptions and safeguard the health and safety of our employees and tenants. Please refer to page 135 for more details on the implemented measures.

Materiality Assessment

The Manager reviews the sustainability matters deemed material to MLT's business and stakeholders annually. The review takes into account emerging global and industry trends and the overall local context. The material sustainability matters are prioritised based on their impact on MLT's business, stakeholders and the communities in which it operates. MLT's material sustainability matters in FY19/20 are unchanged.

In line with MLT's commitment towards sustainability, we have also aligned our efforts with the United Nations' Sustainable Development Goals ("SDGs"). The Manager has reviewed the 17 SDGs against our material matters and has chosen to focus on eight SDGs which we could best contribute towards. The table below summarises MLT's material matters, including water as an additional matter, with targets, performance and how we contribute to the SDGs.

Sustainability Pillars	Our Material Matters and Commitments	Current Targets			
		FY19/20	met: ● not met: ●	FY20/21 targets[3]	Contributions to SDGs
Economic	**Economic Performance** *Provide Unitholders with competitive total returns*	Achieve sustainable economic growth in order to provide stable returns to our Unitholders	●	Perpetual targets – Refer to left	8 Decent Work and Economic Growth
Governance	**Anti-corruption** *Conduct our work with utmost integrity and accountability*	Maintain zero incidences of non-compliance with anti-corruption laws and regulations	●	Perpetual targets – Refer to left	17 Partnerships for the Goals
	Compliance with Laws and Regulations *Achieve full regulatory compliance in everything we do*	No material incidences of non-compliance with relevant laws and regulations	●	Perpetual targets – Refer to left	17 Partnerships for the Goals
Social	**Employment and Talent** *Provide a positive work environment for our employees through fair employment practices and equal opportunities*	• Continue to implement fair employment practices and ensure our hiring process remains stringent and offers equal opportunity to all potential candidates • Maintain a diverse and relevant learning and professional development programme	● ●	Perpetual targets – Refer to left	5 Gender Equality; 8 Decent Work and Economic Growth; 10 Reduced Inequalities
	Health and Safety *Maintain a safe environment for all our stakeholders and care for the well-being of our employees*	• Zero incidents resulting in employee permanent disability or workplace fatality • Zero material incidences of non-compliance with health and safety laws and regulations	● ●	Perpetual targets – Refer to left	3 Good Health and Well-Being
	Local Community *Support initiatives and projects that have a positive impact on communities*	Organise or participate in at least two corporate social responsibility ("CSR") events aligned with the Mapletree Group's CSR objectives	●	Perpetual targets – Refer to left	3 Good Health and Well-Being; 17 Partnerships for the Goals
Environment	**Energy** *Improve our energy performance and efficiency*	• Reduce energy intensity by 2.5% to 3% across the Singapore, Hong Kong SAR and Vietnam portfolios from FY18/19 baseline • Increase solar energy generating capacity across MLT's portfolio by 15% to 20% from FY18/19 baseline	● ●	• Reduce energy intensity across the Singapore, Hong Kong SAR, Vietnam, China and Malaysia portfolios by 2.0% to 2.5% from FY19/20 baseline • Increase solar energy generating capacity across MLT's portfolio by 15% to 20% from FY19/20 baseline	7 Affordable and Clean Energy; 9 Industry, Innovation and Infrastructure; 13 Climate Action
Additional Matter	**Water** *Manage our water resources in a sustainable manner*	N.A.	N.A.	Progressively upgrade toilets in Singapore to achieve at least a 3-tick Water Efficiency Label (WEL)	N.A.

Note:

[3] The FY20/21 targets were established at the point of writing, and may be revised depending on the progression of the COVID-19 situation.

Sustainability
Sustainability Report

Economic

Economic Performance

MLT's mission is to provide Unitholders with competitive total returns through regular distributions and growth in asset value. The Manager aims to achieve that by following a "Yield + Growth" strategy – optimising yield on existing assets and augmenting growth through value-enhancing acquisitions or development projects, while maintaining a prudent capital management approach.

In line with this approach, MLT achieved another year of growth in distribution and asset value for our Unitholders in FY19/20. For details on economic performance, please refer to the AR's Financial Review, pages 29 to 34, as well as its Financial Statements, pages 145 to 244.

Governance

Anti-Corruption and Compliance with Laws and Regulations

The Manager is committed to upholding the highest standards of corporate governance and transparency in our business operations. This includes ensuring compliance with local laws and regulations in markets where we operate and adopting a zero-tolerance approach towards corruption and bribery.

GROUPWIDE-POLICIES:
- Annual Employee Declaration
- Anti-Corruption
- Anti-Money Laundering
- Code of Conduct
- Confidentiality of Information
- Contract Review
- Dealing in Units of the Sponsor's REITs
- Enterprise Risk Management Framework
- Gifts
- Personal Data
- Securities Trading
- Whistleblowing

Our Targets and Performance

FY19/20 targets	Performance	FY20/21 targets
Maintain zero incidences of non-compliance with anti-corruption laws and regulations	✔	Perpetual targets – refer to left
No material incidences of non-compliance with relevant laws and regulations	✔	

Compliance with Laws and Regulations

Ensuring high levels of corporate governance and transparency across our business operations is of utmost importance to us. The Manager has in place a robust corporate governance framework which provides specific guidance on compliance with laws and regulations, anti-corruption practices and risk management. Procedures are also in place to assess and manage the risk of non-compliance, including anti-money laundering policies, trading bans and pre-trading notifications. For more information on MLT's corporate governance framework and practices, please refer to pages 105 to 122 of the AR.

As MLT operates in several geographies, the Manager works with the Property Manager to closely monitor changes in the regulatory environment and abide by the relevant local laws and regulations of the respective markets where we have a presence. Employees are kept up-to-date on developments or changes to the applicable laws and regulations through regular training. Courses are also available for the Board of Directors to receive further relevant training of their choice in connection with their duties as Board of Directors of the Manager. The Board of Directors are also updated on any material changes to relevant laws, regulations and accounting standards by way of briefings by professionals or updates issued by the Manager.

In addition, our operations are guided by our enterprise risk management framework as well as a system of prudent and effective controls which enable the assessment and management of financial, operational and compliance risks. Please refer to the Risk Management section on pages 123 to 125 of the AR.

Anti-Corruption

The Sponsor and the Manager have a zero-tolerance policy towards bribery and corruption. All employees are required to adhere to the Sponsor's policies relating to anti-corruption and the prohibition of bribery, acceptance or offer of lavish gifts or entertainment, which are detailed in the Employee Handbook. The Manager reserves the right to terminate an employee's services if he or she is found to have breached the terms laid out in the policies, including committing fraud, dishonesty or criminal conduct in relation to his or her employment. A whistleblowing policy is in place to provide employees and external parties a channel to raise concerns about illegal, unethical or otherwise inappropriate behaviour observed in our workplace. Reports can be made via a dedicated e-mail address (reporting@mapletree.com.sg). We have established strict confidentiality standards to ensure whistle-blowers are protected from reprisals or victimisation. Where there are cases of threatened or pending litigation, they are also promptly reported to the CEO of the business unit, Head of Group Corporate Service and Group General Counsel for timely resolution.

Responsible Marketing and Communication

In upholding transparency across MLT's business operations, the Manager is committed to providing reliable marketing information. All marketing materials concerning our properties are reviewed to ensure accuracy, consistency and compliance with policies such as the Singapore Code of Advertising Practice.

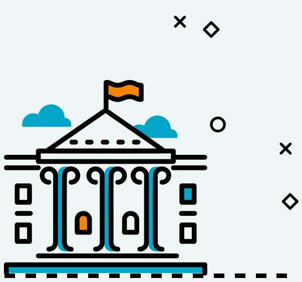
We also extend this responsibility to our tenants by requiring them to abide by the relevant laws and regulations governing marketing communications and advertisement placements within our properties.

The Manager is committed to provide timely and transparent communication to our unitholders through multiple channels. The Manager ensures relevant announcements are published via SGXNet promptly and information uploaded on the corporate website is up-to-date. The Manager regularly engages its investors through various channels such as annual general meeting and biannual results webcast. In addition, the Manager reviews investor relations materials to ensure accuracy, consistency and compliance with our policies.

Data Protection

The Manager strictly complies with the Personal Data Protection Act and confidentiality clauses are included in all tenancy agreements. To mitigate the threat of cyber-crime and cyber-attacks, we ensure stringent adherence to information security policies and procedures set out by the Sponsor. MLT's privacy statement is published on its website. Stakeholders are encouraged to raise any privacy related matter or concerns to the Data Protection Officer via a dedicated e-mail address which is also available on the website.

In FY19/20, there were no material breaches of relevant local laws and regulations, including anti-corruption, marketing communications, socio-economic and environmental laws.



Social

Employment and Talent Retention

At MLT, we recognise that our people are our most valuable asset and are key to our long-term growth and success. Guided by the Sponsor's policies on employment and talent retention, the Manager is committed to building an inclusive, diverse, engaging and nurturing workplace for all employees. Through fair hiring, competitive compensation, professional development and employee engagement, the Manager strives to be an employer of choice.

GROUPWIDE-POLICIES:

- Compensation, Benefits and Leave
- Learning and Development
- Performance Management
- Resourcing and Employment
- Safety and Health
- Talent Management
- Overseas Business Travel and International Assignment

Our Targets and Performance

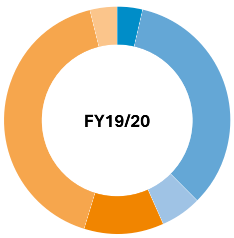
FY19/20 targets	Performance	FY20/21 targets
Continue to implement fair employment practices and ensure our hiring process remains stringent and offers equal opportunity to all potential candidates	✓	Perpetual targets – refer to left
Maintain a diverse and relevant learning and professional development programme	✓	

Sustainability
Sustainability Report

Social

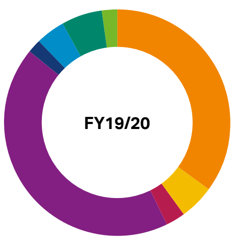
Employment and Talent Retention

Age and Gender Diversity

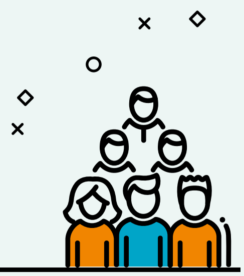


Gender and Age Group	Number of Employees[4]
Males, <30 y.o.	12 (5%)
Males, 30 – 50 y.o.	82 (32%)
Males, >50 y.o.	12 (5%)
Females, <30 y.o.	30 (12%)
Females, 30 – 50 y.o.	107 (42%)
Females, >50 y.o.	10 (4%)

Employee Profile by Geographic Markets



Country	Number of Employees[4]
Singapore	89 (35%)
Hong Kong SAR	13 (5%)
Japan	7 (3%)
China	109 (43%)
Australia	4 (2%)
South Korea	10 (4%)
Malaysia	16 (6%)
Vietnam	5 (2%)



Diverse Workforce

The Manager upholds a stringent and comprehensive hiring process which is in line with the Sponsor's employment policies aimed at ensuring fair recruitment based on merit and without discrimination. In addition, the Sponsor endeavours to identify and recruit potential talents through various initiatives such as the Mapletree Associate Programme, Mapletree Executive Programme and Mapletree Internship Programme. In FY19/20, the average new hire rate was 1.9% while the average turnover rate was 1.6%. As at 31 March 2020, the Manager and the Property Manager had an average headcount of 253[5] permanent and full-time employees across eight geographic markets. Our employee profile in terms of age and gender, bears testament to our sustained commitment to maintaining a diverse workforce.

Successful Employment and Talent Retention

Investing in our people is critical to our success. Beyond attracting talent, the Sponsor's Human Resource ("HR") policies are aimed at motivating and retaining employees. These include promoting a culture of continuous learning and development by offering a wide range of learning and development programmes as well as the adoption of a pay-for-performance remuneration system.

Competitive and Fair Remuneration System

The Sponsor adopts a fair remuneration and reward system that is market competitive and anchored on a performance-driven approach. An electronic performance appraisal system that is available across all operating countries tracks key performance indicators and records employees' personal achievements and development in the year. In FY19/20, all employees of the Manager and the Property Manager had their regular performance review conducted at least once.

Career Development Opportunities

The professional development of our employees is also important in nurturing an effective workforce. The Manager supports career development via the Sponsor's learning and development programmes, which seek to equip employees with the right competencies and skill sets to excel in their job roles as well as contribute to their personal progression. In FY19/20, employees of the Manager and the Property Manager attended a variety of 142 training programmes. These programmes cover a broad range of topics that are relevant to different job responsibilities and career phases.

Notes:
4 Computed based on the average number of employees in FY19/20.
5 Total headcount includes employees of the Manager and the Property Manager of MLT.

The table below highlights some of these in-house and external training programmes.

Training categories	Examples of training programmes
Business ethics	• Ethical issues for accountants: reducing potential ethical breaches • Rules and ethics course
Facilities management and safety	• Fire safety manager course • Lift course for facility managers • CERT first aider course
Functional/technical	• Business analytics and reporting • E-Procurement user training • Financial modelling • Crisis communications • Mapletree Service with a Difference Programme
Leadership	• Mapletree Leadership Foundation Programme
Orientation	• Mapletree Immersion Programme
Professional skills	• Conversational English Training Programme • Mapletree Learning Fiesta • The Effective Communicator

Employee Engagement

The Manager engages employees through regular communication sessions to ensure that their views are always heard. These sessions include an annual town hall event and dialogue sessions with senior management, which allow employees to interact and provide feedback to the senior management team. Additionally, the Sponsor conducts a Group-wide Employee Engagement Survey ("EES") once every two to three years to measure employee satisfaction and gather feedback from the employees. The survey provides insights into employee-related concerns including training and development, pay and benefits, as well as employee engagement and empowerment. The upcoming EES is scheduled to be conducted by the end of 2020.

The Sponsor also seeks to foster a workplace culture that supports employee well-being and health and wellness by promoting a safe, healthy and positive work environment. To this end, the Mapletree Recreation Club regularly organises social events for employees. In FY19/20, these events included Durian Fest 2019 and Mapletree Family Movie Event 2019 which were well attended by over 400 staff, including those from the Manager.

Mapletree Learning Fiesta

In July 2019, employees from the Manager and Property Manager had the opportunity to participate in the Mapletree Learning Fiesta organised by the Sponsor. Themed "Innovation and Change", the two-day event was a learning carnival that aimed to spark excitement in self-directed lifelong learning. Through a series of workshops, talks by industry speakers, a book-and-magazine fair and games, participants learnt about new digital trends and how they could embrace them in their personal and work lives. The event also saw participants being introduced to emerging technologies such as Artificial Intelligence and Virtual Reality through the Infocomm Media Development Authority Lab on Wheels programme.

Singapore colleagues being treated to a scrumptious feast of the king of fruits at the Mapletree Durian Fest 2019

Sustainability
Sustainability Report

Social

Health and Safety

As a landlord and employer, we place a strong emphasis on safeguarding the health and safety of our tenants, third-party service providers ("TPSPs"), visitors and employees. We are also committed to adhering to the local safety laws and regulations in each of our geographic markets while achieving the highest industry safety standards.

GROUPWIDE-POLICIES:
- Safety and Health

Our Targets and Performance

FY19/20 targets	Performance	FY20/21 targets
Zero incidents resulting in employee permanent disability or workplace fatality	✓	Perpetual targets – refer to left
Zero material incidences of non-compliance with health and safety laws and regulations	✓	

Building a Safety Culture
The Manager and Property Manager work closely to establish a comprehensive set of policies and procedures aimed at upholding the health and safety of our stakeholders. Employees are guided by the health and safety policies outlined in the Employee Handbook while safety rules and guidelines for tenants are detailed in the Fit-Out Manual and Tenant Handbook. There are also established emergency preparedness protocols and incident reporting procedures to ensure timely investigation of all workplace incidents and the execution of preventive and corrective actions, where necessary, to prevent future recurrence of the incidents.

In addition, the Manager strives to imbue a culture of safety amongst employees by encouraging employees to take personal and collective responsibility to maintain a healthy and secure workplace. Employees are encouraged to attend health and safety related courses which are offered and publicised via monthly training calendar reminders throughout the year. In FY19/20, employees of the Property Manager attended several health and safety courses which included topics on occupational first aid, lift and escalator maintenance and Work at Height safety. These courses ensure employees are well-equipped to support safe operations. Other business continuity measures, including fire and safety drills, were tested and fine-tuned at our properties during the year, while the properties were subjected to fire safety audits.

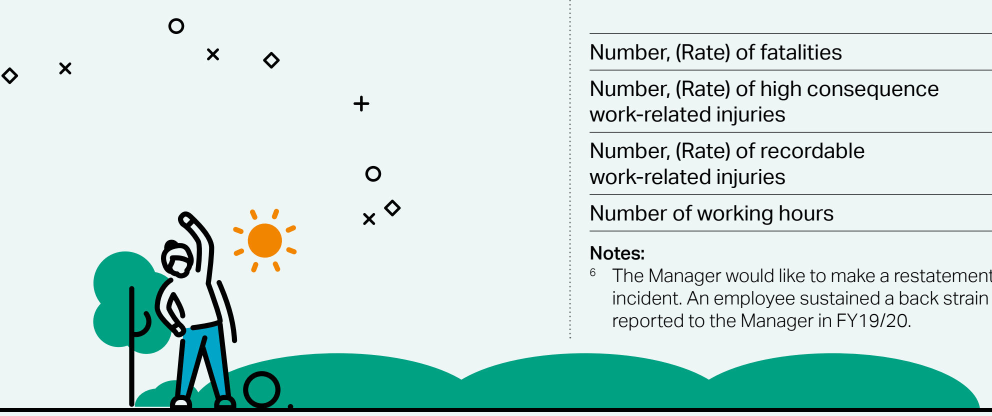
The health and safety performance of our TPSPs is monitored through regular spot checks to ensure their adherence to good health and safety practices and compliance with applicable health and safety regulations. Prior to the commencement of a new project, contractors are required to submit a Risk Management Plan to ensure risks have been identified and planned for. Throughout the contract period, the Property Manager holds monthly discussions with them to discuss and monitor their performance. During these discussions, feedback on any health and safety concerns is also gathered.

There were no incidents of non-compliance with health and safety regulations within the reporting period. Please see the table below for our performance on health and safety. In FY19/20, there was one work incident that resulted in recordable work-related injuries for two third-party workers in Singapore. The incident relates to a boom lift that was accidentally struck by a trailer container at the loading bay of one of our properties. A thorough investigation was conducted and the Manager and the Property Manager took corrective actions such as reviewing risk assessment

Work-related Injuries

	Employees		TPSPs	
	FY18/19	FY19/20	FY18/19	FY19/20
Number, (Rate) of fatalities	0, (0.0)	0, (0.0)	0, (0.0)	0, (0.0)
Number, (Rate) of high consequence work-related injuries	0, (0.0)	0, (0.0)	0, (0.0)	0, (0.0)
Number, (Rate) of recordable work-related injuries	1, (1.9)[6]	0, (0.0)	0, (0.0)	2, (1.2)
Number of working hours	523,770	563,550	1,201,038	1,677,126

Notes:
6 The Manager would like to make a restatement of our FY18/19 reported statistic from zero incident to one incident. An employee sustained a back strain while performing housekeeping tasks and the incident was reported to the Manager in FY19/20.



practices and procedures and conducting additional safety briefings.

In view of the ongoing global pandemic of COVID-19, we remain committed in our duty to safeguard the health and safety of our employees and all stakeholders at our properties, treating the outbreak with utmost vigilance. Together with the Sponsor, the Manager works closely with the public health authorities in managing our approach towards the outbreak by taking the necessary precautionary measures calibrated in line with escalating scenarios to minimise community transmission. These measures are progressively strengthened in line with the national risk assessment levels.

Some of the measures implemented are as follows:

FOR EMPLOYEES:

- Regularly sent health advisories and updates on the situation to all Mapletree employees
- Implemented split team or work from home arrangements and social distancing measures for affected employees
- Complied with all national measures for affected employees who may be issued with a Leave of Absence or Stay-Home Notice
- Established and supported contact tracing measures
- Provided personal protective equipment such as masks, gloves and gowns for frontline employees

FOR TENANTS AND VISITORS:

- Increased frequency of cleaning and disinfection activities, and deep-cleaning of areas should suspected cases arise
- Implemented temperature screening facilities at all entrances to our properties
- Increased availability of hand sanitisers in our properties
- Enforced social distancing in the form of tape markings which were put up at relevant common areas
- Maintained close communications with all tenants, including sending health advisories and updates on mitigation measures
- Enhanced awareness of all visitors through posters and regular announcements to practice good hygiene, social distancing and wearing of masks

Adopting a Holistic Approach to Employee Wellness

In fostering employee well-being, the Sponsor organises various programmes and activities as part of its Wellness@Mapletree initiative. Under this initiative, employees of the Manager and Property Manager are able to participate in mass corporate activities, team challenges and workshops in relation to health and wellness.

During the year, the Sponsor conducted eight mass walks as well as health workshops on the topics of ergonomics and healthy eating, which were all well attended. Since 2013, the Sponsor has also partnered the Health Promotion Board in Singapore to introduce a Healthy Workplace Ecosystem at Mapletree Business City and Harbourfront Centre. External health professionals are engaged to conduct a variety of health-centred activities, including mass exercises and lunchtime wellness talks at the workplace which is open to all Mapletree employees and tenants.

Happiness@Mapletree

The Sponsor launched a three-month long campaign from January to March – Happiness@Mapletree, which emphasises the benefits of practising gratitude. Studies have shown that being thankful can result in more productive, healthier and happier lives. The campaign involved workshops conducted by certified psychologists and raised awareness through posters displayed around the office.

The Manager's Singapore-based employees participating in Mapletree's lunchtime office workout

Sustainability
Sustainability Report

Social

Local Communities

As a responsible corporate citizen, we are committed to delivering positive social impact within our community. In driving social sustainability, we seek to touch lives in a meaningful way through our CSR initiatives that are aligned with the Mapletree group-wide CSR framework.

Our Targets and Performance

FY19/20 target	Performance	FY20/21 target*
Organise or participate in at least two CSR events aligned with the Mapletree Group's CSR objectives	✓	Perpetual targets – refer to left

Note:
* The FY20/21 target was established at the point of writing, and may be revised depending on the progression of the COVID-19 situation.

Mapletree Shaping and Sharing Programme

Mapletree's CSR framework is guided by two broad objectives of empowering individuals through supporting educational and healthcare initiatives, as well as enriching communities with the arts, functional design, and building environmentally sustainable real estate developments. The framework focuses on four key pillars – the arts, environment, healthcare and education as an overarching theme. All initiatives are based on definable social outcomes, long-term engagement and staff volunteerism opportunities.

A dedicated five-member CSR Board Committee provides strategic oversight of the Group's CSR efforts. The Committee comprises Mapletree's Chairman and senior management, as well as board members from Mapletree's REITs. Representatives from the REITs are rotated every two years.

The Sponsor has committed to aligning its business performance with its CSR efforts by setting aside S$1 million annually to fund CSR commitments for every S$500 million of profit after tax and minority interests generated, or part thereof.

Encouraging Self-Initiated Community Efforts

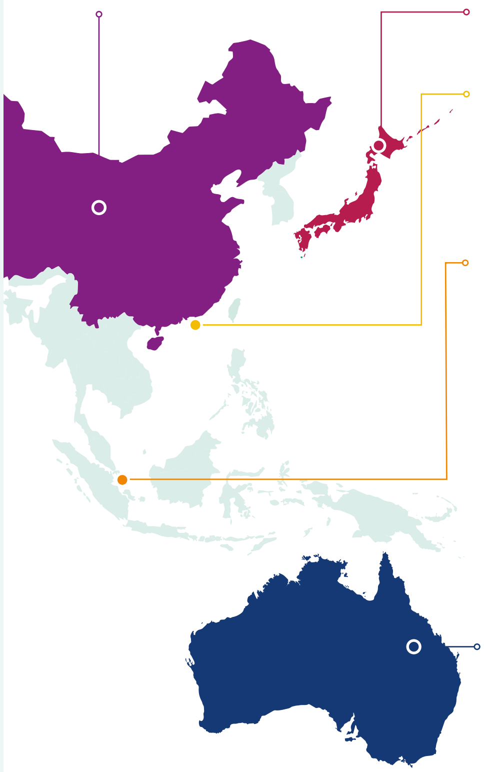
We strive to give back to the communities in which MLT operates by encouraging our employees to volunteer, offering them company time to contribute to non-profit and charitable organisations in the markets where MLT has operations. These efforts are supported by the Sponsor's Staff CSR Programme which provides S$5,000 in seed funding for approved staff-led CSR initiatives. The selection criteria include the proposed initiative's measurable impact, staff commitment and wider participation.

In FY19/20, 48 staff volunteers from the Manager participated in six CSR activities that are aligned with Mapletree's CSR objectives. The figure below highlights the CSR activities held in our countries of operations; all except one were funded by the Sponsor's Staff CSR Programme.

CHINA

Fundraising through a self-organised flea market and donation drive for Shanghai Xuhui District Xing Yu Children's Health Institution*

Shanghai Xuhui District Xing Yu Children's Health Institution often receives donations that are in good condition but unfortunately unsuitable for their use. Not wanting such donations to go to waste, staff from the Mapletree China team, including volunteers from the Manager, collaborated with Xing Yu Children's Health Institution to raise funds from the sale of these items which included toys and handicraft. The flea market was held at Mapletree China's Christmas celebration event, with the proceeds and donations channelled towards the renovation of the classrooms for special needs students.



Donation of sports equipment and book cards to Rongzhi Primary Rehabilitation Training Centre*

Rongzhi Primary Rehabilitation Training Centre was established to care for students with autism and down syndrome. Staff from the Mapletree China team, including volunteers from the Manager, donated sports equipment and book cards to 300 students at the Centre.

JAPAN

Inspiring children at Shisei Gakuen Children's Home*

For the last two years, the Mapletree Japan team, together with staff volunteers from the Manager, has partnered with Shisei Gakuen, a children care home to host foster care children on site visits to MLT's properties. Through these visits, MLT hopes to broaden their horizons and inspire them to pursue their aspirations.

HONG KONG SAR

Bringing joy to the elderly at Caritas Harold H.W. Lee Care and Attention Home*

Staff from the Manager's Hong Kong SAR team visited the Home, where they participated in handicraft activities and distributed gift sets to all 276 elderly.

SINGAPORE

Building People, Helping the Community*

The Manager's Singapore team participated in Project HomeWorks, a programme that aims to support vulnerable elderly and low-income families who need help to rehabilitate their homes into a safe and sanitary state. During the half-day session, Mapletree staff volunteers helped to de-clutter and clean up the homes, including replacing pest-infested furniture, discarding expired food items and repainting walls.

AUSTRALIA

Spreading the Christmas joy

The Manager's Australia team participated in The Smith Family Christmas Toy and Book Appeal to sort through donations and pack gift bags for disadvantaged children for Christmas.

Notes:
* Activities marked by an asterisk were supported by the Sponsor's seed funding programme

1.
Mapletree Singapore team volunteered in Project HomeWorks, a house-cleaning programme for the vulnerable elderly and families

2.
Mapletree Hong Kong team conducting handicraft activities for the elderly at the Caritas Harold H.W. Lee Care and Attention Home

3.
Mapletree Vietnam team hosted students from Singapore Management University for a property visit

Managing Business Impacts on Stakeholders

As part of our commitment to contribute positively to local communities, we strive to avoid and minimise negative impact that may arise from our business activities. From time to time, the Manager undertakes selective redevelopment projects as part of our active asset management programme. Prior to the commencement of any construction activity, a detailed project impact analysis on the surrounding environment, traffic and energy consumption will be conducted. Approvals from the respective regulatory bodies will also be sought to ensure MLT's compliance with the applicable regulatory requirements. In addition, we keep the local community informed on the project and its construction schedule through flyers. The Manager has also put in place robust feedback systems for our stakeholders. Tenants can contact on-site representatives of the Property Manager and members of the public are welcome to provide feedback via the corporate e-mail on our website.

Sharing our Real Estate Expertise

We remain committed to contributing towards the development of the logistics real estate and REIT industry in Singapore. The Manager is a member of several industry organisations including Supply Chain Asia, REIT Association of Singapore ("REITAS") and the American Chamber of Commerce. In FY19/20, our management participated in the REITs Symposium 2019, which saw an attendance of over 1,200 retail investors. Additionally, the Manager also hosted a property visit in Vietnam for over 25 undergraduates from the Singapore Management University as part of their study tour to understand more about Vietnam's real estate investment market.

Sustainability
Sustainability Report

Environment

Energy

As a leading provider of logistics real estate in the Asia Pacific region, we are aware of the impact that our business has on the environment. Through pursuing energy efficiency and renewable energy initiatives, MLT is committed to the continual improvement of our properties' environmental performance to collectively benefit our customers, tenants and Unitholders. Apart from reducing environmental impact, buildings of high sustainability standards are also more cost-efficient to operate and attrative to tenants.

1st
S-REIT to secure sustainability-linked loan for renewable energy initiative

35.3%
increase in total rooftop solar generating capacity from FY18/19 baseline

6.4%
improvement in average building energy intensity across the Singapore, Hong Kong SAR and Vietnam portfolios from FY18/19 baseline

Our Targets and Performance

FY19/20 targets	Performance	FY20/21 targets*
Reduce average building energy intensity by 2.5% to 3% in Singapore, Hong Kong SAR and Vietnam from FY18/19 baseline	✔	Reduce energy intensity across the Singapore, Hong Kong SAR, Vietnam, China and Malaysia portfolios by 2.0% to 2.5% from FY19/20 baseline
Increase solar energy generating capacity by 15% to 20% from FY18/19 baseline	✔	Increase solar energy generating capacity across MLT's portfolio by 15% to 20% from FY19/20 baseline

Note:
* The FY20/21 targets were established at the point of writing, and may be revised depending on the progression of the COVID-19 situation.

Charging Ahead on Solar

In addition to implementing energy efficiency initiatives, the Manager is also a keen adopter of solar energy generation at our properties. In March 2020, we completed a rooftop solar installation at Mapletree Benoi Logistics Hub, MLT's second solar project in Singapore, with a generating capacity of 2,233 kWp. Following this, MLT's total rooftop solar generating capacity amounts to 8,556 kWp and produces approximately 9,654 MWh of renewable energy annually. This represents a 35.3% increase in solar generating capacity from FY18/19[7] and its impact is equivalent to avoiding approximately 4,200 tonnes of CO_2 emissions annually.

Our Solar Portfolio

JAPAN
X 6
Generating capacity of 4,986 kWp
Up to 5,235 MWh/year

+

SINGAPORE
X 2
Generating capacity of 3,570 kWp
Up to 4,420 MWh/year

=

Reduction of approximately 4,200 tonnes of CO_2 annually

Which is equivalent to approximately

570 cars taken off the road for a year

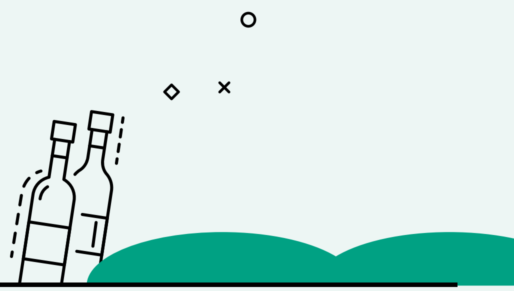
71,248 trees cleansing the air for a year

9,898 barrels of oil consumption avoided

Note:
[7] Due to the divestment of two properties in Japan in FY19/20, the solar generating capacity in FY18/19 has been adjusted from 7,509 kWp to 6,323 kWp.

First S-REIT to Link Renewable Energy Generating Target to Sustainable Finance

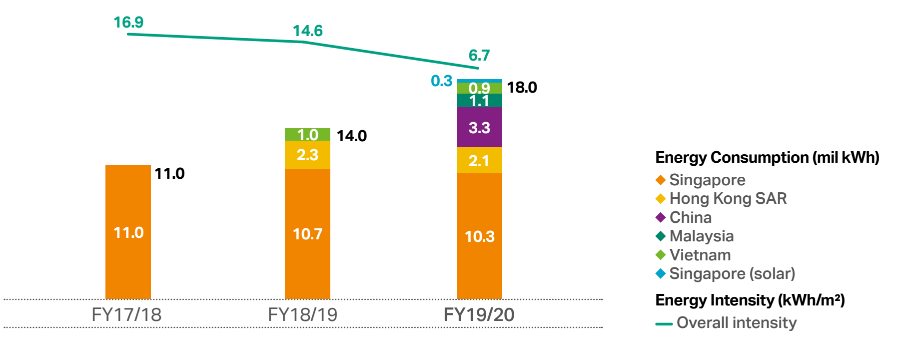
The Manager is proud to have made our first venture into sustainable financing, having secured a sustainability-linked loan from OCBC Bank. The S$200 million loan is designed with reference to MLT's rooftop solar installation programme for its logistics properties in Asia Pacific over a duration of six years. In the next three years, the Manager plans to install at least eight other rooftop solar projects in Singapore and pilot this programme in other markets such as Australia and China. The Manager will report its progress annually and will be eligible for a discount on the interest rate charged if it meets its renewable energy generation target. We are also pleased to announce that MLT is the first S-REIT to have linked its renewable energy generation target to sustainable financing.



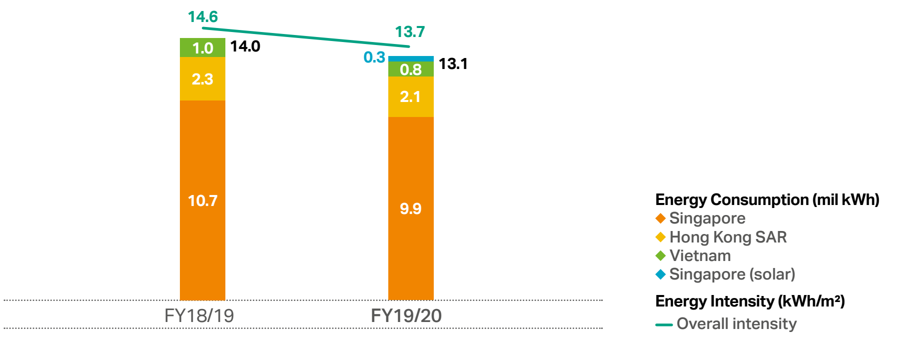
Managing Energy Use

The Manager has adopted a phased approach to reporting its energy consumption across its operating markets to improve data representation year on year. In FY19/20, the energy reporting scope has been expanded to include China and Malaysia, in addition to Singapore, Hong Kong SAR and Vietnam.

Energy Consumption and Intensity



Like-for-like Energy Consumption and Intensity



Building Energy Consumption

	FY17/18	FY18/19	FY19/20
Total energy consumed (mil kWh)	11.0	14.0	**18.0**
Total purchased electricity (mil kWh)	11.0	14.0	**17.7**
Total solar energy consumed (mil kWh)	n.a.	n.a.	**0.3**
Excess solar energy sold to grid (mil kWh)	n.a.	n.a.	**1.1**
Geographies included	Singapore	Singapore, Hong Kong SAR, Vietnam	**Singapore, Hong Kong SAR, Vietnam, China, Malaysia**

MLT uses a combination of purchased electricity, solar energy, natural gas and diesel to power its buildings. Natural gas and diesel make up less than 1% of energy used throughout year, and as such is excluded from reporting. The total building energy consumption across MLT's portfolio increased by 28.3% from FY18/19 due to the inclusion of two new geographies, China and Malaysia. However, the energy intensity of the five markets in aggregate showed a significant reduction due to the characteristics of the newly included properties in China and Malaysia. The majority of the assets in these two countries are single-storey warehouses with small common areas. Furthermore, some warehouses are ambient warehouses where no air-conditioning is used. As such, landlord energy consumption for these assets is minimal.

A like-for-like comparison between FY18/19 and FY19/20 focusing on the Singapore, Hong Kong SAR and Vietnam portfolios shows that MLT's energy intensity has improved by 6.4% from 14.6 kWh/m² to 13.7 kWh/m². The improvement in energy intensity reflects our continual efforts in reducing energy use and improving energy efficiency. In our properties, lighting and air-conditioning are the main sources of energy consumption.

Sustainability
Sustainability Report

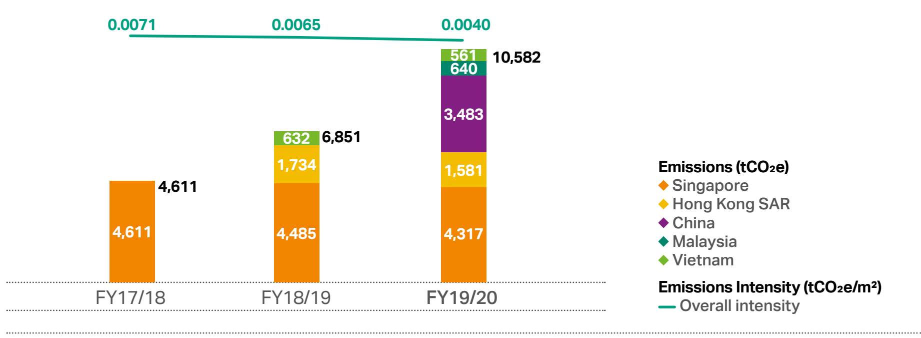
Environment

Energy

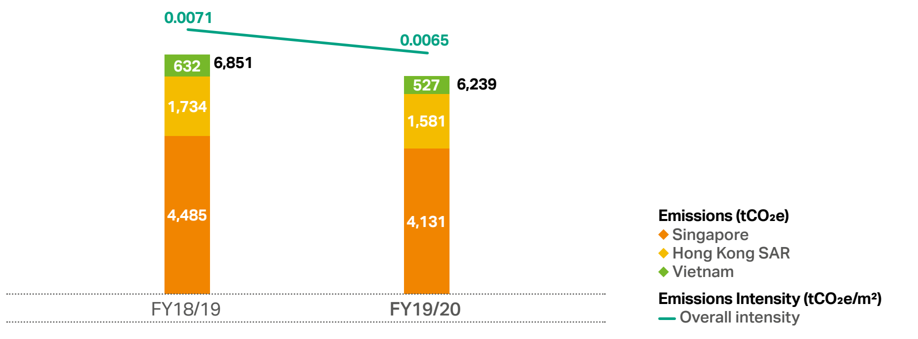
During the year, MLT persisted in its efforts to improve energy efficiency for these energy-intensive equipment. Conventional lighting was replaced with LED lighting in 10 properties across Singapore, Hong Kong SAR and Vietnam, which helped to reduce energy consumption and GHG emissions. In Singapore, the air-conditioning systems at four properties were also upgraded to R410A models which use more environmentally friendly hydrofluorocarbon refrigerants and are more efficient.

Reducing our Emissions
Correspondingly, Scope 2 emissions arising from the use of purchased electricity showed a 54.5% increase to 10,582 tCO_2e primarily due to the inclusion of China, where grid emissions are relatively high. In the like-for-like comparison across the Singapore, Hong Kong SAR and Vietnam portfolios, MLT achieved a 8.9% decrease in absolute emissions and emissions intensity from FY18/19.

Portfolio Emissions and Intensity



Like-for-Like Emissions and Intensity



Solar panel installation at Mapletree Benoi Logistics Hub

Water

While water is not a material matter for MLT, we are cognisant of the importance of prudent water use in water-stressed countries where we operate in such as Singapore and China. Water is also essential to the business operations of Mapletree as it is consumed by employees, tenants, suppliers and visitors of the properties. As such, MLT has committed to reducing our water use by improving water efficiency in our properties.

22.2%
reduction in like-for-like water intensity from FY18/19

30%
savings in water use from cooling tower upgrade at Tic Tech Centre

60%
potential water savings at 85 Defu Lane from replacement of air-conditioning units with efficient VRV systems

Our Target

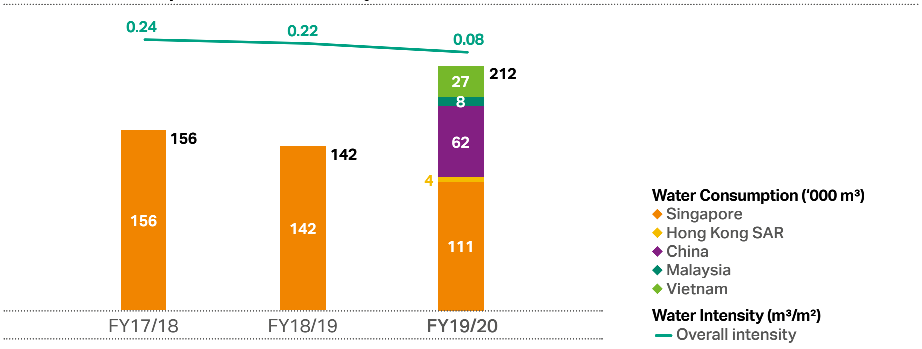
FY20/21 target

Progressively upgrade toilets in Singapore to achieve at least a 3-tick Water Efficiency Label (WEL)

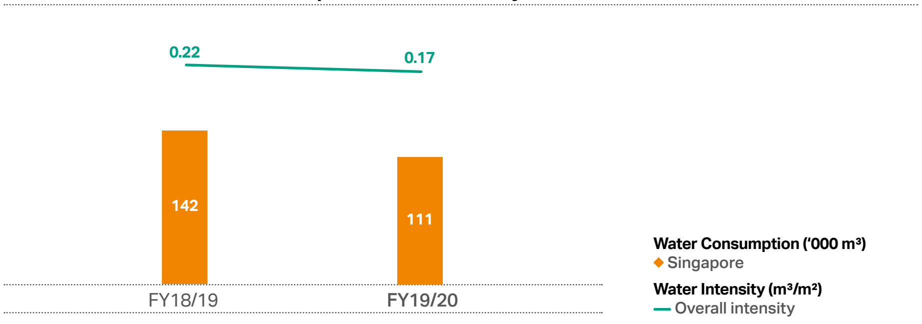
Water Efficiency and Savings

The scope of reporting on water use has expanded to include Hong Kong SAR, Vietnam, China and Malaysia, in addition to Singapore this year.

Water Consumption and Intensity



Like-for-Like Water Consumption and Intensity



In FY19/20, MLT consumed a total of 212,076 m^3 of water across its portfolio, with the increase in water use being due to the inclusion of four more countries within the reporting scope. However, water intensity declined sharply across its total portfolio due to the addition of new assets in China and Malaysia with small common areas and absence of air-conditioning. A like-for-like comparison of the Singapore portfolio over the past two years showed a 22.2% decrease in water intensity from FY18/19. This decrease can be attributed to increased water efficiency during the year.

In FY19/20, the Manager embarked on several initiatives to reduce our water usage in Singapore. These include upgrading toilets with new water efficient sinks, upgrading the cooling towers at Tic Tech Centre and replacing water cooled air-conditioning units with Variable Refrigerant Volume ("VRV") systems at 85 Defu Lane. VRV systems enable individual control in each room and floor of a building, allowing for flexible temperature adjustments according to needs. It also uses a zero-ozone depletion potential refrigerant, thus reducing its environmental impact. The Property Manager also regularly monitors water consumption to identify water leakages and carry out prompt corrective actions. Moving forward, we will continue our efforts to reduce water consumption.

Sustainability
Sustainability Report

Methodology

This section explains the boundaries, methodologies and assumptions used in the computation of MLT's sustainability data and information.

Employee Data

- Employee data relates to all employees of the Manager and the Property Manager, and does not include workers who are non-employees (e.g. third-party service providers).
- MLT does not have a significant portion of its activities carried out by workers who are not employees.

Occupational Health and Safety

- Work-related injuries are defined as a negative impact on an employee's health arising from exposure to hazards at work. Injuries as a result of commuting incidents are only included if the transport has been organised by the Manager. The rate of work-related injuries is computed based on 1,000,000 man-hours worked.
- High-consequence work-related injuries are defined as work-related injuries that results in a fatality or in an injury from which the worker cannot, does not, or is not expected to recover fully to pre-injury health status within six months. The rate of high-consequence work-related injuries is computed based on 1,000,000 man-hours worked.

Environmental Data

- Data on energy and water in this report pertains only to the landlord consumption within MLT's properties that are within the direct operational control of the Manager.
- Total energy and water consumption, GHG emissions produced and their corresponding intensities reported include all properties within the operational control of MLT and exclude newly-acquired properties without available data and properties undergoing asset enhancement.
- Like-for-like energy and water consumption, GHG emissions and their corresponding intensities include only properties with full-year data for FY18/19 and FY19/20, and exclude properties that have been divested or were undergoing asset enhancement.

Energy

- Purchased electricity and solar generation and use are included in this report. Natural gas and diesel use are excluded due to them making up less than 1% of total energy used across the portfolio.
- Energy intensity is calculated by taking total energy consumption divided by the corresponding Gross Floor Area (GFA).

Rooftop Solar Energy

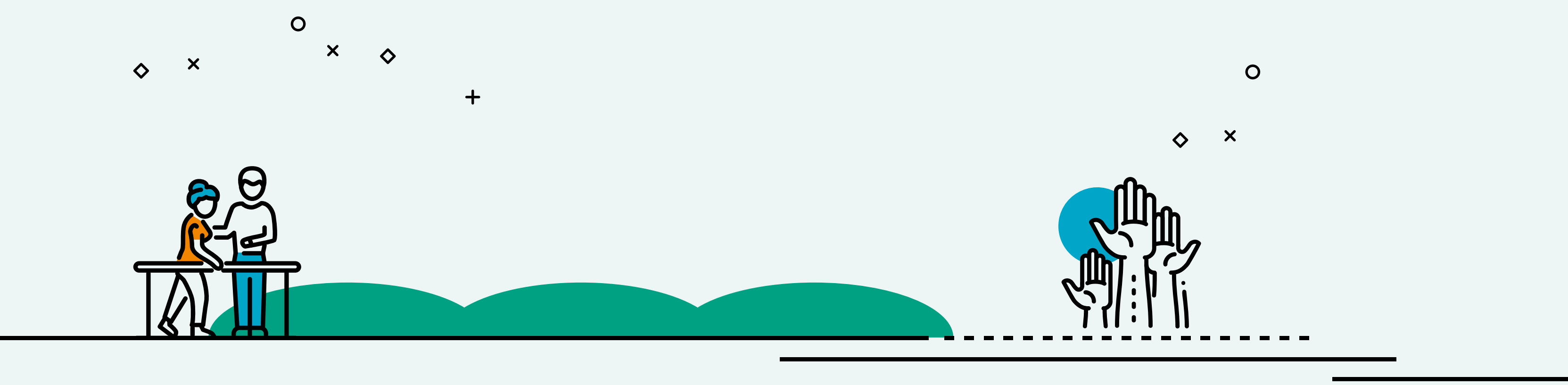
- Total solar yield is estimated using the approximate PV system yield (kWh/kWp) provided by the Solar Energy Research Institute of Singapore (SERIS).
- Estimates for number of trees planted, oil barrels avoided and cars taken off the roads are calculated using estimated coefficients provided by SERIS.

GHG Emissions

- GHG emissions are reported in line with the guidance from the GHG Protocol Corporate Accounting and Reporting Standard. The operational control approach is applied, and the Manager accounts for GHG emissions from operations over which it has operational control.
- Energy indirect (Scope 2) GHG emissions intensity is derived by taking total energy indirect (Scope 2) GHG emissions divided by the corresponding GFA.
- A location-based method is adopted. The grid emission factors used are obtained from: CLP Power Hong Kong (Hong Kong); Energy Market Authority (Singapore) and IGES List of Grid Emission Factors Version 10.7 (China, Malaysia. Vietnam).

Water

- Water intensity is derived by taking total water use divided by the corresponding GFA.



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102-3	Location of headquarters	Annual Report, Corporate Profile	1
102-4	Location of operations	Annual Report, Corporate Profile	1
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		Annual Report, Trust Structure	18
102-6	Markets served	Annual Report, Portfolio Analysis and Review	40-44
102-7	Scale of the organisation	Annual Report, Key Highlights	2-3
102-8	Information on employees and other workers	Employment and Talent Retention	132
102-9	Supply chain	Supply chain activities are minimal and not significant to MLT's operations.	
102-10	Significant changes to the organisation and its supply chain	There were no significant changes during the year that had an impact on the reporting scope of MLT's Sustainability Report.	
102-11	Precautionary Principle or Approach	Annual Report, Risk Management	123-125
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102-40	List of stakeholder groups	Our Sustainability Approach – Stakeholder Engagement	128-129
102-41	Collective bargaining agreements	Not applicable. No collective bargaining agreements are in place.	
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102-49	Changes in reporting	Expansion in geographical scope of energy reporting to include China and Malaysia	139
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Material Topic: Economic performance			
GRI 103 (2016): Management approach			
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GRI 201 (2016): Economic Performance			
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GRI 103 (2016): Management Approach			
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GRI 103 (2016): Management Approach			
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401-1	New employee hires and employee turnover	Social – Employment and Talent Retention –Diverse Workforce	132
GRI 404 (2016): Training and Education			
404-2	Programmes for upgrading employee skills and transition assistance programmes	Social – Employment and Talent Retention –Successful Employment and Talent Retention	132-133
Material Topic: Health and Safety			
GRI 103 (2016): Management approach			
103-1	Explanation of the material topic and its Boundary	Social – Health and Safety	134-135
103-2	The management approach and its components	Social – Health and Safety	134-135
103-3	Evaluation of the management approach	Social – Health and Safety	134-135
GRI 403 (2018): Occupational Health and Safety			
403-1	Occupational health and safety management system	MLT has yet to implement a management system, but has comprehensive policies and procedures to safeguard the health and safety of our stakeholders.	
403-2	Hazard identification, risk assessment, and incident investigation	Social – Health and Safety	134-135
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403-9	Work-related injuries	Social – Health and Safety – Work-related injuries	134
GRI 416 (2016): Customer Health and Safety			
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	Social – Health and Safety – Building a Safety Culture	134
Material Topic: Local communities			
GRI 103 (2016): Management approach			
103-1	Explanation of the material topic and its Boundary	Social – Local Communities	136-137
103-2	The management approach and its components	Social – Local Communities	136-137
103-3	Evaluation of the management approach	Social – Local Communities	136-137
GRI 413 (2016): Local Communities			
413-1	Operations with local community engagement, impact assessments and development programs	Social – Local Communities	136-137
Material Topic: Energy			
GRI 103 (2016): Management approach			
103-1	Explanation of the material topic and its Boundary	Environment – Energy	138-140
103-2	The management approach and its components	Environment – Energy	138-140
103-3	Evaluation of the management approach	Environment – Energy	138-140
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GRI 303 (2016): Emissions			
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Financial Statements

for FY2019/2020

Financial Contents

Report of the Trustee
For the financial year ended 31 March 2020

HSBC Institutional Trust Services (Singapore) Limited (the "Trustee") is under a duty to take into custody and hold the assets of Mapletree Logistics Trust (the "Trust") and its subsidiaries (the "Group") in trust for the holders ("Unitholders") of units in the Trust (the "Units"). In accordance with the Securities and Futures Act, Chapter 289, of Singapore, its subsidiary legislation and the Code on Collective Investment Schemes ("CIS"), the Trustee shall monitor the activities of Mapletree Logistics Trust Management Ltd. (the "Manager") for compliance with the limitations imposed on the investment and borrowing powers as set out in the Trust Deed dated 5 July 2004 (as amended by the Supplemental Deed of Appointment and Retirement of Manager dated 14 June 2005, the Supplemental Deed of Appointment and Retirement of Trustee dated 24 June 2005, the First Amending and Restating Deed dated 24 June 2005, the Third Supplemental Deed dated 21 December 2005, the Fourth Supplemental Deed dated 20 April 2006, the Fifth Supplemental Deed dated 20 October 2006, the Sixth Supplemental Deed dated 30 November 2006, the Second Amending and Restating Deed dated 18 April 2007, the Seventh Supplemental Deed dated 24 June 2010, the Third Amending and Restating Deed dated 6 January 2011, the Eighth Supplemental Deed dated 18 May 2012, the Fourth Amending and Restating Deed dated 26 April 2016 and Ninth Supplemental Deed dated 25 May 2018) (the "Trust Deed") between the Manager and the Trustee in each annual accounting period and report thereon to Unitholders in an annual report.

To the best knowledge of the Trustee, the Manager has, in all material respects, managed the Trust during the period covered by these financial statements, set out on pages 153 to 244 in accordance with the limitations imposed on the investment and borrowing powers set out in the Trust Deed.

For and on behalf of the Trustee,
HSBC Institutional Trust Services (Singapore) Limited

Authorised Signatory

Singapore
28 April 2020

Statement by the Manager

For the financial year ended 31 March 2020

In the opinion of the directors of Mapletree Logistics Trust Management Ltd., the accompanying consolidated financial statements of Mapletree Logistics Trust ("MLT") and its subsidiaries (the "Group") as set out on pages 153 to 244 comprising the Statements of Financial Position and Portfolio Statements of MLT and the Group as at 31 March 2020, the Statements of Profit or Loss, Statements of Comprehensive Income, Distribution Statements and Statements of Movements in Unitholders' Funds of MLT and the Group, the Consolidated Statement of Cash Flows of the Group and Notes to the Financial Statements for the financial year ended 31 March 2020 are drawn up so as to present fairly, in all material respects, the consolidated financial position of the Group and financial position of MLT as at 31 March 2020 and the financial performance, amount distributable and movements in Unitholders' funds of the Group and of MLT and the consolidated cash flows of the Group for the financial year ended 31 March 2020 in accordance with the Singapore Financial Reporting Standards (International) ("SFRS(I)"), and applicable requirements of the Code on Collective Investment Schemes relating to financial reporting (the "CIS Code"). At the date of this statement, there are reasonable grounds to believe that MLT and the Group will be able to meet its financial obligations as and when they materialise.

For and on behalf of the Manager,
Mapletree Logistics Trust Management Ltd.

Ng Kiat
Director

Singapore
28 April 2020

Independent Auditor's Report to the Unitholders of Mapletree Logistics Trust

(Constituted under a Trust Deed in The Republic of Singapore)

Report on the Audit of the Financial Statements

Our Opinion

In our opinion, the accompanying consolidated financial statements of Mapletree Logistics Trust ("MLT") and its subsidiaries (the "Group") and the Statement of Profit or Loss, Statement of Comprehensive Income, Statement of Financial Position, Distribution Statement, Statement of Movements in Unitholders' Funds and Portfolio Statement of MLT are properly drawn up in accordance with the Singapore Financial Reporting Standards (International) ("SFRS(I)"), and applicable requirements of the Code on Collective Investment Schemes relating to financial reporting (the "CIS Code"), so as to present fairly, in all material respects, the consolidated financial position of the Group and the financial position of MLT as at 31 March 2020 and the consolidated financial performance of the Group and the financial performance of MLT, the consolidated amount distributable of the Group and the amount distributable of MLT, the consolidated movements of unitholders' funds of the Group and movements in unitholders' funds of MLT, the consolidated portfolio holdings of the Group and portfolio holdings of MLT and the consolidated cash flows of the Group for the financial year ended on that date.

What we have audited

The financial statements of MLT and the Group comprise:

- the Statements of Profit or Loss of the Group and MLT for the financial year ended 31 March 2020;
- the Statements of Comprehensive Income of the Group and MLT for the financial year then ended;
- the Statements of Financial Position of the Group and MLT as at 31 March 2020;
- the Distribution Statements of the Group and MLT for the financial year then ended;
- the Consolidated Statement of Cash Flows of the Group for the financial year then ended;
- the Statements of Movements in Unitholders' Funds for the Group and MLT for the financial year then ended;
- the Portfolio Statements for the Group and MLT as at 31 March 2020; and
- the Notes to the Financial Statements, including a summary of significant accounting policies.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code.

Our Audit Approach

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the accompanying financial statements. In particular, we considered where management made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

Independent Auditor's Report to the Unitholders of Mapletree Logistics Trust

(Constituted under a Trust Deed in The Republic of Singapore)

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements for the financial year ended 31 March 2020. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	How our audit addressed the Key Audit Matter
Valuation of investment properties	
Refer to Note 14 (Investment Properties) to the financial statements. As at 31 March 2020, the carrying value of the Group's investment properties of $8.5 billion accounted for 94.4% of the Group's total assets. The valuation of the investment properties was a key audit matter due to the significant judgement in the key inputs used in the valuation techniques. These key inputs include, capitalisation rates and discount rates and are dependent on the nature of each investment property and the prevailing market conditions, are disclosed in Note 14. Furthermore, the valuation reports obtained from independent property valuers for certain investment properties have highlighted that, with the heightened uncertainty of the coronavirus disease ("COVID-19") outbreak, the valuation of these investment properties subsequent to valuation date, may change more rapidly and significantly than during normal market conditions.	Our audit procedures included the following: • assessed the competence, capabilities and objectivity of the external valuers engaged by the Group; • obtained an understanding of the techniques used by the external valuers in determining the valuations of individual investment properties; • discussed the critical assumptions made by the external valuers for the key inputs used in the valuation techniques; • tested the integrity of information, including underlying lease and financial information provided to the external valuers; and • assessed the reasonableness of the capitalisation rates and discount rates by benchmarking these against prior year inputs and those of comparable properties based on information available as at 31 March 2020. We found the external valuer to be a member of recognised bodies for professional valuers. We also found that the valuation techniques used were appropriate in the context of the Group's investment properties and the critical assumptions used for the key inputs were within the range of market data. We have also assessed the adequacy of the disclosures relating to the critical assumptions and the impact of COVID-19 on the valuation of investment properties, as we consider them as likely to be significant to users of the financial statements given the estimation uncertainty and sensitivity of the valuations.

Independent Auditor's Report to the Unitholders of Mapletree Logistics Trust

(Constituted under a Trust Deed in The Republic of Singapore)

Other Information

The Manager is responsible for the other information. The other information comprises the information included in the Report of the Trustee, and Statement by the Manager, but does not include the financial statements and our auditor's report thereon, which we obtained prior to the date of this auditor's report, and other sections of MLT's Annual Report 2020 ("Other Sections"), which is expected to be made available to us after that date.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the Other Sections, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the Manager and take appropriate actions in accordance with SSAs.

Responsibilities of the Manager for the Financial Statements

The Manager is responsible for the preparation and fair presentation of these financial statements in accordance with SFRS(I) and applicable requirements of the CIS Code, and for such internal control as the Manager determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Manager is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Manager either intends to terminate the Group or to cease the Group's operations, or has no realistic alternative but to do so.

The Manager's responsibilities include overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

Independent Auditor's Report to the Unitholders of Mapletree Logistics Trust
(Constituted under a Trust Deed in The Republic of Singapore)

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Manager.
- Conclude on the appropriateness of the Manager's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Manager regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Manager with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Manager, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Magdelene Chua.

PricewaterhouseCoopers LLP
Public Accountants and Chartered Accountants

Singapore
28 April 2020

Statements of Profit or Loss
For the financial year ended 31 March 2020

		Group		MLT	
	Note	**2020 S$'000**	2019 S$'000	**2020 S$'000**	2019 S$'000
Gross revenue	3	**490,777**	454,263	**187,619**	164,259
Property expenses	4	**(52,233)**	(64,797)	**(25,843)**	(38,394)
Net property income		**438,544**	389,466	**161,776**	125,865
Interest income	3	**9,816**	8,670	**35,134**	25,680
Dividend income	3	**–**	–	**189,548**	121,611
Manager's management fees	5	**(54,796)**	(49,804)	**(30,856)**	(26,608)
Trustee's fees		**(1,103)**	(1,018)	**(1,103)**	(1,018)
Other trust (expenses)/income	6	**(5,168)**	(15,014)	**(12,976)**	6,303
Borrowing costs	7	**(82,830)**	(72,544)	**(50,363)**	(38,405)
Net investment income		**304,463**	259,756	**291,160**	213,428
Net change in fair value of financial derivatives	8	**(12,487)**	4,117	**(10,853)**	3,705
Amortisation of fair value of financial guarantees		**–**	–	**360**	1,092
Net income		**291,976**	263,873	**280,667**	218,225
Net movement in the value of investment properties	14(b)	**90,969**	202,981	**(26,901)**	6,797
Gain/(loss) on divestment of subsidiaries		**23,877**	–	**(318)**	–
Gain on divestment of investment properties		**34,421**	34,028	**–**	34,028
Realisation of reserve upon liquidation of subsidiaries		**–**	5	**–**	*
Share of results of joint ventures	17	**5,235**	(1,546)	**–**	–
Profit before income tax		**446,478**	499,341	**253,448**	259,050
Income tax	9	**(51,176)**	(42,811)	**(635)**	(3,873)
Profit for the year		**395,302**	456,530	**252,813**	255,177
Profit attributable to:					
Unitholders of MLT		**377,169**	438,987	**235,746**	238,157
Perpetual securities holders		**17,067**	17,020	**17,067**	17,020
Non-controlling interests		**1,066**	523	**–**	–
		395,302	456,530	**252,813**	255,177
Earnings per unit (cents)	10				
– Basic		**10.19**	12.97		
– Diluted		**10.19**	12.97		

* Less than S$1,000

Statements of Comprehensive Income
For the financial year ended 31 March 2020

	Note	Group 2020 S$'000	Group 2019 S$'000	MLT 2020 S$'000	MLT 2019 S$'000
Profit for the year		**395,302**	456,530	**252,813**	255,177
Other comprehensive income/(loss):					
Items that may be reclassified subsequently to profit or loss:					
Cash flow hedges					
– Fair value losses		**(42,954)**	(11,020)	**–**	–
– Reclassification to profit or loss		**(5,977)**	(3,346)	**–**	–
Net currency translation differences relating to financial statements of foreign subsidiaries		**38,361**	4,744	**–**	–
Share of currency translation differences of equity-accounted joint ventures		**(53)**	(1,052)	**–**	–
Net currency translation differences on quasi equity loans		**5,706**	(10,453)	**–**	–
Net currency translation differences on borrowings designated as net investment hedge of foreign operations		**(8,001)**	20,594	**–**	–
Realisation of reserve upon liquidation of subsidiaries		**–**	(5)	**–**	–
Realisation of net currency translation differences upon divestment of subsidiaries		**614**	–	**–**	–
Other comprehensive loss for the year		**(12,304)**	(538)	**–**	–
Total comprehensive income for the year		**382,998**	455,992	**252,813**	255,177
Total comprehensive income attributable to:					
Unitholders of MLT		**364,698**	438,446	**235,746**	238,157
Perpetual securities holders		**17,067**	17,020	**17,067**	17,020
Non-controlling interests		**1,233**	526	**–**	–
		382,998	455,992	**252,813**	255,177

The accompanying notes form an integral part of these financial statements.

Statements of Financial Position
As at 31 March 2020

	Note	Group 2020 S$'000	Group 2019 S$'000	MLT 2020 S$'000	MLT 2019 S$'000
ASSETS					
Current assets					
Cash and cash equivalents	11	**151,210**	104,299	**10,180**	15,910
Trade and other receivables	12	**48,310**	45,639	**113,214**	90,129
Other current assets	13	**19,419**	15,914	**7,102**	5,840
Derivative financial instruments	23	**4,475**	4,863	**2,087**	3,302
		223,414	170,715	**132,583**	115,181
Non-current assets					
Investment properties	14	**8,548,409**	7,693,712	**2,618,186**	2,504,100
Investment in subsidiaries	16	**–**	–	**954,739**	948,943
Investments in joint ventures	17	**37,709**	25,794	**35,125**	28,392
Loans to subsidiaries	18	**–**	–	**1,414,936**	1,207,984
Loans to joint ventures	19	**230,178**	174,773	**230,178**	174,773
Loans to related companies	20	**–**	–	**195,874**	–
Derivative financial instruments	23	**11,663**	13,342	**1,395**	3,665
		8,827,959	7,907,621	**5,450,433**	4,867,857
Total assets		**9,051,373**	8,078,336	**5,583,016**	4,983,038
LIABILITIES					
Current liabilities					
Trade and other payables	21	**194,730**	208,171	**145,737**	126,260
Borrowings	22	**201,869**	31,609	**–**	–
Lease liabilities	22	**9,078**	–	**9,078**	–
Financial guarantee contracts		**–**	–	**553**	913
Current income tax liabilities		**18,431**	11,138	**6,582**	7,469
Derivative financial instruments	23	**4,428**	884	**3,802**	429
		428,536	251,802	**165,752**	135,071
Non-current liabilities					
Trade and other payables	21	**1,901**	2,341	**1,901**	2,341
Borrowings	22	**3,224,086**	2,962,063	**1,693,938**	1,457,931
Lease liabilities	22	**110,158**	–	**110,158**	–
Deferred taxation	24	**192,530**	170,238	**–**	–
Derivative financial instruments	23	**76,671**	24,704	**4,170**	175
		3,605,346	3,159,346	**1,810,167**	1,460,447
Total liabilities		**4,033,882**	3,411,148	**1,975,919**	1,595,518
Net assets		**5,017,491**	4,667,188	**3,607,097**	3,387,520
Represented by:					
Unitholders' funds		**4,580,231**	4,231,731	**3,177,137**	2,957,589
Perpetual securities holders	25	**429,960**	429,931	**429,960**	429,931
Non-controlling interest		**7,300**	5,526	**–**	–
		5,017,491	4,667,188	**3,607,097**	3,387,520
Units in issue ('000)	25	**3,800,274**	3,622,335	**3,800,274**	3,622,335
Net asset value per unit (S$)		**1.21**	1.17	**0.84**	0.82

The accompanying notes form an integral part of these financial statements.

Distribution Statements
For the financial year ended 31 March 2020

	Group		MLT	
	2020 S$'000	2019 S$'000	**2020 S$'000**	2019 S$'000
Profit for the year attributable to Unitholders	**377,169**	438,987	**235,746**	238,157
Adjustment for net effect of non-tax (chargeable)/ deductible items and other adjustments (Note A)	**(75,463)**	(168,959)	**65,960**	31,871
Amount available for distribution	**301,706**	270,028	**301,706**	270,028
Amount available for distribution to Unitholders at beginning of the year	**73,995**	59,907	**73,995**	59,907
	375,701	329,935	**375,701**	329,935
Distribution to Unitholders:				
Distribution of 2.024 cents per unit for the period from 1 January 2019 to 31 March 2019	**(73,316)**	–	**(73,316)**	–
Distribution of 2.025 cents per unit for the period from 1 April 2019 to 30 June 2019	**(73,601)**	–	**(73,601)**	–
Distribution of 2.705 cents per unit for the period from 1 July 2019 to 31 October 2019	**(98,463)**	–	**(98,463)**	–
Distribution of 1.364 cents per unit for the period from 1 November 2019 to 31 December 2019	**(51,791)**	–	**(51,791)**	–
Distribution of 1.937 cents per unit for the period from 1 January 2018 to 31 March 2018	**–**	(59,237)	**–**	(59,237)
Distribution of 1.398 cents per unit for the period from 1 April 2018 to 4 June 2018	**–**	(42,775)	**–**	(42,775)
Distribution of 0.559 cents per unit for the period from 5 June 2018 to 30 June 2018	**–**	(18,131)	**–**	(18,131)
Distribution of 1.893 cents per unit for the period from 1 July 2018 to 27 September 2018	**–**	(61,592)	**–**	(61,592)
Distribution of 2.067 cents per unit for the period from 28 September 2018 to 31 December 2018	**–**	(74,205)	**–**	(74,205)
Total Unitholders' distribution (including capital return) (Note B)	**(297,171)**	(255,940)	**(297,171)**	(255,940)
Amount available for distribution to Unitholders at end of the year	**78,530**	73,995	**78,530**	73,995
Distribution per unit (cents)	**8.142**	7.941	**8.142**	7.941

The accompanying notes form an integral part of these financial statements.

Distribution Statements
For the financial year ended 31 March 2020

	Group		MLT	
	2020 S$'000	2019 S$'000	**2020 S$'000**	2019 S$'000
Note A:				
Adjustment for net effect of non-tax (chargeable)/ deductible items and other adjustments comprise:				
Major non-tax (chargeable)/deductible items:				
– Manager's fees paid and payable in units	**21,729**	16,526	**21,729**	16,526
– Trustee's fees	**1,103**	1,018	**1,103**	1,018
– Net change in fair value of financial derivatives	**12,487**	(4,117)	**10,853**	(3,705)
– Financing fees	**2,794**	1,846	**2,794**	1,846
– Net movement in the value of investment properties net of deferred tax impact	**(74,281)**	(183,927)	**26,901**	(6,797)
– (Gain)/loss on divestment on subsidiaries	**(23,877)**	–	**318**	–
– Gain on divestment on investment properties	**(34,421)**	(34,028)	**–**	(34,028)
– Exchange differences on capital items/ unrealised exchange differences	**13,866**	15,546	**8,698**	(3,138)
– Amortisation of fair value of financial guarantees	**–**	–	**(360)**	(1,092)
– Net effect on lease liabilities	**(9,351)**	–	**(9,351)**	–
Net overseas income distributed back to MLT in the form of capital returns	**–**	–	**(8,515)**	46,438
Other gains	**11,217**	9,742	**11,217**	9,742
Share of results of joint ventures	**(5,235)**	1,546	**–**	–
Other non-tax deductible items and other adjustments	**8,506**	6,889	**573**	5,061
	(75,463)	(168,959)	**65,960**	31,871
Note B:				
Total Unitholders' distribution:				
– From operations	**213,224**	231,952	**213,224**	231,952
– From Unitholders' contribution	**72,540**	16,082	**72,540**	16,082
– From other gains	**11,407**	7,906	**11,407**	7,906
	297,171	255,940	**297,171**	255,940

The accompanying notes form an integral part of these financial statements.

Consolidated Statement of Cash Flows
For the financial year ended 31 March 2020

	Note	Group 2020 S$'000	Group 2019 S$'000
Operating activities			
Profit for the year		**395,302**	456,530
Adjustments for:			
– Income tax	9	**51,176**	42,811
– Interest income	3	**(9,816)**	(8,670)
– Interest expense	7	**74,556**	69,650
– Interest expense on lease liabilities	7	**4,087**	–
– Amortisation		**2,948**	2,091
– Manager's fees paid/payable in units		**21,283**	13,160
– Gain on divestment of subsidiaries	11	**(23,877)**	–
– Gain on divestment of investment properties		**(34,421)**	(34,028)
– Net movement in the value of investment properties	14(b)	**(90,969)**	(202,981)
– Unrealised translation losses		**434**	12,824
– Net change in fair value of financial derivatives		**12,487**	(4,117)
– Realisation of reserve upon liquidation of subsidiaries		**–**	(5)
– Share of results of joint ventures		**(5,235)**	1,546
Operating income before working capital changes		**397,955**	348,811
Changes in working capital:			
– Trade and other receivables		**(11,117)**	(10,750)
– Trade and other payables		**11,113**	28,627
Cash generated from operations		**397,951**	366,688
Tax paid		**(28,686)**	(12,586)
Cash flows from operating activities		**369,265**	354,102
Investing activities			
Interest received		**7,300**	1,574
Net cash outflow on purchase of and additions to investment properties including payment of deferred considerations		**(659,915)**	(938,857)
Purchase of investment properties through purchase of subsidiaries, net of cash acquired		**(50,282)**	(110,746)
Acquisition of joint ventures		**(6,734)**	(28,391)
Loans to joint ventures		**(55,950)**	(181,194)
Proceeds from disposal of interests in subsidiaries, net of cash disposed	11	**42,072**	–
Proceeds from divestment of investment properties		**208,638**	90,030
Deposits placed for acquisition of investment property		**(1,739)**	–
Change in restricted cash		**802**	(985)
Cash flows used in investing activities		**(515,808)**	(1,168,569)
Financing activities			
Proceeds from issuance of new units		**250,001**	594,999
Payments of transaction costs related to the issue of units		**(4,028)**	(10,630)
Contributions from non-controlling interests		**1,246**	–
Proceeds from borrowings		**1,053,401**	1,166,854
Repayment of borrowings		**(719,062)**	(665,372)
Payments of lease liabilities		**(13,438)**	–
Distribution to Unitholders (net of distribution in units)		**(283,452)**	(180,391)
Distribution to perpetual securities holders		**(17,038)**	(17,020)
Distribution to non-controlling interests		**(705)**	(703)
Interest paid		**(75,310)**	(69,859)
Cash flows from financing activities		**191,615**	817,878
Net increase in cash and cash equivalents		**45,072**	3,411
Cash and cash equivalents at beginning of the year		**103,314**	101,217
Effect of exchange rate changes on balances held in foreign currencies		**2,641**	(1,314)
Cash and cash equivalents at end of the year	11	**151,027**	103,314

The accompanying notes form an integral part of these financial statements.

Consolidated Statement of Cash Flows
For the financial year ended 31 March 2020

Reconciliation of liabilities arising from financing activities:

			Non-cash changes				
	1 April 2019 S$'000	Net drawdown/ (payments) S$'000	Adoption of SFRS(I) 16 S$'000	Additions S$'000	Interest Expense S$'000	Foreign exchange movement S$'000	31 March 2020 S$'000
Borrowings	**2,993,672**	**334,339**	**–**	**–**	**–**	**97,944**	**3,425,955**
Interest payable	**10,181**	**(75,310)**	**–**	**–**	**74,556**	**312**	**9,739**
Lease liabilities	**–**	**(13,438)**	**92,644**	**35,943**	**4,087**	**–**	**119,236**

			Non-cash changes				
	1 April 2018 S$'000	Net drawdown/ (payments) S$'000	Adoption of SFRS(I) 16 S$'000	Additions S$'000	Interest Expense S$'000	Foreign exchange movement S$'000	31 March 2019 S$'000
Borrowings	2,511,808	501,482	–	–	–	(19,618)	2,993,672
Interest payable	10,201	(69,859)	–	–	69,650	189	10,181
Lease liabilities	–	–	–	–	–	–	–

The accompanying notes form an integral part of these financial statements.

Statements of Movements in Unitholders' Funds

For the financial year ended 31 March 2020

	Note	Group 2020 S$'000	Group 2019 S$'000	MLT 2020 S$'000	MLT 2019 S$'000
OPERATIONS					
Beginning of the financial year		**1,313,054**	1,113,925	**(27,655)**	(25,954)
Profit attributable to Unitholders of MLT		**377,169**	438,987	**235,746**	238,157
Distributions		**(224,631)**	(239,858)	**(224,631)**	(239,858)
End of the financial year		**1,465,592**	1,313,054	**(16,540)**	(27,655)
UNITHOLDERS' CONTRIBUTION					
Beginning of the financial year		**2,985,244**	2,328,248	**2,985,244**	2,328,248
Creation of new units arising from:					
– Distribution Reinvestment Plan		**13,826**	75,741	**13,826**	75,741
– Settlement of acquisition fees		**1,359**	1,023	**1,359**	1,023
– Settlement of disposal fees		**318**	340	**318**	340
– Settlement of management fees		**19,606**	11,797	**19,606**	11,797
– Private placement		**250,001**	594,999	**250,001**	594,999
Issue expenses	26	**(4,137)**	(10,822)	**(4,137)**	(10,822)
Distributions		**(72,540)**	(16,082)	**(72,540)**	(16,082)
End of the financial year		**3,193,677**	2,985,244	**3,193,677**	2,985,244
HEDGING RESERVES					
Beginning of the financial year		**(11,545)**	2,821	**–**	–
Fair value losses		**(42,954)**	(11,020)	**–**	–
Reclassification to profit or loss		**(5,977)**	(3,346)	**–**	–
End of the financial year		**(60,476)**	(11,545)	**–**	–
FOREIGN CURRENCY TRANSLATION RESERVE					
Beginning of the financial year		**(55,022)**	(68,847)	**–**	–
Net currency translation differences relating to financial statements of foreign subsidiaries		**38,194**	4,741	**–**	–
Share of currency translation differences of equity-accounted joint ventures		**(53)**	(1,052)	**–**	–
Net currency translation differences on quasi equity loans		**5,706**	(10,453)	**–**	–
Net currency translation differences on borrowings designated as net investment hedge of foreign operations		**(8,001)**	20,594	**–**	–
Realisation of reserve upon liquidation of subsidiaries		**–**	(5)	**–**	–
Realisation of net currency translation differences upon divestment of subsidiaries		**614**	–	**–**	–
End of the financial year		**(18,562)**	(55,022)	**–**	–
Total Unitholders' funds at end of the financial year		**4,580,231**	4,231,731	**3,177,137**	2,957,589

The accompanying notes form an integral part of these financial statements.

Statements of Movements in Unitholders' Funds
For the financial year ended 31 March 2020

	Note	Group 2020 S$'000	Group 2019 S$'000	MLT 2020 S$'000	MLT 2019 S$'000
Total Unitholders' funds at end of the financial year (continued)		**4,580,231**	4,231,731	**3,177,137**	2,957,589
PERPETUAL SECURITIES					
Beginning of the financial year		**429,931**	429,931	**429,931**	429,931
Profit attributable to perpetual securities holders		**17,067**	17,020	**17,067**	17,020
Distributions		**(17,038)**	(17,020)	**(17,038)**	(17,020)
End of the financial year	25	**429,960**	429,931	**429,960**	429,931
NON-CONTROLLING INTERESTS					
Beginning of the financial year		**5,526**	5,703	**–**	–
Contribution from non-controlling interests		**1,246**	–	**–**	–
Profit attributable to non-controlling interests		**1,066**	523	**–**	–
Distribution to non-controlling interests (including capital returns)		**(705)**	(703)	**–**	–
Currency translation movement		**167**	3	**–**	–
End of the financial year		**7,300**	5,526	**–**	–
Total		**5,017,491**	4,667,188	**3,607,097**	3,387,520

The accompanying notes form an integral part of these financial statements.

Portfolio Statements
As at 31 March 2020

Group

Description of property	Date of legal completion	Term of lease*	Remaining term of lease*	Location	**Gross revenue for year ended 31/03/2020 S$'000**
Logistics Properties					
Singapore					
25 Pandan Crescent (formerly known as TIC Tech Centre)	28/07/2004	30+30 years	36 years	25 Pandan Crescent	**5,175**
19 Senoko Loop	06/12/2004	30+30 years	34 years	19 Senoko Loop	**1.744**
Expeditors	03/01/2005	30 years	14 years	61 Alps Avenue	**2,402**
Allied Telesis	03/01/2005	30+30 years	44 years	11 Tai Seng Link	**2,087**
Mapletree Benoi Logistics Hub	17/05/2005	30 years	20 years	21 Benoi Sector	**12,692**
37 Penjuru Lane	17/05/2005	30 years	6 years	37 Penjuru Lane	**1,204**
6 Changi South Lane	07/06/2005	30+30 years	35 years	6 Changi South Lane	**2,433**
70 Alps Avenue	16/06/2005	30 years	13 years	70 Alps Avenue	**4,484**
60 Alps Avenue	16/06/2005	29/30 years[i]	12 years	60 Alps Avenue	**2,269**
Ban Teck Han	20/06/2005	30+30 years	36 years	21 Serangoon North Avenue 5	**858**
Mapletree Logistics Hub, Toh Guan	22/06/2005	30+30 years	31 years	5B Toh Guan Road East	**9,193**
50 Airport Boulevard	28/07/2005	60 years	20 years	50 Airport Boulevard	**1,790**
Prima	28/07/2005	99 years	77 years	201 Keppel Road	**2,672**
Pulau Sebarok	28/07/2005	73 years	51 years	Pulau Sebarok	**7,474**
Kenyon	28/11/2005	30+23 years	33 years	8 Loyang Crescent	**2,268**
Toppan	01/12/2005	28+30 years/ 30+30 years[j]	30 years	97 Ubi Avenue 4	**1,775**
39 Changi South Avenue 2	01/12/2005	30+30 years	35 years	39 Changi South Avenue 2	**852**
2 Serangoon North Avenue 5	07/02/2006	30+30 years	36 years	2 Serangoon North Avenue 5	**4,504**
10 Changi South Street 3	10/02/2006	30+30 years	35 years	10 Changi South Street 3	**1,400**
85 Defu Lane 10	07/07/2006	30+30 years	30 years	85 Defu Lane 10	**1,327**
31 Penjuru Lane	18/07/2006	30+13 years	12 years	31 Penjuru Lane	**1.376**
8 Changi South Lane	18/08/2006	30+30 years	37 years	8 Changi South Lane	**1,403**
138 Joo Seng Road	07/09/2006	30+30 years	31 years	138 Joo Seng Road	**1,798**
4 Tuas Avenue 5	13/09/2006	30+30 years	29 years	4 Tuas Avenue 5	**750**
Jurong Logistics Hub	20/10/2006	30+30 years	41 years	31 Jurong Port Road	**20,545**
3 Changi South Lane (formerly known as Kingsmen Creatives)	01/02/2007	30+30 years	39 years	3 Changi South Lane	**248**
1 Genting Lane	08/02/2007	60 years	28 years	1 Genting Lane	**840**
521 Bukit Batok Street 23	28/02/2007	30+30 years	35 years	521 Bukit Batok Street 23	**2,052**

* Refers to the tenure of underlying land. Remaining term of lease includes option to renew land leases, which is subjected to the Group meeting certain conditions and approval is at the discretion of the lessor.

The accompanying notes form an integral part of these financial statements.

Portfolio Statements
As at 31 March 2020

Gross revenue for year ended 31/03/2019 S$'000	**Occupancy rates FY19/20 %**	Occupancy rates FY18/19 %	Latest valuation date	**At valuation at 31/03/2020 S$'000**	At valuation at 31/03/2019 S$'000	**Percentage of total net assets attributable to Unitholders at 31/03/2020 %**	Percentage of total net assets attributable to Unitholders at 31/03/2019 %
4,767	**90**	78	31/03/2020[a]	**55,700**	55,000	**1.2**	1.3
1,813	**90**	83	31/03/2020[a]	**18,100**	18,500	**0.4**	0.5
2,945	**100**	100	31/03/2020[a]	**17,800**	18,300	**0.4**	0.4
2,039	**100**	100	31/03/2020[a]	**23,500**	23,000	**0.5**	0.5
12,999	**100**	100	31/03/2020[a]	**140,000**	138,000	**3.1**	3.3
1,337	**90**	83	31/03/2020[a]	**6,700**	7,000	**0.1**	0.2
2,509	**100**	100	31/03/2020[a]	**23,300**	22,600	**0.5**	0.5
4,344	**99**	99	31/03/2020[a]	**26,800**	27,600	**0.6**	0.7
1,906	**100**	100	31/03/2020[a]	**14,200**	15,100	**0.3**	0.4
1,226	**100**	100	31/03/2020[a]	**25,000**	25,000	**0.5**	0.6
8,199	**100**	100	31/03/2020[a]	**136,500**	136,500	**3.0**	3.2
1,755	**100**	100	31/03/2020[a]	**20,400**	20,400	**0.4**	0.5
2,284	**100**	100	31/03/2020[a]	**44,300**	44,000	**1.0**	1.0
7,893	**100**	100	31/03/2020[a]	**119,600**	119,600	**2.6**	2.8
2,035	**100**	100	31/03/2020[a]	**23,700**	23,600	**0.5**	0.6
1,757	**100**	100	31/03/2020[a]	**18,000**	18,000	**0.4**	0.4
844	**95**	85	31/03/2020[a]	**10,800**	10,800	**0.2**	0.3
4,303	**100**	100	31/03/2020[a]	**54,100**	54,100	**1.2**	1.3
1,540	**73**	100	31/03/2020[a]	**18,100**	18,100	**0.4**	0.4
1,410	**79**	92	31/03/2020[a]	**13,950**	14,300	**0.3**	0.3
1,156	**84**	76	31/03/2020[a]	**10,400**	11,800	**0.2**	0.3
1,440	**95**	100	31/03/2020[a]	**16,000**	16,000	**0.3**	0.4
1,687	**100**	100	31/03/2020[a]	**16,900**	16,900	**0.4**	0.4
866	**100**	63	31/03/2020[a]	**13,000**	12,500	**0.3**	0.3
20,523	**99**	98	31/03/2020[a]	**269,000**	268,700	**5.9**	6.3
2,125	**47**	100	31/03/2020[a]	**16,600**	17,500	**0.4**	0.4
601	**100**	100	31/03/2020[a]	**13,000**	13,000	**0.3**	0.3
2,137	**96**	94	31/03/2020[a]	**22,000**	22,000	**0.5**	0.5

Portfolio Statements
As at 31 March 2020

Group

Description of property	Date of legal completion	Term of lease*	Remaining term of lease*	Location	Gross revenue for year ended 31/03/2020 S$'000
Logistics Properties					
Singapore (continued)					
6 Marsiling Lane	09/03/2007	60 years	18 years	6 Marsiling Lane	**1,959**
31 & 33 Pioneer Road North (formerly known as Union Steel (Pioneer))	30/11/2007	30+30 years	33 years	31/33 Pioneer Road North	**834**
119 Neythal Road	30/11/2007	60 years	20 years	119 Neythal Road	**1,001**
30 Tuas South Avenue 8	30/11/2007	30+30 years	39 years	30 Tuas South Avenue 8	**761**
8 Tuas View Square (formerly known as Union Steel (Tuas View))	30/11/2007	60 years	36 years	8 Tuas View Square	**473**
Pioneer Districentre	14/12/2007	12+12 years	16 years	10 Tuas Avenue 13	**1,047**
Mapletree Pioneer Logistics Hub	24/04/2008	30+30 years	33 years	76 Pioneer Road	**9,493**
3A Jalan Terusan	02/05/2008	30+12 years	17 years	3A Jalan Terusan	**325**
30 Boon Lay Way	30/06/2008	30+15 years	15 years	30 Boon Lay Way	**2,727**
Menlo (Benoi)	30/06/2008	20 years	10 years	22A Benoi Road	**837**
SH Cogent (Penjuru Close)	15/12/2009	29 years	15 years	7 Penjuru Close	**2,579**
15 Changi South Street 2	11/03/2010	25+30 years	34 years	15 Changi South Street 2	**2,564**
Natural Cool Lifestyle Hub	18/08/2010	30+30 years	47 years	29 Tai Seng Avenue	**5,336**
73 Tuas South Avenue 1	25/10/2010	30+30 years	37 years	73 Tuas South Avenue 1	**82**
51 Benoi Road	26/11/2010	30+30 years	35 years	51 Benoi Road	**2,596**
44 & 46 Changi South Street 1	20/12/2010	30/30 years[k]	17 years	44/46 Changi South Street 1	**1,568**
36 Loyang Drive	24/12/2010	30+28 years	31 years	36 Loyang Drive	**1,734**
15A Tuas Avenue 18 (formerly known as Jian Huang Building)	31/03/2011	30 years	17 years	15A Tuas Avenue 18	**2,204**
190A Pandan Loop	18/11/2014	30+30 years	35 years	190A Pandan Loop	**3,097**
4 Pandan Avenue	28/09/2018	30 years	25 years	4 Pandan Avenue	**8,496**
52 Tanjong Penjuru	28/09/2018	30+10 years	29 years	52 Tanjong Penjuru	**11,698**
6 Fishery Port Road	28/09/2018	30+24 years	45 years	6 Fishery Port Road	**15,342**
5A Toh Guan Road East	28/09/2018	30+21 years	22 years	5A Toh Guan Road East	**8,213**
38 Tanjong Penjuru	28/09/2018	30+14 years	30 years	38 Tanjong Penjuru	**5,038**
7 Tai Seng Drive [l]	03/10/2006	30+30 years	33 years	7 Tai Seng Drive	**–**
531 Bukit Batok Street 23 [m]	13/06/2005	30+30 years	36 years	531 Bukit Batok Street 23	**–**

* Refers to the tenure of underlying land. Remaining term of lease includes option to renew land leases, which is subjected to the Group meeting certain conditions and approval is at the discretion of the lessor.

Portfolio Statements
As at 31 March 2020

Gross revenue for year ended 31/03/2019 S$'000	**Occupancy rates FY19/20 %**	Occupancy rates FY18/19 %	Latest valuation date	**At valuation at 31/03/2020 S$'000**	At valuation at 31/03/2019 S$'000	**Percentage of total net assets attributable to Unitholders at 31/03/2020 %**	Percentage of total net assets attributable to Unitholders at 31/03/2019 %
2,171	**100**	100	31/03/2020[a]	**22,300**	20,900	**0.5**	0.5
713	**100**	100	31/03/2020[a]	**7,800**	7,800	**0.2**	0.2
1,054	**93**	81	31/03/2020[a]	**12,800**	12,800	**0.3**	0.3
728	**100**	100	31/03/2020[a]	**8,200**	8,200	**0.2**	0.2
546	**100**	100	31/03/2020[a]	**7,700**	7,700	**0.2**	0.2
997	**100**	100	31/03/2020[a]	**12,800**	12,800	**0.3**	0.3
8,256	**96**	100	31/03/2020[a]	**121,700**	121,700	**2.7**	2.9
1,593	**100**	100	31/03/2020[a]	**16,900**	19,000	**0.4**	0.5
3,044	**80**	77	31/03/2020[a]	**22,000**	23,000	**0.5**	0.5
647	**100**	100	31/03/2020[a]	**5,100**	5,400	**0.1**	0.1
2,107	**100**	100	31/03/2020[a]	**39,900**	42,500	**0.9**	1.0
2,645	**80**	92	31/03/2020[a]	**30,500**	30,500	**0.7**	0.7
5,156	**100**	100	31/03/2020[a]	**60,300**	60,300	**1.3**	1.4
102	**33**	33	31/03/2020[a]	**16,500**	16,500	**0.4**	0.4
3,388	**73**	85	31/03/2020[a]	**42,400**	42,400	**0.9**	1.0
966	**100**	100	31/03/2020[a]	**13,800**	14,000	**0.3**	0.3
1,608	**100**	100	31/03/2020[a]	**14,900**	14,900	**0.3**	0.4
2,155	**100**	100	31/03/2020[a]	**19,500**	20,000	**0.4**	0.5
2,994	**100**	100	31/03/2020[a]	**32,300**	31,900	**0.7**	0.8
4,286	**100**	100	31/03/2020[a]	**130,000**	130,000	**2.8**	3.1
5,901	**100**	100	31/03/2020[a]	**196,000**	196,000	**4.3**	4.6
7,740	**100**	100	31/03/2020[a]	**272,000**	271,800	**5.9**	6.4
4,144	**100**	100	31/03/2020[a]	**120,100**	120,100	**2.6**	2.8
2,542	**100**	100	31/03/2020[a]	**86,000**	86,000	**1.8**	2.0
304	**–**	–	-	**–**	–	**–**	–
32	**–**	–	-	**–**	–	**–**	–

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Group

Description of property	Date of legal completion	Term of lease	Remaining term of lease	Location	**Gross revenue for year ended 31/03/2020 S$'000**
Logistics Properties					
Hong Kong					
Tsuen Wan No.1	26/01/2006	149 years	28 years	Nos. 43-57 Wang Wo Tsai Street, Tsuen Wan, New Territories	**3,499**
Shatin No. 2	26/01/2006	60 years	28 years	Nos. 21-23 Yuen Shun Circuit, Shatin, New Territories	**6,125**
Shatin No. 3	26/01/2006 & 29/01/2018	58 years	28 years	No. 22 On Sum Street, Shatin, New Territories	**16,804**
Shatin No. 4	20/04/2006	55 years	28 years	No. 28 On Muk Street, Shatin, New Territories	**15,082**
Bossini Logistics Centre	06/06/2006	60 years	28 years	Nos. 4-8 Yip Wo Street, Fanling, New Territories	**2,596**
1 Wang Wo Tsai Street	11/09/2006	54 years	28 years	No. 1 Wang Wo Tsai Street, Tsuen Wan, New Territories	**6,375**
Grandtech Centre	05/06/2007	56 years	28 years	No. 8 On Ping Street, Shatin, New Territories	**15,096**
Shatin No. 5	14/08/2007	149 years	28 years	No. 6 Wong Chuk Yeung Street, Shatin, New Territories	**1,637**
Mapletree Logistics Hub Tsing Yi	12/10/2017	50 years	44 years	No. 30 Tsing Yi Road, Tsing Yi, New Territories	**51,223**

The accompanying notes form an integral part of these financial statements.

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Gross revenue for year ended 31/03/2019 S$'000	**Occupancy rates FY19/20 %**	Occupancy rates FY18/19 %	Latest valuation date	**At valuation at 31/03/2020 S$'000**	At valuation at 31/03/2019 S$'000	**Percentage of total net assets attributable to Unitholders at 31/03/2020 %**	Percentage of total net assets attributable to Unitholders at 31/03/2019 %
3,448	**100**	100	31/03/2020[b]	**99,731**	91,563	**2.2**	2.2
5,965	**100**	100	31/03/2020[b]	**171,095**	161,532	**3.7**	3.8
12,071	**100**	100	31/03/2020[b]	**332,021**	289,459	**7.2**	6.8
14,193	**100**	96	31/03/2020[b]	**400,173**	380,505	**8.7**	9.0
2,565	**100**	100	31/03/2020[b]	**77,787**	69,622	**1.7**	1.6
6,596	**100**	100	31/03/2020[b]	**138,268**	131,038	**3.0**	3.1
15,127	**99**	95	31/03/2020[b]	**389,112**	354,503	**8.5**	8.5
1,567	**100**	100	31/03/2020[b]	**47,457**	44,054	**1.0**	1.0
50,563	**100**	100	31/03/2020[b]	**1,016,046**	952,339	**22.3**	22.5

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Description of property	Date of legal completion	Term of lease	Remaining term of lease	Location	Gross revenue for year ended 31/03/2020 S$'000
Logistics Properties					
Japan					
Ayase Centre	27/04/2007	Freehold	–	2-112-1, Yoshioka Higashi, Ayase-shi, Kanagawa	**1,058**
Kyoto Centre	27/04/2007	Freehold	–	1, Shouryuji Tobio, Nagaokakyo-shi, Kyoto	**5,768**
Funabashi Centre	27/04/2007	Freehold	–	488-33, Suzumi-cho, Funabashi-shi, Chiba	**3,557**
Kashiwa Centre	30/09/2008	Freehold	–	1046-1, Aza Nishishimonodai, Takata, Kashiwa-shi, Chiba	**5,166**
Shonan Centre	26/02/2010	Freehold	–	1027-29, Aza Miyagohara, Washinoya, Kashiwa-shi, Chiba	**4,588**
Sendai Centre	03/06/2010	Freehold	–	2-1-6, Minato, Miyagino-ku, Sendai-shi, Miyagi	**1,395**
Iwatsuki Centre[n]	21/09/2010	Freehold	–	850-3, Aza Yonban, Oaza Magome, Iwatsuki-ku, Saitama-shi, Saitama	**599**
Noda Centre	21/09/2010	Freehold	–	2106-1, Aza Kanoyama, Kinosaki, Noda-shi, Chiba	**5,707**
Toki Centre	29/10/2010	Freehold	–	1-1-1, Tokigaoka, Toki-shi, Gifu	**1.443**
Hiroshima Centre	25/03/2011	Freehold	–	3-3, Tomonishi, Asaminami-ku, Hiroshima-shi, Hiroshima	**7,320**
Eniwa Centre	23/03/2012	Freehold	–	345-17, Toiso, Eniwa-shi, Hokkaido	**1.555**

The accompanying notes form an integral part of these financial statements.

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Gross revenue for year ended 31/03/2019 S$'000	**Occupancy rates FY19/20 %**	Occupancy rates FY18/19 %	Latest valuation date	**At valuation at 31/03/2020 S$'000**	At valuation at 31/03/2019 S$'000	**Percentage of total net assets attributable to Unitholders at 31/03/2020 %**	Percentage of total net assets attributable to Unitholders at 31/03/2019 %
1,028	**100**	100	31/03/2020[c]	**18,233**	16,069	**0.4**	0.4
5,607	**100**	100	31/03/2020[c]	**101,567**	91,421	**2.2**	2.2
3,418	**100**	100	31/03/2020[c]	**62,682**	54,122	**1.4**	1.3
5,044	**100**	100	31/03/2020[c]	**101,391**	89,424	**2.2**	2.1
4,488	**100**	100	31/03/2020[c]	**84,792**	75,912	**1.9**	1.8
1,355	**100**	100	31/03/2020[c]	**22,825**	20,451	**0.5**	0.5
1,993	**100**	100	31/03/2020[c]	**5,146**	21,948	**0.1**	0.5
5,568	**100**	100	31/03/2020[c]	**89,843**	80,854	**2.0**	1.9
1,360	**100**	100	31/03/2020[c]	**23,771**	19,721	**0.5**	0.4
7,119	**100**	100	31/03/2020[c]	**116,261**	104,690	**2.5**	2.5
1,512	**100**	100	31/03/2020[c]	**20,664**	18,625	**0.5**	0.4

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Description of property	Date of legal completion	Term of lease	Remaining term of lease	Location	**Gross revenue for year ended 31/03/2020 S$'000**
Logistics Properties					
Japan (continued)					
Sano Centre	23/03/2012	Freehold	–	570-16, Nishiuracho, Sano-shi, Tochigi	**951**
Moriya Centre	23/03/2012	Freehold	–	2-27-1, Midori, Moriya-shi, Ibaraki	**5,382**
Mizuhomachi Centre	23/03/2012	Freehold	–	182, Aza Miyahara, Oaza Fujiyama Kuriharashinden, Mizuho-machi, Nishitama-gun, Tokyo	**3,213**
Aichi Miyoshi Centre	23/03/2012	Freehold	–	5-2-5, Neura-machi, Miyoshi-shi, Aichi	**1,068**
Kyotanabe Centre	23/03/2012	Freehold	–	2-101, Kannabidai, Kyotanabe-shi, Kyoto	**2,014**
Mapletree Kobe Logistics Centre	28/02/2020	Freehold	–	7-1-3, Mitsugaoka, Nishi-ku, Kobe-shi, Hyogo	**1,265**
Gyoda Centre[o]	02/02/2007	Freehold	–	5-9-4, Nagano, Gyoda-shi, Saitama	**(107)**
Atsugi Centre[o]	27/04/2007	Freehold	–	6943-1, Aza Otsukashita Nakatsu, Aikawa-machi, Aiko-gun, Kanagawa	**65**
Iruma Centre[o]	21/09/2010	Freehold	–	803-1 Aza Nishihara, Oaza Kami-Fujisawa, Iruma-shi, Saitama	**46**
Mokurenji Centre[o]	23/03/2012	Freehold	–	53-5, Aza Kakefuchi, Oaza Mokurenji, Iruma-shi, Saitama	**83**

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Gross revenue for year ended 31/03/2019 S$'000	**Occupancy rates FY19/20 %**	Occupancy rates FY18/19 %	Latest valuation date	**At valuation at 31/03/2020 S$'000**	At valuation at 31/03/2019 S$'000	**Percentage of total net assets attributable to Unitholders at 31/03/2020 %**	Percentage of total net assets attributable to Unitholders at 31/03/2019 %
925	**100**	100	31/03/2020[c]	**15,397**	13,877	**0.3**	0.3
5,232	**100**	100	31/03/2020[c]	**91,167**	81,804	**2.0**	1.9
3,145	**100**	100	31/03/2020[c]	**59,400**	52,357	**1.3**	1.2
1,038	**100**	100	31/03/2020[c]	**17,153**	15,338	**0.4**	0.4
1,880	**100**	100	31/03/2020[c]	**34,173**	30,555	**0.7**	0.7
–	**100**	–	31/03/2020[c]	**305,240**	–	**6.6**	–
1,022	**–**	100	–	**–**	15,484	**–**	0.4
2,805	**–**	100	–	**–**	45,844	**–**	1.1
3,083	**–**	100	–	**–**	42,740	**–**	1.0
3,211	**–**	100	–	**–**	54,305	**–**	1.3

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Description of property	Date of legal completion	Term of lease	Remaining term of lease	Location	**Gross revenue for year ended 31/03/2020 S$'000**
Logistics Properties					
Australia					
Coles Chilled Distribution Centre, NSW	28/08/2015	Freehold	–	3 Roberts Road, Eastern Creek, NSW 2766	**15,735**
114 Kurrajong Road & 9 Coventry Place, Mount Druitt, NSW	31/08/2016	Freehold	–	114 Kurrajong Road & 9 Coventry Place, Mount Druitt, NSW 2770	**1,881**
53 Britton Street, Smithfield, NSW	31/08/2016	Freehold	–	53 Britton Street, Smithfield, NSW 2164	**2,143**
405-407 Victoria Street, Wetherill Park, NSW	31/08/2016	Freehold	–	405-407 Victoria Street, Wetherill Park, NSW 2164	**1,255**
3 Distillers Place, Huntingwood, NSW	31/08/2016	Freehold	–	3 Distillers Place, Huntingwood, NSW 2148	**1,161**
99-103 William Angliss Drive, Laverton North, VIC	15/12/2016	Freehold	–	99-103 William Angliss Drive, Laverton North, VIC 3026	**2,231**
213 Robinsons Road, Ravenhall, VIC	15/12/2016	Freehold	–	213 Robinsons Road, Ravenhall, VIC 3023	**2,101**
365 Fitzgerald Road, Derrimut, VIC	15/12/2016	Freehold	–	365 Fitzgerald Road, Derrimut, VIC 3030	**1,385**
28 Bilston Drive, Barnawartha North, VIC	15/12/2016	300 years	287 years	28 Bilston Drive, Barnawartha North, VIC 3691	**5,692**
Coles Brisbane Distribution Centre, 44 Stradbroke Street, Heathwood, QLD (formerly known as Coles Brisbane Distribution Centre, QLD)	28/11/2018	Freehold	–	44 Stradbroke Street, Heathwood, QLD 4100	**6,078**

The accompanying notes form an integral part of these financial statements.

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Gross revenue for year ended 31/03/2019 S$'000	**Occupancy rates FY19/20 %**	Occupancy rates FY18/19 %	Latest valuation date	**At valuation at 31/03/2020 S$'000**	At valuation at 31/03/2019 S$'000	**Percentage of total net assets attributable to Unitholders at 31/03/2020 %**	Percentage of total net assets attributable to Unitholders at 31/03/2019 %
15,166	**100**	100	31/03/2020[d]	**270,858**	285,824	**5.9**	6.8
1,890	**100**	100	31/03/2020[d]	**26,723**	28,055	**0.6**	0.7
2,262	**100**	100	31/03/2020[d]	**29,894**	31,556	**0.7**	0.7
1,373	**100**	100	31/03/2020[d]	**21,560**	22,780	**0.5**	0.5
1,196	**100**	100	31/03/2020[d]	**17,619**	18,223	**0.4**	0.4
2,358	**100**	100	31/03/2020[d]	**33,065**	32,419	**0.7**	0.8
2,220	**100**	100	31/03/2020[d]	**25,365**	26,856	**0.6**	0.6
1,439	**100**	100	31/03/2020[d]	**17,461**	18,487	**0.4**	0.4
6,815	**100**	100	31/03/2020[d]	**60,694**	58,747	**1.3**	1.4
2,180	**100**	100	31/03/2020[d]	**96,476**	100,710	**2.0**	2.4

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Description of property	Date of legal completion	Term of lease	Remaining term of lease	Location	Gross revenue for year ended 31/03/2020 S$'000
Logistics Properties					
South Korea					
Mapletree Logistics Centre - Yeoju	22/02/2008	Freehold	–	348-18 Yanghwa-ro, Neungseo-myeon, Yeoju-si, Gyeonggi-do	**461**
Mapletree Logistics Centre - Baekam 1	14/09/2010 & 31/01/2011	Freehold	–	46 & 54, Jugyang-daero 912beon-gil, Baekam-myeon, Cheoin-gu, Yongin-si, Gyeonggi-do	**2,626**
Mapletree Logistics Centre - Iljuk	06/05/2011	Freehold	–	95-31 Gomongnam-gil, Iljuk-myeon, Anseong-si, Gyeonggi-do	**1,803**
Mapletree Logistics Hub - Pyeongtaek	17/06/2011	Freehold	–	135 Poseunggongdan-ro 117beon-gil, Poseung-eup, Pyeongtaek-si, Gyeonggi-do	**5,789**
Mapletree Logistics Centre - Anseong Cold	13/04/2012	Freehold	–	139-1, Jukhwa-ro, Iljuk-myeon, Anseong-si, Gyeonggi-do	**2,193**
Mapletree Logistics Centre - Yongin Cold	13/04/2012	Freehold	–	260 Hantaek-ro 88beon-gil, Baekam-myeon, Cheoin-gu, Yongin-si, Gyeonggi-do	**2,266**
Mapletree Logistics Centre - Namanseong	26/09/2012	Freehold	–	72 gusu-gil, Miyang-myeon, Anseong-si, Gyeonggi-do	**2,552**
Mapletree Logistics Centre - Seoicheon	04/07/2013	Freehold	–	383, Seoicheon-ro, Majang-myeon, Icheon-si, Gyeonggi-do	**2,742**
Mapletree Logistics Centre - Baekam 2	17/07/2014	Freehold	–	46, Jugyang-daero 904beon-gil, Baekam-myeon, Cheoin-gu, Yongin-si, Gyeonggi-do	**2,860**
Mapletree Logistics Centre - Majang 1	10/12/2014	Freehold	–	113-49 Premium Outlet-ro, Majang-myeon, Icheon-si, Gyeonggi-do	**2,134**
Mapletree Logistics Centre - Hobeob 1	11/06/2015	Freehold	–	626 Iseopdaechun-ro, Hobeob-myeon, Icheon-si, Gyeonggi-do	**1,917**
Mapletree Logistics Centre - Wonsam 1	29/11/2018	Freehold	–	1566 Jugyang-daero, Wonsam-myeon, Cheoin-gu, Yongin-si, Gyeonggi-do	**3,158**
Mapletree Logistics Centre - Hobeob 2	18/02/2020	Freehold	–	217-42, Deokpyeong-ro, Hobeob-myeon, Icheon-si, Gyeonggi-do	**194**

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Gross revenue for year ended 31/03/2019 S$'000	**Occupancy rates FY19/20 %**	Occupancy rates FY18/19 %	Latest valuation date	**At valuation at 31/03/2020 S$'000**	At valuation at 31/03/2019 S$'000	**Percentage of total net assets attributable to Unitholders at 31/03/2020 %**	Percentage of total net assets attributable to Unitholders at 31/03/2019 %
693	**100**	100	31/03/2020[(e)]	**9,585**	10,313	**0.2**	0.2
2,771	**97**	98	31/03/2020[(e)]	**44,534**	45,000	**1.0**	1.0
1,640	**100**	100	31/03/2020[(e)]	**30,183**	30,703	**0.7**	0.7
4,970	**91**	98	31/03/2020[(e)]	**88,929**	91,114	**1.9**	2.2
2,303	**100**	100	31/03/2020[(e)]	**25,842**	28,591	**0.6**	0.7
2,380	**100**	100	31/03/2020[(e)]	**26,008**	28,010	**0.6**	0.7
2,640	**100**	100	31/03/2020[(e)]	**30,448**	30,598	**0.7**	0.7
2,995	**100**	100	31/03/2020[(e)]	**45,169**	47,095	**1.0**	1.1
3,046	**100**	100	31/03/2020[(e)]	**38,407**	39,126	**0.8**	0.9
2,333	**100**	100	31/03/2020[(e)]	**31,478**	32,355	**0.7**	0.8
1,952	**100**	100	31/03/2020[(e)]	**27,720**	28,217	**0.6**	0.7
1,123	**100**	100	31/03/2020[(e)]	**47,116**	49,080	**0.9**	1.2
–	**83**	–	31/12/2019[(e)]	**44,535**	–	**1.0**	–

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Description of property	Date of legal completion	Term of lease	Remaining term of lease	Location	Gross revenue for year ended 31/03/2020 S$'000
Logistics Properties					
China					
Mapletree Ouluo Logistics Park (p)	14/04/2006	50 years	32 years	No. 785 & 909 Yuanhang Road, Pudong New District, Shanghai	**4,656**
Mapletree Xi'an Logistics Park	24/05/2007	50 years	35 years	No. 20 Mingguang Road, Xi'an Economic and Technological Development Zone, Weiyang District, Xi'an, Sha'anxi Province	**792**
Mapletree American Industrial Park	11/12/2007	46 years	33 years	48 Hongmian Road, Xinhua Town, Huadu District, Guangzhou, Guangdong Province	**5,189**
Mapletree Northwest Logistics Park (Phase 1)	19/08/2008	50 years	35 years	No.428 Jinda Road & No.359 Yinxing Road, Taopu Town, Putuo District, Shanghai	**2,735**
Mapletree Northwest Logistics Park (Phase 2)	19/08/2008	50 years	36 years	No. 402 Jinda Road, Taopu Town, Putuo District, Shanghai	**890**
Mapletree Waigaoqiao Logistics Park (q)	23/10/2008	50 years	24 years	No. 80 Fute North Road, WaiGaoQiao FTZ, Pudong New District, Shanghai	**1,699**
Mapletree (Wuxi) Logistics Park	11/01/2013	50 years	36 years	No. 8 Huayou Fourth Road, Wuxi New District, Wuxi, Jiang Su Province	**2,310**
Mapletree (Zhengzhou) Logistics Park	08/10/2014	50 years	42 years	No.221, Xida Road, Zhengzhou National Economic & Technical Development Zone, Zhengzhou, Henan Province	**4,941**
Mapletree Yangshan Bonded Logistics Warehouses (formerly known as Mapletree Yangshan Bonded Logistics Parks)	08/10/2014	50 years	36 years	No.579 & 639 Huigang Road, Yangshan Bonded Port Area, Pudong New District, Shanghai	**3,848**

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Gross revenue for year ended 31/03/2019 S$'000	**Occupancy rates FY19/20 %**	Occupancy rates FY18/19 %	Latest valuation date	**At valuation at 31/03/2020 S$'000**	At valuation at 31/03/2019 S$'000	**Percentage of total net assets attributable to Unitholders at 31/03/2020 %**	Percentage of total net assets attributable to Unitholders at 31/03/2019 %
3,103	**100**	100	31/03/2020[f]	**84,100**	66,245	**1.8**	1.6
795	**89**	89	31/03/2020[f]	**12,876**	12,732	**0.3**	0.3
5,438	**97**	95	31/03/2020[f]	**62,721**	62,243	**1.4**	1.5
2,751	**100**	100	31/03/2020[f]	**37,628**	36,962	**0.8**	0.8
864	**95**	95	31/03/2020[f]	**13,075**	12,792	**0.3**	0.3
2,571	**–**	75	-	**–**	39,792	**–**	0.9
2,344	**100**	100	31/03/2020[f]	**28,945**	28,454	**0.6**	0.7
4,966	**99**	100	31/03/2020[f]	**50,903**	50,745	**1.1**	1.2
3,667	**100**	100	31/03/2020[f]	**48,108**	47,249	**1.1**	1.1

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Description of property	Date of legal completion	Term of lease	Remaining term of lease	Location	Gross revenue for year ended 31/03/2020 S$'000
Logistics Properties					
Malaysia					
Pancuran	31/05/2006	99 years	76 years	Lot 1, Persiaran Budiman, Section 23, 40300 Shah Alam, Selangor Darul Ehsan	**1,724**
Zentraline	06/10/2006	99 years	75 years	Lot 6, Persiaran Budiman, Section 23, 40300 Shah Alam, Selangor Darul Ehsan	**879**
Subang 1	02/11/2006	99 years	76 years	Lot 36545, Jalan TS 6/5 Taman Perindustrian Subang, 47510 Subang Jaya, Selangor Darul Ehsan	**617**
Subang 2	02/11/2006	99 years	69 years	Lot 832, Jalan Subang 6, Taman Perindustrian Subang, 47500 Subang Jaya, Selangor Darul Ehsan	**487**
Chee Wah	11/05/2007	Freehold	–	No. 16, Jalan PPU 3, Taman Perindustrian Puchong Utama, 47100 Puchong, Selangor Darul Ehsan	**467**
Subang 3	10/09/2007	99 years	70 years	Lot 2607, Jalan Subang 6, Taman Perindustrian Subang, 47510 Subang Jaya, Selangor Darul Ehsan	**532**
Subang 4	10/09/2007	99 years	86 years	Lot 298, Jalan Subang 6, Taman Perindustrian Subang, 47510 Subang Jaya, Selangor Darul Ehsan	**259**
Linfox	14/12/2007	Freehold	–	No. 3 Jalan Biola 33/1, Section 33, off Jalan Bukit Kemuning, 40400 Shah Alam, Selangor Darul Ehsan	**1,297**

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Gross revenue for year ended 31/03/2019 S$'000	**Occupancy rates FY19/20 %**	Occupancy rates FY18/19 %	Latest valuation date	**At valuation at 31/03/2020 S$'000**	At valuation at 31/03/2019 S$'000	**Percentage of total net assets attributable to Unitholders at 31/03/2020 %**	Percentage of total net assets attributable to Unitholders at 31/03/2019 %
1,600	**100**	100	31/03/2020[g]	**22,813**	22,578	**0.5**	0.5
866	**100**	100	31/03/2020[g]	**11,292**	11,123	**0.2**	0.3
613	**100**	100	31/03/2020[g]	**9,218**	9,297	**0.2**	0.2
476	**100**	100	31/03/2020[g]	**7,045**	6,973	**0.2**	0.2
471	**100**	100	31/03/2020[g]	**6,518**	6,475	**0.1**	0.2
556	**100**	100	31/03/2020[g]	**7,407**	7,305	**0.2**	0.2
264	**100**	100	31/03/2020[g]	**3,687**	3,652	**0.1**	0.1
1,315	**100**	100	31/03/2020[g]	**17,349**	17,100	**0.4**	0.4

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Description of property	Date of legal completion	Term of lease	Remaining term of lease	Location	Gross revenue for year ended 31/03/2020 S$'000
Logistics Properties					
Malaysia (continued)					
Century	15/02/2008	Freehold	–	Lot No. 1829,1830 and 3399, Jalan Kem, off Jalan Teluk Gong, Kawasan Perindustrian Pandamaran, 42000 Pelabuhan Klang, Selangor Darul Ehsan	**1,358**
G-Force	17/10/2008	Freehold	–	Lor 2-30, 2-32, 2-34, Jalan SU 6A, Persiaran Tengku Ampuan, Lion Industrial Park, Section 26, 40400 Shah Alam, Selangor Darul Ehsan.	**849**
Celestica Hub	18/05/2012	Freehold	–	Lot Nos. 205 & 211, Jalan Seelong, 81400 Senai, Johor Darul Takzim	**992**
Padi Warehouse	29/05/2012	60 years	23 years	PLO 271, Jalan Gangsa, Pasir Gudang Industrial Estate, 81700 Pasir Gudang, Johor Darul Takzim	**622**
Flexhub	30/06/2014	60 years	46 years	No. 11, Jalan Persiaran Teknologi, Taman Teknologi Johor, 81400 Senai, Johor Darul Takzim	**2,876**
Mapletree Shah Alam Logistics Park	14/09/2016	99 years	78 years	No. 14, Persiaran Perusahaan, Section 23, 40300 Shah Alam, Selangor Darul Ehsan	**4,208**
Mapletree Logistics Hub - Shah Alam	31/12/2019	99 years	74 years	Lot 10003, Jalan Jubli Perak 22/1A, Section 22, 40300 Shah Alam, Selangor Darul Ehsan	**4,877**

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Gross revenue for year ended 31/03/2019 S$'000	**Occupancy rates FY19/20 %**	Occupancy rates FY18/19 %	Latest valuation date	**At valuation at 31/03/2020 S$'000**	At valuation at 31/03/2019 S$'000	**Percentage of total net assets attributable to Unitholders at 31/03/2020 %**	Percentage of total net assets attributable to Unitholders at 31/03/2019 %
1,506	**100**	100	31/03/2020[g]	**15,966**	16,103	**0.3**	0.4
837	**100**	100	31/03/2020[g]	**14,485**	14,608	**0.3**	0.3
963	**100**	100	31/03/2020[g]	**12,905**	12,783	**0.3**	0.3
797	**100**	100	31/03/2020[g]	**7,177**	7,305	**0.2**	0.2
2,908	**100**	100	31/03/2020[g]	**31,866**	31,709	**0.7**	0.7
4,130	**100**	100	31/03/2020[g]	**58,663**	58,105	**1.3**	1.4
–	**100**	–	31/03/2020[g]	**274,882**	–	**5.9**	–

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Description of property	Date of legal completion	Term of lease	Remaining term of lease	Location	Gross revenue for year ended 31/03/2020 S$'000
Logistics Properties					
Vietnam					
Mapletree Logistics Centre	01/06/2010	42 years	30 years	No.1 Road No.10, VSIP 1, Binh Hoa Ward, Thuan An Commune, Binh Duong Province	**1,541**
Mapletree Logistics Park Bac Ninh Phase 1	15/07/2015	48 years	37 years	No.1, Street 6, VSIP Bac Ninh, Phu Chan Commune, Tu Son Town, Bac Ninh Province	**2,796**
Mapletree Logistics Park Phase 2	23/09/2016	48 years	36 years	18 L1-2 Street 3, VSIP II, Binh Duong Industry – Service – Urban Complex, Hoa Phu Ward, Thu Dau Mot City, Binh Duong Province	**2,853**
Unilever VSIP Distribution Centre	30/01/2019	36 years	34 years	No.41, Doc Lap Boulevard, VSIP1, Binh Hoa Ward, Thuan An Commune, Binh Duong Province	**4,244**
Mapletree Logistics Park Bac Ninh Phase 2	26/11/2019	48 years	36 years	No. 9, Street No. 6, VSIP Bac Ninh, Phu Chan Commune, Tu Son Town, Bac Ninh Province	**921**
Mapletree Logistics Park Phase 1	26/11/2019	48 years	36 years	18 L2-1, Tao Luc 5 Street, VSIP II, Binh Duong Industry – Service – Urban Complex, Hoa Phu Ward, Thu Dau Mot City, Binh Duong Province	**769**
Gross Revenue / Fair value of investment properties (Note 3 and 14(a))					**490,777**
Add: Carrying amount of lease liabilities (Note 14(a))					
Total investment properties (Note 14(a))					
Other assets and liabilities (net)					
Net assets of Group					
Perpetual securities					
Non-controlling interest					
Net assets attributable to Unitholders					

The accompanying notes form an integral part of these financial statements.

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	Gross revenue for year ended 31/03/2019 S$'000	**Occupancy rates FY19/20 %**	Occupancy rates FY18/19 %	Latest valuation date	**At valuation at 31/03/2020 S$'000**	At valuation at 31/03/2019 S$'000	**Percentage of total net assets attributable to Unitholders at 31/03/2020 %**	Percentage of total net assets attributable to Unitholders at 31/03/2019 %
	1,485	**100**	100	31/03/2020[h]	**12,937**	12,493	**0.3**	0.3
	2,617	**100**	100	31/03/2020[h]	**25,238**	23,877	**0.6**	0.6
	2,724	**100**	100	31/03/2020[h]	**24,435**	23,212	**0.5**	0.5
	704	**100**	100	31/03/2020[h]	**44,820**	43,685	**1.0**	1.0
	–	**100**	–	31/03/2020[h]	**28,817**	–	**0.6**	–
	–	**100**	–	31/03/2020[h]	**23,283**	–	**0.5**	–
	454,263				**8,429,173**	7,693,712	**184.0**	181.8
					119,236	–	**2.6**	–
					8,548,409	7,693,712	**186.6**	181.8
					(3,530,918)	(3,026,524)	**(77.1)**	(71.5)
					5,017,491	4,667,188	**109.5**	110.3
					(429,960)	(429,931)	**(9.4)**	(10.2)
					(7,300)	(5,526)	**(0.1)**	(0.1)
					4,580,231	4,231,731	**100.0**	100.0

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Description of property	Date of legal completion	Term of lease*	Remaining term of lease*	Location	Gross revenue for year ended 31/03/2020 S$'000
Logistics Properties					
Singapore					
25 Pandan Crescent (formerly known as TIC Tech Centre)	28/07/2004	30+30 years	36 years	25 Pandan Crescent	**5,175**
19 Senoko Loop	06/12/2004	30+30 years	34 years	19 Senoko Loop	**1,744**
Expeditors	03/01/2005	30 years	14 years	61 Alps Avenue	**2,402**
Allied Telesis	03/01/2005	30+30 years	44 years	11 Tai Seng Link	**2,087**
Mapletree Benoi Logistics Hub	17/05/2005	30 years	20 years	21 Benoi Sector	**12,692**
37 Penjuru Lane	17/05/2005	30 years	6 years	37 Penjuru Lane	**1,204**
6 Changi South Lane	07/06/2005	30+30 years	35 years	6 Changi South Lane	**2,433**
70 Alps Avenue	16/06/2005	30 years	13 years	70 Alps Avenue	**4,484**
60 Alps Avenue	16/06/2005	29/30 years[i]	12 years	60 Alps Avenue	**2,269**
Ban Teck Han	20/06/2005	30+30 years	36 years	21 Serangoon North Avenue 5	**858**
Mapletree Logistics Hub, Toh Guan	22/06/2005	30+30 years	31 years	5B Toh Guan Road East	**9,193**
50 Airport Boulevard	28/07/2005	60 years	20 years	50 Airport Boulevard	**1,790**
Prima	28/07/2005	99 years	77 years	201 Keppel Road	**2,672**
Pulau Sebarok	28/07/2005	73 years	51 years	Pulau Sebarok	**7,474**
Kenyon	28/11/2005	30+23 years	33 years	8 Loyang Crescent	**2,268**
Toppan	01/12/2005	28+30 years/ 30+30 years[j]	30 years	97 Ubi Avenue 4	**1,775**
39 Changi South Avenue 2	01/12/2005	30+30 years	35 years	39 Changi South Avenue 2	**852**
2 Serangoon North Avenue 5	07/02/2006	30+30 years	36 years	2 Serangoon North Avenue 5	**4,504**
10 Changi South Street 3	10/02/2006	30+30 years	35 years	10 Changi South Street 3	**1,400**
85 Defu Lane 10	07/07/2006	30+30 years	30 years	85 Defu Lane 10	**1,327**
31 Penjuru Lane	18/07/2006	30+13 years	12 years	31 Penjuru Lane	**1,376**
8 Changi South Lane	18/08/2006	30+30 years	37 years	8 Changi South Lane	**1,403**
138 Joo Seng Road	07/09/2006	30+30 years	31 years	138 Joo Seng Road	**1,798**
4 Tuas Avenue 5	13/09/2006	30+30 years	29 years	4 Tuas Avenue 5	**750**
Jurong Logistics Hub	20/10/2006	30+30 years	41 years	31 Jurong Port Road	**20,545**
3 Changi South Lane (formerly known as Kingsmen Creatives)	01/02/2007	30+30 years	39 years	3 Changi South Lane	**248**
1 Genting Lane	08/02/2007	60 years	28 years	1 Genting Lane	**840**
521 Bukit Batok Street 23	28/02/2007	30+30 years	35 years	521 Bukit Batok Street 23	**2,052**

* Refers to the tenure of underlying land. Remaining term of lease includes option to renew land leases. which is subjected to the Group meeting certain conditions and approval is at the discretion of the lessor.

The accompanying notes form an integral part of these financial statements.

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Gross revenue for year ended 31/03/2019 S$'000	**Occupancy rates FY19/20 %**	Occupancy rates FY18/19 %	Latest valuation date	**At valuation at 31/03/2020 S$'000**	At valuation at 31/03/2019 S$'000	**Percentage of total net assets attributable to Unitholders at 31/03/2020 %**	Percentage of total net assets attributable to Unitholders at 31/03/2019 %
4,767	**90**	78	31/03/2020(a)	**55,700**	55,000	**1.8**	1.9
1,813	**90**	83	31/03/2020(a)	**18,100**	18,500	**0.6**	0.6
2,945	**100**	100	31/03/2020(a)	**17,800**	18,300	**0.6**	0.6
2,039	**100**	100	31/03/2020(a)	**23,500**	23,000	**0.7**	0.8
12,999	**100**	100	31/03/2020(a)	**140,000**	138,000	**4.4**	4.7
1,337	**90**	83	31/03/2020(a)	**6,700**	7,000	**0.2**	0.2
2,509	**100**	100	31/03/2020(a)	**23,300**	22,600	**0.7**	0.8
4,344	**99**	99	31/03/2020(a)	**26,800**	27,600	**0.8**	0.9
1,906	**100**	100	31/03/2020(a)	**14,200**	15,100	**0.4**	0.5
1,226	**100**	100	31/03/2020(a)	**25,000**	25,000	**0.8**	0.8
8,199	**100**	100	31/03/2020(a)	**136,500**	136,500	**4.3**	4.6
1,755	**100**	100	31/03/2020(a)	**20,400**	20,400	**0.6**	0.7
2,284	**100**	100	31/03/2020(a)	**44,300**	44,000	**1.4**	1.5
7,893	**100**	100	31/03/2020(a)	**119,600**	119,600	**3.8**	4.1
2,035	**100**	100	31/03/2020(a)	**23,700**	23,600	**0.7**	0.8
1,757	**100**	100	31/03/2020(a)	**18,000**	18,000	**0.6**	0.6
844	**95**	85	31/03/2020(a)	**10,800**	10,800	**0.3**	0.4
4,303	**100**	100	31/03/2020(a)	**54,100**	54,100	**1.7**	1.8
1,540	**73**	100	31/03/2020(a)	**18,100**	18,100	**0.6**	0.6
1,410	**79**	92	31/03/2020(a)	**13,950**	14,300	**0.4**	0.5
1,156	**84**	76	31/03/2020(a)	**10,400**	11,800	**0.3**	0.4
1,440	**95**	100	31/03/2020(a)	**16,000**	16,000	**0.5**	0.5
1,687	**100**	100	31/03/2020(a)	**16,900**	16,900	**0.5**	0.6
866	**100**	63	31/03/2020(a)	**13,000**	12,500	**0.4**	0.4
20,523	**99**	98	31/03/2020(a)	**269,000**	268,700	**8.5**	9.1
2,125	**47**	100	31/03/2020(a)	**16,600**	17,500	**0.5**	0.6
601	**100**	100	31/03/2020(a)	**13,000**	13,000	**0.4**	0.4
2,137	**96**	94	31/03/2020(a)	**22,000**	22,000	**0.7**	0.7

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Description of property	Date of legal completion	Term of lease*	Remaining term of lease*	Location	**Gross revenue for year ended 31/03/2020 S$'000**
Logistics Properties					
Singapore (continued)					
6 Marsiling Lane	09/03/2007	60 years	18 years	6 Marsiling Lane	**1,959**
31 & 33 Pioneer Road North (formerly known as Union Steel (Pioneer))	30/11/2007	30+30 years	33 years	31/33 Pioneer Road North	**834**
119 Neythal Road	30/11/2007	60 years	20 years	119 Neythal Road	**1,001**
30 Tuas South Avenue 8	30/11/2007	30+30 years	39 years	30 Tuas South Avenue 8	**761**
8 Tuas View Square (formerly known as Union Steel (Tuas View))	30/11/2007	60 years	36 years	8 Tuas View Square	**473**
Pioneer Districentre	14/12/2007	12+12 years	16 years	10 Tuas Avenue 13	**1,047**
Mapletree Pioneer Logistics Hub	24/04/2008	30+30 years	33 years	76 Pioneer Road	**9,493**
3A Jalan Terusan	02/05/2008	30+12 years	17 years	3A Jalan Terusan	**325**
30 Boon Lay Way	30/06/2008	30+15 years	15 years	30 Boon Lay Way	**2,727**
Menlo (Benoi)	30/06/2008	20 years	10 years	22A Benoi Road	**837**
SH Cogent (Penjuru Close)	15/12/2009	29 years	15 years	7 Penjuru Close	**2,579**
15 Changi South Street 2	11/03/2010	25+30 years	34 years	15 Changi South Street 2	**2,564**
Natural Cool Lifestyle Hub	18/08/2010	30+30 years	47 years	29 Tai Seng Avenue	**5,336**
73 Tuas South Avenue 1	25/10/2010	30+30 years	37 years	73 Tuas South Avenue 1	**82**
51 Benoi Road	26/11/2010	30+30 years	35 years	51 Benoi Road	**2,596**
44 & 46 Changi South Street 1	20/12/2010	30/30 years[k]	17 years	44/46 Changi South Street 1	**1,568**
36 Loyang Drive	24/12/2010	30+28 years	31 years	36 Loyang Drive	**1,734**
15A Tuas Avenue 18 (formerly known as Jian Huang Building)	31/03/2011	30 years	17 years	15A Tuas Avenue 18	**2,204**
190A Pandan Loop	18/11/2014	30+30 years	35 years	190A Pandan Loop	**3,097**
4 Pandan Avenue	28/09/2018	30 years	25 years	4 Pandan Avenue	**8,496**
52 Tanjong Penjuru	28/09/2018	30+10 years	29 years	52 Tanjong Penjuru	**11,698**
6 Fishery Port Road	28/09/2018	30+24 years	45 years	6 Fishery Port Road	**15,342**
5A Toh Guan Road East	28/09/2018	30+21 years	22 years	5A Toh Guan Road East	**8,213**
38 Tanjong Penjuru	28/09/2018	30+14 years	30 years	38 Tanjong Penjuru	**5,038**
7 Tai Seng Drive [l]	03/10/2006	30+30 years	33 years	7 Tai Seng Drive	**–**
531 Bukit Batok Street 23 [m]	13/06/2005	30+30 years	36 years	531 Bukit Batok Street 23	**–**
Gross Revenue / Fair value of investment properties (Note 3 and 14(a))					**187,619**
Add: Carrying amount of lease liabilities (Note 14(a))					
Total investment properties (Note 14(a))					
Other assets and liabilities (net)					
Net assets of MLT					
Perpetual securities					
Net assets attributable to Unitholders					

* Refers to the tenure of underlying land. Remaining term of lease includes option to renew land leases. which is subjected to the Group meeting certain conditions and approval is at the discretion of the lessor.

The accompanying notes form an integral part of these financial statements.

Portfolio Statements
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Gross revenue for year ended 31/03/2019 S$'000	**Occupancy rates FY19/20 %**	Occupancy rates FY18/19 %	Latest valuation date	**At valuation at 31/03/2020 S$'000**	At valuation at 31/03/2019 S$'000	**Percentage of total net assets attributable to Unitholders at 31/03/2020 %**	Percentage of total net assets attributable to Unitholders at 31/03/2019 %
2,171	**100**	100	31/03/2020[a]	**22,300**	20,900	**0.7**	0.7
713	**100**	100	31/03/2020[a]	**7,800**	7,800	**0.2**	0.3
1,054	**93**	81	31/03/2020[a]	**12,800**	12,800	**0.4**	0.4
728	**100**	100	31/03/2020[a]	**8,200**	8,200	**0.3**	0.3
546	**100**	100	31/03/2020[a]	**7,700**	7,700	**0.2**	0.3
997	**100**	100	31/03/2020[a]	**12,800**	12,800	**0.4**	0.4
8,256	**96**	100	31/03/2020[a]	**121,700**	121,700	**3.8**	4.2
1,593	**100**	100	31/03/2020[a]	**16,900**	19,000	**0.5**	0.6
3,044	**80**	77	31/03/2020[a]	**22,000**	23,000	**0.7**	0.8
647	**100**	100	31/03/2020[a]	**5,100**	5,400	**0.2**	0.2
2,107	**100**	100	31/03/2020[a]	**39,900**	42,500	**1.3**	1.4
2,645	**80**	92	31/03/2020[a]	**30,500**	30,500	**1.0**	1.0
5,156	**100**	100	31/03/2020[a]	**60,300**	60,300	**1.9**	2.0
102	**33**	33	31/03/2020[a]	**16,500**	16,500	**0.5**	0.6
3,388	**73**	85	31/03/2020[a]	**42,400**	42,400	**1.3**	1.4
966	**100**	100	31/03/2020[a]	**13,800**	14,000	**0.4**	0.5
1,608	**100**	100	31/03/2020[a]	**14,900**	14,900	**0.5**	0.5
2,155	**100**	100	31/03/2020[a]	**19,500**	20,000	**0.6**	0.7
2,994	**100**	100	31/03/2020[a]	**32,300**	31,900	**1.0**	1.1
4,286	**100**	100	31/03/2020[a]	**130,000**	130,000	**4.1**	4.4
5,901	**100**	100	31/03/2020[a]	**196,000**	196,000	**6.2**	6.6
7,740	**100**	100	31/03/2020[a]	**272,000**	271,800	**8.6**	9.2
4,144	**100**	100	31/03/2020[a]	**120,100**	120,100	**3.9**	4.1
2,542	**100**	100	31/03/2020[a]	**86,000**	86,000	**2.8**	2.9
304	**–**	–	–	**–**	–	**–**	–
32	**–**	–	–	**–**	–	**–**	–
164,259				**2,498,950**	2,504,100	**78.7**	84.7
				119,236	–	**3.7**	–
				2,618,186	2,504,100	**82.4**	84.7
				988,911	883,420	**31.1**	29.8
				3,607,097	3,387,520	**113.5**	114.5
				(429,960)	(429,931)	**(13.5)**	(14.5)
				3,177,137	2,957,589	**100.0**	100.0

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Investment properties comprise a portfolio of logistics properties that are leased to external customers. Generally, the leases for the multi-tenanted buildings contain an initial non-cancellable period of 1 to 3 years and leases for single tenanted buildings contain an initial non-cancellable period of up to 30 years. Subsequent renewals are negotiated with the lessees.

(a) The carrying amounts of the Singapore investment properties were based on independent full valuations as at 31 March 2020 undertaken by Colliers International Consultancy & Valuation (Singapore) Pte Ltd, an independent valuer. Colliers International Consultancy & Valuation (Singapore) Pte Ltd has appropriate professional qualifications and recent experience in the location and category of the properties being valued. The full valuations of the investment properties were based on the income capitalisation method and discounted cash flow method.

(b) The carrying amounts of the Hong Kong investment properties were based on independent full valuations as at 31 March 2020 undertaken by Cushman & Wakefield Limited, an independent valuer. Cushman & Wakefield Limited has appropriate professional qualifications and recent experience in the locations and category of the properties being valued. The full valuations of the investment properties were based on the income capitalisation method and discounted cash flow method.

(c) The carrying amounts of the Japan investment properties except for Mapletree Kobe Logistics Centre were based on independent full valuations as at 31 March 2020 undertaken by Cushman & Wakefield K.K., an independent valuer. Cushman & Wakefield K.K. has appropriate professional qualifications and recent experience in the location and category of the properties being valued. The full valuations of the investment properties were based on the discounted cash flow method.

Mapletree Kobe Logistics Centre was acquired on 28 February 2020 and its carrying amount was based on an independent full valuation obtained for the acquisition as at 1 December 2019 and desktop valuation as at 31 March 2020 undertaken by CBRE K.K., an independent valuer. CBRE K.K. has appropriate professional qualifications and recent experience in the location and category of the properties being valued. The full valuation and desktop valuation of the investment property was based on the discounted cash flow method.

(d) The carrying amounts of the Australia investment properties were based on an independent full valuation as at 31 March 2020 undertaken by independent valuer:

i. Cushman & Wakefield (Valuations) Pty Ltd, or
ii. Savills Valuations Pty Ltd.

Cushman & Wakefield (Valuations) Pty Ltd and Savills Valuations Pty Ltd. have appropriate professional qualifications and recent experience in the location and category of the property being valued. The full valuation of the investment properties were based on the income capitalisation method and discounted cash flow method.

(e) The carrying amounts of South Korea investment properties except for Mapletree Logistics Centre - Hobeob 2 were based on independent full valuations as at 31 March 2020 undertaken by Colliers International (Hong Kong) Limited, an independent valuer. As Mapletree Logistics Centre - Hobeob 2 was acquired on 18 February 2020, its carrying amount was based on an independent full valuation obtained for the acquisition as at 31 December 2019 undertaken by Colliers International (Hong Kong) Limited, an independent valuer as the Manager expect the existing carrying amount to approximate the fair value of the property as at 31 March 2020. Colliers International (Hong Kong) Limited has appropriate professional qualifications and recent experience in the location and category of the properties being valued. The full valuations of the investment properties were based on the income capitalisation method, discounted cash flow method and direct comparison method.

(f) The carrying amounts of the China investment properties were based on independent full valuations as at 31 March 2020 undertaken by Jones Lang LaSalle Property Consultants Pte Ltd, an independent valuer. Jones Lang LaSalle Property Consultants Pte Ltd has appropriate professional qualifications and recent experience in the locations and category of the properties being valued. The full valuations of the investment properties, except for the property undergoing redevelopment (refer to Note (p)), were based on the income capitalisation method and discounted cash flow method. The full valuation of the property undergoing redevelopment were based on residual value method.

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(g) The carrying amounts of the Malaysia investment properties except for Mapletree Logistics Hub – Shah Alam were based on independent full valuations as at 31 March 2020 undertaken by Jones Lang LaSalle Property Consultants Pte Ltd, an independent valuer. Jones Lang LaSalle Property Consultants Pte Ltd has appropriate professional qualifications and recent experience in the location and category of the properties being valued. The full valuations of the investment properties were based on the income capitalisation method and discounted cash flow method.

Mapletree Logistics Hub – Shah Alam was acquired on 31 December 2019 and its carrying amount was based on an independent full valuation as at 31 March 2020 undertaken by Knight Frank Malaysia Sdn Bhd, an independent valuer. Knight Frank Malaysia Sdn Bhd has appropriate professional qualifications and recent experience in the location and category of the properties being valued. The full valuation of the investment property was based on discounted cash flow method.

(h) The carrying amounts of the Vietnam investment properties except for Mapletree Logistics Park Phase 1 and Mapletree Logistics Park Bac Ninh Phase 2 were based on an independent full valuation as at 31 March 2020 undertaken by Cushman & Wakefield (Vietnam) Ltd., an independent valuer. Cushman & Wakefield (Vietnam) Ltd. has appropriate professional qualifications and recent experience in the location and category of the properties being valued. The full valuation of the investment properties were based on the income capitalisation method and direct comparison method.

Mapletree Logistics Park Phase 1 and Mapletree Logistics Park Bac Ninh Phase 2 were acquired on 26 November 2019 and their carrying amounts were based on an independent full valuation as at 31 March 2020 undertaken by CBRE Vietnam Co., Ltd, an independent valuer. CBRE Vietnam Co., Ltd has appropriate professional qualifications and recent experience in the location and category of the properties being valued. The full valuation of the investment property was based on the income capitalisation method, discounted cash flow method and direct comparison method.

(i) The property located on 2 land leases of 29 and 30 years both ending in September 2031.

(j) The property located on 2 land leases of 28+30 and 30+30 years ending in August and November 2049 respectively.

(k) The property located on 2 land leases of 30 years ending in October 2036 and February 2037 respectively.

(l) The property was divested on 27 June 2018.

(m) The property was divested on 18 October 2018.

(n) This property comprises one building ("Iwatsuki B") and a piece of land ("Iwatsuki A"). The building, Iwatsuki B, was divested on 10 April 2019. The land, Iwatsuki A, has been 100% occupied by IDOM Inc. (former Gulliver International Co., Ltd.), who is a major Japanese second car dealer.

(o) The property was divested on 10 April 2019.

(p) This property is currently undergoing redevelopment for phase 2 as of 31 March 2020.

(q) The property was divested on 31 December 2019.

Notes to the Financial Statements
For the financial year ended 31 March 2020

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1. General

Mapletree Logistics Trust ("MLT") is a Singapore-domiciled Real Estate Investment Trust constituted pursuant to the Trust Deed dated 5 July 2004 (as amended) between Mapletree Investments Pte Ltd and Mapletree Trustee Pte. Ltd.. The Trust Deed is governed by the laws of the Republic of Singapore. Mapletree Logistics Trust Management Ltd. replaced Mapletree Investments Pte Ltd as manager of MLT on 14 June 2005 and HSBC Institutional Trust Services (Singapore) Limited replaced Mapletree Trustee Pte. Ltd. as trustee of MLT on 24 June 2005.

MLT was formally admitted to the Official List of the Singapore Exchange Securities Trading Limited on 28 July 2005.

The principal activity of MLT and its subsidiaries (the "Group") is to invest in a diverse portfolio of logistics properties with the primary objective of achieving an attractive level of return from rental income and for long-term capital growth.

MLT has entered into several service agreements in relation to the management of MLT and its property operations. The fee structures for these services are as follows:

(a) Trustee's fees

The Trustee's fees shall not exceed 0.1% per annum of the value of all the assets of MLT ("Deposited Property") (subject to a minimum of S$10,000 per month) or such higher percentage as may be fixed by an Extraordinary Resolution of a meeting of Unitholders. The Trustee's fees are payable out of the Deposited Property of MLT monthly in arrears. The Trustee is also entitled to reimbursement of expenses incurred in the performance of its duties under the Trust Deed.

Based on the current arrangement between the Manager and the Trustee, the Trustee's fees are charged on a scaled basis of up to 0.03% per annum of the value of the Deposited Property (subject to a minimum of S$10,000 per month).

(b) Manager's management fees

The Manager or its subsidiaries are entitled to receive the following remuneration:

(i) A base fee of 0.5% per annum of the value of the Deposited Property or such higher percentage as may be approved by an Extraordinary Resolution of a meeting of Unitholders; and

(ii) A performance fee of 3.6% per annum of the net property income of MLT or such higher percentage as may be approved by an Extraordinary Resolution of a meeting of Unitholders.

The management fees payable to the Manager or its subsidiaries will be paid in the form of cash or/and Units. Where the base fees are paid in cash, the amounts are paid monthly in arrears. Where the base fees are paid in the form of Units, the amounts are paid quarterly in arrears.

The performance fees are paid annually in arrears, whether in the form of cash or/and Units.

(c) Acquisition fee and disposal fee

The Manager or its subsidiaries are entitled to receive the following fees:

(i) An acquisition fee not exceeding 1.0% of the acquisition price of any Authorised Investments (as defined in the Trust Deed), acquired directly or indirectly by MLT or such higher percentage as may be approved by an Extraordinary Resolution of a meeting of Unitholders; and

(ii) A disposal fee not exceeding 0.5% of the sale price of any Authorised Investments, sold or divested directly or indirectly by MLT or such higher percentage as may be approved by an Extraordinary Resolution of a meeting of Unitholders.

The acquisition fee and disposal fee will be paid in the form of cash or/and Units and are payable as soon as practicable after completion of the acquisition and disposal respectively.

Notes to the Financial Statements
For the financial year ended 31 March 2020

1. General (continued)

(d) Development management fee

The Manager or its subsidiaries are entitled to receive a development management fee not exceeding 3.0% of the total project costs incurred in a development project undertaken on behalf of MLT, or such higher percentage as may be approved by an Extraordinary Resolution of a meeting of Unitholders.

The development management fee is payable in cash, in equal monthly instalments over the construction period of each development project based on the Manager's best estimate of the total project costs and construction period and, if necessary, a final payment of the balance amount when the total project costs are finalised.

(e) Fees under the Property Management Agreement

(i) Property management services

The Trustee will pay Mapletree Property Management Pte. Ltd. (the "Property Manager"), for each Fiscal Year (as defined in the Property Management Agreement), a fee of up to 2.0% per annum of the gross revenue of each property.

(ii) Lease management services

Under the Property Management Agreement, the Trustee will pay the Property Manager, for each Fiscal Year, a fee of up to 1.0% per annum of the gross revenue of each property.

(iii) Marketing services

Under the Property Management Agreement, the Trustee will pay the Property Manager, the following commissions:

- 1 month's gross rent inclusive of service charge for securing a tenancy of 3 years or less;
- 2 months' gross rent inclusive of service charge for securing a tenancy of more than 3 years;
- If a third party agent secures a tenancy, the Property Manager will be responsible for all commission payable to such third party agent, and the Property Manager will be entitled to a commission of:
  - 1.2 months' gross rent inclusive of service charge for securing a tenancy of 3 years or less; and
  - 2.4 months' gross rent inclusive of service charge for securing a tenancy of more than 3 years;
- 0.5 month's gross rent inclusive of service charge for securing a renewal of tenancy of 3 years or less; and
- 1 month's gross rent inclusive of service charge for securing a renewal of tenancy of more than 3 years.

Where the Property Manager's fees are paid in cash, the amounts are paid monthly in arrears. Where the Property Manager's fees are paid in the form of Units, the amounts are paid quarterly in arrears.

Notes to the Financial Statements
For the financial year ended 31 March 2020

2. Significant accounting policies

2.1 Basis of preparation

The Accounting Standards Council (Singapore) has introduced a new financial reporting framework, Singapore Financial Reporting Standards (International) ("SFRS(I)"), that is identical to the International Financial Reporting Standards issued by the International Accounting Standards Board, for the financial year beginning on or after 1 January 2018.

On 21 May 2018, the Monetary Authority of Singapore ("MAS") has granted the Group a waiver from compliance with the requirement under Paragraph 4.3 of Appendix 6 to the Code on Collective Investment Schemes ("CIS") to prepare its financial statements in accordance with the Singapore Financial Reporting Standards ("FRS"). The Group has adopted SFRS(I) for the financial year beginning 1 April 2018.

These financial statements have been prepared in accordance with SFRS(I), and the applicable requirements of the CIS issued by the MAS and the provisions of the Trust Deed.

These financial statements, which are expressed in Singapore Dollars and rounded to the nearest thousand, have been prepared under the historical cost convention, except as disclosed in the accounting policies below.

As at 31 March 2020, the Group and MLT current liabilities exceed its current assets by S$205.1 million (2019: S$81.1 million) and S$33.2 million (2019: S$19.9 million) respectively. Notwithstanding the net current liabilities position, based on the Group existing financial resources, the Manager is of the opinion that the Group will be able to refinance its borrowings and meet its current obligations as and when they fall due.

The preparation of financial statements in conformity with SFRS(I) requires management to exercise its judgement in the process of applying the Group's accounting policies. It also requires the use of certain critical accounting estimates and assumptions. Information about an area involving a higher degree of judgment, where assumptions and estimates are significant to the financial statements, is disclosed in Note 14 – Investment properties. Those assumptions and estimates were used by the independent valuers in arriving at their valuations.

Interpretations and amendments to published standards effective in 2019

On 1 April 2019, the Group has adopted the new or amended SFRS(I) and Interpretations of SFRS(I) ("INT SFRS(I)") that are mandatory for application for the financial year. Changes to the Group's accounting policies have been made as required, in accordance with the transitional provisions in the respective SFRS(I) and INT SFRS(I).

The adoption of these new or amended SFRS(I) and INT SFRS(I) did not result in substantial changes to the Group's accounting policies and had no material effect on the amounts reported for the current or prior financial years except for the adoption of SFRS(I) 16 *Leases*.

Adoption of SFRS(I) 16 *Leases* (effective from 1 April 2019)

(a) When the Group is the lessee

Prior to the adoption of SFRS(I) 16, non-cancellable operating lease payments were not recognised as liabilities in the balance sheet. These payments were recognised as rental expenses over the lease term on a straight-line basis.

The Group's accounting policy on leases after the adoption of SFRS(I) 16 is as disclosed in Note 2.17.

On initial application of SFRS(I) 16, the Group has elected to apply the following practical expedients:

(i) For all contracts entered into before 1 April 2019 and that were previously identified as leases under SFRS(I) 1-17 *Lease* and SFRS(I) INT 4 *Determining whether an Arrangement contains a Leases*, the Group has not reassessed if such contracts contain leases under SFRS(I) 16; and

Notes to the Financial Statements
For the financial year ended 31 March 2020

2. Significant accounting policies (continued)

2.1 Basis of preparation (continued)

Adoption of SFRS(I) 16 *Leases* (effective from 1 April 2019) (continued)

(a) When the Group is the lessee (continued)

On initial application of SFRS(I) 16, the Group has elected to apply the following practical expedients: (continued)

(ii) On a lease-by-lease basis, the Group has:

(a) applied a single discount rate to a portfolio of leases with reasonably similar characteristics;

(b) relied on previous assessments on whether leases are onerous as an alternative to performing an impairment review;

(c) excluded initial direct costs in the measurement of the right-of-use ("ROU") asset at the date of initial application; and

(d) used hindsight in determining the lease term where the contract contains options to extend or terminate the lease.

There were no onerous contracts as at 1 April 2019.

For leases previously classified as operating leases on 1 April 2019, the Group has applied the following transition provisions:

(i) On a lease-by-lease basis, the Group chose to measure its ROU assets (except for ROU assets which meet the definition of investment property) at a carrying amount as if SFRS(I) 16 had been applied since the commencement of the lease but discounted using the incremental borrowing rate at 1 April 2019. For ROU assets which meet the definition of an investment property, the Group had measured the ROU assets at their fair values at 1 April 2019.

(ii) Recognised its lease liabilities by discounting the remaining lease payments as at 1 April 2019 using the incremental borrowing rate for each individual lease or, if applicable, the incremental borrowing rate for each portfolio of leases with reasonably similar characteristic.

(b) When the Group is a lessor

The Group leases its investment properties. The Group has classified these leases as operating leases. There are no material changes to accounting by the Group as a lessor.

The effects of adoption of SFRS(I) 16 on the Group's financial statements as at 1 April 2019 are as follows:

	Increase/(decrease) S$'000
Investment properties	92,644
Lease liabilities	92,644

The differences between the operating lease commitments previously disclosed in the Group's financial statements as at 31 March 2019 and the lease liabilities recognised in the balance sheet as at 1 April 2019 is the discounting effect using the applicable incremental borrowing rates as at 1 April 2019.

The weighted average incremental borrowing rate applied to lease liabilities as at 1 April 2019 is 3.88%.

Notes to the Financial Statements
For the financial year ended 31 March 2020

2. Significant accounting policies (continued)

2.2 Revenue recognition

(a) Rental income and service charge from operating leases

Rental income and service charge from operating leases (net of any incentives given to the lessees) on investment properties are recognised on a straight-line basis over the lease term.

(b) Other operating income

Other operating income includes car park income, sale of electricity generated from solar panel and other property related income.

Car park income from the operation of car park facilities within the properties is recognised over time as and when the services are rendered.

Sale of electricity generated from solar panel is recognised based on volume of energy delivered to the customer in the period contracted under the power purchase agreement.

(c) Interest income

Interest income is recognised on a time proportion basis using the effective interest method.

(d) Dividend income

Dividend income is recognised when the right to receive payment is established.

2.3 Expenses

(a) Property expenses

Property expenses are recognised on an accrual basis. Included in property expenses are Property Manager's fees which are based on the applicable formula stipulated in Note 1(e).

(b) Manager's management fees

Manager's management fees are recognised on an accrual basis using the applicable formula stipulated in Note 1(b).

(c) Borrowing costs

Interest expense and similar charges are recognised in the period in which they are incurred using the effective interest method.

Notes to the Financial Statements

For the financial year ended 31 March 2020

2. Significant accounting policies (continued)

2.4 Income tax

Taxation on the return for the year comprises current and deferred income tax. Income tax is recognised in profit or loss.

Current income tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the reporting date.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, if the deferred income tax arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of transaction affects neither accounting nor taxable profit or loss, it is not accounted for. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the reporting date and are expected to apply when the related deferred income tax asset is realised or deferred income tax liability is settled.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax is provided on temporary differences arising on investment in subsidiaries except where the timing of the reversal of the temporary differences can be controlled and it is probable that temporary differences will not reverse in the foreseeable future.

The Inland Revenue Authority of Singapore ("IRAS") has issued a tax ruling on the taxation of MLT for the income earned and expenditure incurred after its listing on the SGX-ST. Subject to meeting the terms and conditions of the tax rulings which includes a distribution of at least 90% of the taxable income of MLT, the Trustee will not be taxed on the portion of taxable income of MLT that is distributed to Unitholders. Any portion of the taxable income that is not distributed to Unitholders will be taxed on the Trustee. In the event that there are subsequent adjustments to the taxable income when the actual taxable income of MLT is finally agreed with the IRAS, such adjustments are taken up as an adjustment to the taxable income for the next distribution following the agreement with the IRAS.

Although MLT is not taxed on its taxable income distributed, the Trustee and the Manager are required to deduct income tax at the applicable corporate tax rate from the distributions of such taxable income of MLT (i.e. which has not been taxed in the hands of the Trustee) to certain Unitholders. The Trustee and the Manager will not deduct tax from the distributions made out of MLT's taxable income to the extent that the beneficial Unitholder is:

- An individual (excluding partnership);
- A tax resident Singapore-incorporated company;
- A body of persons (excluding companies or partnership) registered or constituted in Singapore (e.g. town council, statutory board, registered charity, registered co-operative society, registered trade union, management corporation, club and trade and industry association);
- A Singapore branch of a company incorporated outside Singapore;
- An international organisation that is exempt from tax on such distributions by reason of an order made under the International Organisations (Immunities and Privileges) Act (Cap. 145); or
- A real estate investment trust exchange-traded fund which has been accorded the tax transparency treatment.

The above tax transparency ruling does not apply to gains from sale of real properties. Such gains, if they are considered as trading gains, are assessable to tax on the Trustee. Where the gains are capital gains, the Trustee will not be assessed to tax and may distribute the gains without tax being deducted at source.

Notes to the Financial Statements
For the financial year ended 31 March 2020

2. Significant accounting policies (continued)

2.5 Group accounting

(a) Subsidiaries

(i) Consolidation

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date on that control ceases.

In preparing the consolidated financial statements, transactions, balances and unrealised gains on transactions between group entities are eliminated. Unrealised losses are also eliminated but are considered an impairment indicator of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests comprise the portion of a subsidiary's net results of operations and its net assets, which is attributable to the interests that are not owned directly or indirectly by the Unitholders of MLT. They are shown separately in the Statements of Profit or Loss, Statements of Comprehensive Income, Statements of Financial Position and Statements of Movements in Unitholders' Funds.

(ii) Acquisition of businesses

The acquisition method of accounting is used to account for business combinations by the Group.

The consideration transferred for the acquisition of a subsidiary comprises the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred also includes any contingent consideration arrangement and any pre-existing equity interest in the subsidiary measured at their fair values at the acquisition date.

Acquisition-related costs are expensed as incurred.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date.

On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree at the date of acquisition either at fair value or at the non-controlling interest's proportionate share of the acquiree's net identifiable assets.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the net identifiable assets acquired is recorded as goodwill.

(iii) Disposals of subsidiaries or businesses

When a change in MLT's ownership interest in a subsidiary results in a loss of control over the subsidiary, the assets and liabilities of the subsidiary including any goodwill are derecognised.

Any retained interest in the entity is re-measured at fair value. The difference between the carrying amount of the retained investment at the date when control is lost and its fair value is recognised in profit or loss.

Please refer to the paragraph "Investments in subsidiaries and joint ventures (Note 2.7)", for the accounting policy on investments in subsidiaries in the separate financial statements of MLT.

Notes to the Financial Statements
For the financial year ended 31 March 2020

2. Significant accounting policies (continued)

2.5 Group accounting (continued)

(b) Transactions with non-controlling interests

Changes in MLT's ownership interest in a subsidiary that do not result in a loss of control over the subsidiary are accounted for as transactions with equity owners of the Group. Any difference between the change in the carrying amounts of the non-controlling interest and the fair value of the consideration paid or received is recognised in a separate reserve within equity attributable to the Unitholders of MLT.

(c) Joint ventures

Joint ventures are entities over which the Group has joint control as a result of contractual arrangements, and rights to the net assets of the entities.

Investments in joint ventures are accounted for in the consolidated financial statements using the equity method of accounting less impairment losses, if any.

(i) Acquisitions

Investments in joint ventures are initially recognised at cost. The cost of an acquisition is measured at the fair value of the assets given, equity instruments issued or liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisitions. Goodwill on joint ventures represents the excess of the cost of acquisition of the joint venture over the Group's share of the fair value of the identifiable net assets of the joint venture and is included in the carrying amount of the investments.

(ii) Equity method of accounting

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of its joint ventures' post-acquisition profits or losses of the investee in profit or loss and its share of movements in other comprehensive income of the investee's other comprehensive income. Dividends received or receivable from the joint ventures are recognised as a reduction of the carrying amount of the investments. When the Group's share of losses in a joint venture equals to or exceeds its interest in the joint venture, the Group does not recognise further losses, unless it has legal or constructive obligations to make, or has made, payments on behalf of the joint venture. If the joint venture subsequently reports profits, the Group resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised. Interest in a joint venture includes any long-term loans for which settlement is never planned nor likely to occur in the foreseeable future.

Unrealised gains on transactions between the Group and its joint ventures are eliminated to the extent of the Group's interest in the joint ventures. Unrealised losses are also eliminated unless the transactions provide evidence of impairment of the assets transferred. The accounting policies of joint ventures are changed where necessary to ensure consistency with the accounting policies adopted by the Group.

(iii) Disposal

Investments in joint ventures are derecognised when the Group loses significant influence or joint control. If the retained equity interest in the former joint venture is a financial asset, the retained equity interest is measured at fair value. The difference between the carrying amount of the retained interest at the date when significant influence or joint control is lost, and its fair value and any proceeds on partial disposal, is recognised in profit or loss.

Please refer to the paragraph "Investments in subsidiaries and joint ventures (Note 2.7)" for the accounting policy on investments in joint ventures in the separate financial statements of MLT.

Notes to the Financial Statements

For the financial year ended 31 March 2020

2. Significant accounting policies (continued)

2.6 Investment properties

Investment properties are properties held either to earn rental income or capital appreciation or both and right-of-use assets relating to ground leases where certain properties are built upon. Investment properties are accounted for as non-current assets and are stated at initial cost on acquisition including transaction costs, and at fair value thereafter. Fair values are determined in accordance with the Trust Deed, which requires the investment properties to be valued by independent registered valuers at least once a year, in accordance with the CIS issued by the MAS.

Any increase or decrease in the fair values is recognised in profit or loss.

When an investment property is disposed of, the resulting gain or loss recognised in profit or loss is the difference between net disposal proceeds and the carrying amount of the investment property.

For taxation purposes, MLT may claim capital allowances on assets that qualify as plant and machinery under the Income Tax Act.

Investment properties under redevelopment

Investment properties under redevelopment are measured at fair values if the fair values are considered to be reliably determinable. Investment properties under development for which the fair value cannot be determined reliably, but for which the Group expects that the fair value of the properties will be reliably determinable when development is completed, are measured at cost less impairment until the fair value becomes reliably determinable or redevelopment is completed – whichever is earlier.

2.7 Investments in subsidiaries and joint ventures

Investments in subsidiaries and joint ventures are stated at cost less accumulated impairment losses (Note 2.12) in MLT's Statement of Financial Position. On disposal of such investments, the difference between net disposal proceeds and the carrying amounts of the investments are recognised in profit or loss.

2.8 Property, plant and equipment

(a) Measurement

All property, plant and equipment are initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses.

The cost of an item of property, plant and equipment includes its purchase price and any costs that are directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by Management.

(b) Depreciation

Depreciation on property, plant and equipment is calculated using the straight-line method to allocate their depreciable amounts over their estimated useful lives. The estimated useful lives are as follows:

The residual values and useful lives of property, plant and equipment are reviewed, and adjusted as appropriate, at each reporting date. The effects of any revision of the residual values and useful lives are recognised in profit or loss when the changes arise.

Notes to the Financial Statements
For the financial year ended 31 March 2020

2. Significant accounting policies (continued)

2.8 Property, plant and equipment (continued)

(c) Subsequent expenditure

Subsequent expenditure relating to property, plant and equipment that has already been recognised is added to the carrying amount of the asset when it is probable that future economic benefits, in excess of the originally assessed standard of performance of the existing asset, will flow to the Group and the cost can be reliably measured. Other subsequent expenditure is recognised as an expense during the financial year in which it is incurred.

(d) Disposal

On disposal of an item of property, plant and equipment, the difference between the disposal proceeds and its carrying amount is recognised in profit or loss.

2.9 Financial assets

The Group measures its financial assets within the amortised cost category.

The Group's financial assets at amortised costs mainly comprise of cash and cash equivalents, and trade and other receivables are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt instrument that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in interest income using the effective interest rate method.

The Group assesses on a forward looking basis the expected credit losses associated with its debt financial assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 28 details how the Group determines whether there has been a significant increase in credit risk.

For trade receivables, the Group applies the simplified approach permitted by the SFRS(I) 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

2.10 Financial guarantees

MLT has issued corporate guarantees to banks for bank borrowings of its subsidiaries. These guarantees are financial guarantee contracts as they require MLT to reimburse the banks if the subsidiaries fail to make principal or interest payments when due in accordance with the terms of their borrowings.

Financial guarantee contracts are initially recognised at their fair values and subsequently measured at the higher of:

(a) amount initially recognised less cumulative amortisation recognised in accordance with principles of SFRS(I) 15; and

(b) the amount of expected loss computed using the impairment methodology under SFRS(I) 9.

2.11 Cash and cash equivalents

For the purpose of presentation in the consolidated statement of cash flows, cash and cash equivalents include cash balances and deposits with financial institutions which are subject to an insignificant risk of change in value. For cash subjected to restriction, assessment is made on the economic substance of the restriction and whether they meet the definition of cash and cash equivalents.

Notes to the Financial Statements

For the financial year ended 31 March 2020

2. Significant accounting policies (continued)

2.12 Impairment of non-financial assets

Property, plant and equipment
Investments in subsidiaries
Investments in joint ventures

Property, plant and equipment, investments in subsidiaries and joint ventures are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired.

For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash inflows that are largely independent of those from other assets. If this is the case, the recoverable amount is determined for the Cash Generating Unit ("CGU") to which the asset belongs.

If the recoverable amount of the asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. The difference between the carrying amount and recoverable amount is recognised as an impairment loss in profit or loss.

An impairment loss for an asset is reversed if, and only if, there has been a change in the estimates used to determine the asset's recoverable amount or if there is a change in the events that had given rise to the impairment since the last impairment loss was recognised. The carrying amount of this asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortisation or depreciation) had no impairment loss been recognised for the asset in prior years. A reversal of impairment loss for an asset is recognised in profit or loss.

2.13 Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

Borrowing costs that are directly attributable to the investment properties under redevelopment are capitalised in investment properties.

2.14 Trade payables

Trade payables are initially measured at fair value, and subsequently at amortised cost, using the effective interest method.

2.15 Derivative financial instruments and hedging activities

The Group uses derivative financial instruments such as interest rate swaps and forward foreign currency contracts to hedge its exposure to interest rate risks and currency risks arising from operational, financing and investment activities. In accordance with its treasury policy, which is in line with the CIS, the Group does not hold or issue derivative financial instruments for trading purposes.

Derivative financial instruments are recognised initially at fair value. Subsequent to initial recognition, derivative financial instruments are re-measured at their fair value.

The method of recognising the resulting gain or loss depends on whether the financial derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

Notes to the Financial Statements
For the financial year ended 31 March 2020

2. Significant accounting policies (continued)

2.15 Derivative financial instruments and hedging activities (continued)

Fair value changes on derivatives that are not designated or do not qualify for hedge accounting are recognised in profit or loss when the changes arise.

The Group adopts hedge accounting on selected hedge transactions whereby at the inception of the transactions, the Group documents the relationship between the hedging instruments and hedged items, as well as its risk management objective and strategies for undertaking various hedge transactions. The Group also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives designated as hedging instruments are highly effective in offsetting changes in fair value or cash flows of the hedged items.

Cash flow hedge

When the Group has a derivative instrument that qualifies as a cash flow hedge, the fair value changes on the effective portion of interest rate swap designated as cash flow hedges are accumulated in the hedging reserve and reclassified to profit or loss as part of the gain or loss when the hedged interest expense on the borrowing is recognised in profit or loss. The fair value changes on the ineffective portion of interest rate swaps are recognised immediately in profit or loss.

Net investment hedge

When the Group has a derivative instrument that qualifies as a net investment hedge in foreign operation, this hedging instrument is accounted for similarly to cash flow hedge. The currency translation differences on the hedging instrument relating to the effective portion of the hedge are accumulated in the foreign currency translation reserve and reclassified to profit or loss as part of the gain or loss on disposal of the foreign operation. The currency translation differences relating to the ineffective portion of the hedge are recognised immediately in profit or loss.

The carrying amount of a derivative designated as a hedge is presented as a non-current asset or liability if the remaining expected life of the hedged item is more than 12 months and as a current asset or liability if the remaining expected life of the hedged item is less than 12 months.

2.16 Fair value estimation of financial assets and liabilities

The carrying amounts of current financial assets and liabilities carried at amortised cost approximate their fair values.

The fair values of forward currency contracts and interest rate swaps are based on valuations provided by the Group's bankers. The fair values of forward currency contracts are determined using actively quoted forward currency rates at the reporting date. The fair values of interest rate swaps are calculated as the present value of the estimated future cash flows, discounted at actively quoted interest rates.

The fair values of financial guarantee contracts are determined based on the market price range of banker's guarantees with similar terms.

2.17 Operating leases

(a) The accounting policy for leases before 1 April 2019 are as follows:

(i) When an entity within the Group is the lessee:

Leases of assets in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are recognised in profit or loss on a straight-line basis over the period of the lease.

When an operating lease is terminated before the lease period has expired, any payment required to be made to the lessor by way of penalty is recognised as an expense in the period in which termination takes place.

Notes to the Financial Statements
For the financial year ended 31 March 2020

2. Significant accounting policies (continued)

2.17 Operating leases (continued)

(a) The accounting policy for leases before 1 April 2019 are as follows: (continued)

(ii) When an entity within the Group is the lessor:

Assets leased out under operating leases are included in investment properties and are stated at revalued amounts and not depreciated. Rental income (net of any incentives given to lessees) is recognised on a straight-line basis over the lease term.

(b) The accounting policy for leases after 1 April 2019 are as follows:

(i) When an entity within the Group is the lessee:

At the inception of the contract, the Group assesses if the contract contains a lease. A contract contains a lease if the contract convey the right to control the use of an identified asset for a period of time in exchange for consideration. Reassessment is only required when the terms and conditions of the contract are changed.

- Right-of-use assets

  The Group recognised a right-of-use asset and lease liability at the date which the underlying asset is available for use. Right-of-use assets are measure at cost which comprises the initial measurement of lease liabilities adjusted for any lease payments made at or before the commencement date and lease incentive received. At initial direct costs that would not have been incurred if the lease had not been obtained are added to the carrying amount of the right-of-use assets.

  Right-of-use asset which meets the definition of an investment property is presented within "Investment properties" and accounted for in accordance with Note 2.6.

- Lease liabilities

  The initial measurement of lease liability is measured at the present value of the lease payments discounted using the implicit rate in the lease or, if that rate cannot be readily determined, the lessee's incremental borrowing rate. Generally, the Group uses the lessee's incremental borrowing rate as the discount rate by obtaining interest rates from external financing sources which reflect the Group's credit ratings, terms of the lease and type of the asset leased.

  Lease payments include the following:

  – Variable lease payment that are based on an index or rate, initially measured using the index or rate as at the commencement date;

  – The exercise price of a purchase option if is reasonably certain to exercise the option; and

  – Payment of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

  Lease liability is measured at amortised cost using the effective interest method. Lease liability shall be remeasured when:

  – There is a change in future lease payments arising from changes in an index or rate;

  – There is change in the Group's assessment of whether it will exercise an extension option; or

  – There are modification in the scope of the consideration of the lease that was not part of the original term.

  Lease liability is remeasured with a corresponding adjustment to the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Notes to the Financial Statements
For the financial year ended 31 March 2020

2. Significant accounting policies (continued)

2.17 Operating leases (continued)

(b) The accounting policy for leases after 1 April 2019 are as follows: (continued)

(i) When an entity within the Group is the lessee: (continued)

- Variable lease payments

  Variable lease payments that are not based on an index or a rate are not included as part of the measurement and initial recognition of the lease liability. The Group shall recognise those lease payments in profit or loss in the periods that triggered those lease payments. Details of the variable lease payments are disclosed in Note 15.

- Short-term and low-value assets

  The Group has elected not to recognise right-to use assets and lease liabilities for leases for short-term and low-value assets. Lease payments relating to these leases are expensed to profit or loss on a straight-line basis over the lease term.

(ii) When an entity within the Group is the lessor:

The accounting policy applicable to the Group as a lessor in the comparative period were the same under SFRS(I) 16.

The Group recognises lease payments received from investment property under operating leases as income on a straight-line basis over the lease term as part of revenue.

For contract which contains lease and non-lease components, the Group allocates the consideration based on a relative stand-alone selling price basis.

2.18 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of a past event where it is probable that such obligation will result in an outflow of economic benefits that can be reliably estimated.

2.19 Currency translation

(a) Functional and presentation currency

Items included in the financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("functional currency"). The consolidated financial statements are presented in Singapore Dollars, which is MLT's functional currency.

(b) Transactions and balances

Transactions in a currency other than the functional currency ("foreign currency") are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Currency translation gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates at the reporting date are recognised in profit or loss, except for currency translation differences on the net investment in foreign operations, borrowings in foreign currencies and other currency instruments qualifying as net investment hedges for foreign operations, which are included in the currency translation reserve within the Statements of Movements in Unitholders' Funds of the Group.

Notes to the Financial Statements
For the financial year ended 31 March 2020

2. Significant accounting policies (continued)

2.19 Currency translation (continued)

(c) Translation of Group entities' financial statements

The results and financial position of all the group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

(i) Assets and liabilities are translated at the closing rates at the date of the Statements of Financial Position;

(ii) Income and expenses are translated at average exchange rates (unless the average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated using the exchange rates at the dates of the transactions); and

(iii) All resulting exchange differences are taken to the currency translation reserve within the Statements of Movements in Unitholders' Funds.

(d) Consolidation adjustments

On consolidation, currency translation differences arising from the net investment in foreign operations, borrowings in foreign currencies, and other currency instruments designated as hedges of such investments, are taken to the currency translation reserve. When a foreign operation is sold, such currency translation differences recorded in the currency translation reserve are recognised in profit or loss as part of the gain or loss on sale.

2.20 Units and perpetual securities

Proceeds from the issuance of units and perpetual securities in MLT are recognised as equity when there is no contractual obligation to deliver cash or other financial assets to another person or entity or exchange financial assets or liabilities with another person or entities that are potentially unfavourable to the issuer.

Issue expenses relate to expenses incurred in issuance of units and perpetual securities in MLT. The expenses relating to issuance of units and perpetual securities are deducted directly from the net assets attributable to the Unitholders and perpetual securities balance respectively.

2.21 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to Management who is responsible for allocating resources and assessing performance of the operating segments.

2.22 Distribution policy

MLT's distribution policy is to distribute at least 90% of its taxable income, comprising substantially its income from the letting of its properties and related property services income after deduction of allowable expenses and allowances, and of its tax-exempt income (if any). Distributions, when paid, will be in Singapore Dollars.

2.23 Government grants

Grants from the government are recognised as a receivables at their fair value when there is reasonable assurance that the grant will be received and the Group will comply with all the attached conditions.

Government grants receivable are recognised as income over the periods necessary to match them with the related costs which they are intended to compensate, on a systematic basis. Government grants relating to expenses are shown separately as other income.

Government grants relating to assets are deducted against the carrying amount of the assets.

Notes to the Financial Statements
For the financial year ended 31 March 2020

3. Gross revenue, interest income and dividend income

	Group		MLT	
	2020 S$'000	2019 S$'000	**2020 S$'000**	2019 S$'000
Rental income	**440,220**	406,625	**157,213**	136,379
Service charges	**41,091**	39,644	**27,152**	26,423
Other operating income	**9,466**	7,994	**3,254**	1,457
Gross revenue	**490,777**	454,263	**187,619**	164,259
Interest income:				
– From bank	**527**	463	**84**	59
– From subsidiaries	**–**	–	**25,845**	17,519
– From joint ventures	**9,139**	8,061	**9,139**	8,061
– Late charges	**150**	146	**66**	41
	9,816	8,670	**35,134**	25,680
Dividend income	**–**	–	**189,548**	121,611

The other operating income mainly includes car park income and sale of electricity generated from solar panel which are recognised over time when the goods and services are provided.

4. Property expenses

	Group		MLT	
	2020 S$'000	2019 S$'000	**2020 S$'000**	2019 S$'000
Operation and maintenance	**15,780**	15,393	**8,382**	8,358
Land rental	**–**	13,061	**–**	11,724
Property and other taxes	**18,861**	18,016	**11,005**	10,666
Property and lease management fees	**11,035**	12,103	**5,012**	5,858
Marketing expenses	**1,780**	2,095	**989**	1,170
Others	**4,777**	4,129	**455**	618
	52,233	64,797	**25,843**	38,394

5. Manager's management fees

	Group		MLT	
	2020 S$'000	2019 S$'000	**2020 S$'000**	2019 S$'000
Base fee	**39,568**	35,822	**21,646**	18,675
Performance fee	**15,228**	13,982	**9,210**	7,933
	54,796	49,804	**30,856**	26,608

Notes to the Financial Statements
For the financial year ended 31 March 2020

6. Other trust expenses/(income)

Included in other trust expenses/(income) are:

	Group		MLT	
	2020 S$'000	2019 S$'000	**2020 S$'000**	2019 S$'000
Net foreign exchange losses/(gains)	**1,677**	12,028	**12,041**	(5,610)
Professional valuation fees	**500**	510	**134**	134
Other trust expenses/(income)	**2,991**	2,476	**801**	(827)
	5,168	15,014	**12,976**	(6,303)

Total fees to auditors included in other trust expenses/(income) are as follows:

	Group		MLT	
	2020 S$'000	2019 S$'000	**2020 S$'000**	2019 S$'000
Auditors' remuneration paid/payable to:				
– Auditors of MLT	**211**	209	**167**	166
– Other auditors*	**525**	483	**–**	–
	736	692	**167**	166
Non-audit fee paid/payable to:^				
– Other auditors*	**15**	14	**–**	–
	751	706	**167**	166

^ In addition to the amount disclosed above, there are fees for non-audit services paid/payable to auditors of MLT of S$80,000 which has been capitalised as part of investment properties (2019: S$80,000 which has been capitalised as part of issuance costs).

* Includes the network of member firms of PricewaterhouseCoopers International Limited (PwCIL).

7. Borrowing costs

	Group		MLT	
	2020 S$'000	2019 S$'000	**2020 S$'000**	2019 S$'000
Interest expense:				
– Bank and other borrowings	**74,556**	69,650	**–**	–
– Subsidiary	**–**	–	**43,482**	36,559
– Lease liabilities	**4,087**	–	**4,087**	–
Financing fees	**4,187**	2,894	**2,794**	1,846
	82,830	72,544	**50,363**	38,405

8. Net change in fair value of financial derivatives

	Group		MLT	
	2020 S$'000	2019 S$'000	**2020 S$'000**	2019 S$'000
Fair value (losses)/gains				
– Derivative financial instruments measured at FVPL	**(10,296)**	2,698	**(10,853)**	3,705
Ineffectiveness on cash flow hedges	**(2,191)**	1,419	**–**	–
	(12,487)	4,117	**(10,853)**	3,705

Notes to the Financial Statements
For the financial year ended 31 March 2020

9. Income tax

	Group		MLT	
	2020 S$'000	2019 S$'000	**2020 S$'000**	2019 S$'000
Withholding tax	**7,399**	5,930	**1,031**	842
Current income tax				
– Current year	**27,519**	11,756	**–**	5,090
– Prior years	**(549)**	(1,184)	**(396)**	(2,059)
Deferred income tax (Note 24)	**16,807**	26,309	**–**	–
	51,176	42,811	**635**	3,873

The income tax expense on the results for the financial year differs from the amount that would arise using the Singapore standard rate of income tax due to the following:

	Group		MLT	
	2020 S$'000	2019 S$'000	**2020 S$'000**	2019 S$'000
Profit before income tax	**446,478**	499,341	**253,448**	259,050
Share of results of joint ventures	**(5,235)**	1,546	**–**	–
Profit before share of results of joint ventures	**441,243**	500,887	**253,448**	259,050
Tax calculated at a tax rate of 17% (2019: 17%)	**75,011**	85,151	**43,086**	44,039
Effects of:				
– Expenses not deductible for tax purposes	**21,003**	16,073	**16,197**	7,725
– Income not subject to tax	**(34,274)**	(53,608)	**(6,049)**	(13,290)
– Exemption for foreign dividend income under Singapore income tax	**–**	–	**(32,223)**	(20,674)
– Different tax rates in other countries	**9,965**	8,247	**-**	–
– Over provision of tax in prior years	**(549)**	(1,184)	**(396)**	(2,059)
– Tax transparency ruling (Note 2.4)	**(19,980)**	(11,868)	**(19,980)**	(11,868)
Tax charge	**51,176**	42,811	**635**	3,873

10. Earnings per unit

The calculation of basic earnings per unit is based on:

	Group	
	2020	2019
Profit attributable to Unitholders of MLT (S$'000)	**377,169**	438,987
Weighted average number of units outstanding during the year ('000)	**3,700,822**	3,385,216
Basic and diluted earnings per unit (cents)	**10.19**	12.97

Diluted earnings per unit is the same as the basic earnings per unit as there are no dilutive instruments in issue during the financial year.

Notes to the Financial Statements
For the financial year ended 31 March 2020

11. Cash and cash equivalents

	Group		MLT	
	2020 S$'000	2019 S$'000	**2020 S$'000**	2019 S$'000
Cash at bank and on hand	**139,751**	87,279	**7,180**	11,810
Short-term bank deposits	**11,459**	17,020	**3,000**	4,100
Cash and cash equivalents in the Statements of Financial Position	**151,210**	104,299	**10,180**	15,910
Restricted cash	**(183)**	(985)	**(183)**	(985)
Cash and cash equivalents in the Consolidated Statement of Cash Flows	**151,027**	103,314	**9,997**	14,925

Short-term bank deposits at the reporting date in 2020 have a weighted average maturity of 2 months (2019: 2.2 months) from the end of the financial year. The effective interest rate at reporting date is 3.19% (2019: 2.70%) per annum.

Included in the cash at bank and on hand is cash held in an escrow account amount to S$183,000 (2019: S$985,000) which relates to rent-free reimbursement.

Disposal of subsidiaries

On 31 December 2019, the Group disposed its wholly-owned subsidiary, MapletreeLog Integrated (Shanghai) (HKSAR) Limited which holds a 100% interest in MapletreeLog Integrated (Shanghai) Co., Ltd. The effects of the disposal on the cash flows of the Group were:

	Group S$'000
Carrying amounts of assets and liabilities as at the date of disposal:	
Cash and cash equivalents	**844**
Investment properties (Note 14(a))	**38,333**
Trade and other receivables	**152**
Trade and other payables	**(1,037)**
Loans due to related parties	**(20,176)**
Provisions	**(9)**
Net assets disposed	**18,107**
Release of currency translation reserve	**614**
	18,721
Gain on divestment of subsidiary, net of divestment costs	**23,877**
Consideration received, satisfied in cash	**42,598**
Add back: Divestment fees paid in units	**318**
Less: Cash and cash equivalents in subsidiaries disposed of	**(844)**
Net cash inflow on disposal, net of divestment costs	**42,072**

Notes to the Financial Statements
For the financial year ended 31 March 2020

12. Trade and other receivables

	Group		MLT	
	2020 S$'000	2019 S$'000	**2020 S$'000**	2019 S$'000
Trade receivables	**7,428**	4,191	**745**	592
Less: Loss allowances	**(40)**	–	**–**	–
	7,388	4,191	**745**	592
Amounts due from (non-trade):				
– subsidiaries	**–**	–	**35,117**	36,798
– joint ventures	**10,061**	7,118	**10,061**	7,118
– related corporations	**–**	–	**4,831**	–
Dividend receivables	**–**	–	**62,020**	44,976
Other receivables	**30,861**	34,330	**440**	645
	48,310	45,639	**113,214**	90,129

Trade receivables as at 1 April 2018 for the Group and MLT amounted to S$6,000,000 and S$1,603,000 respectively.

The amounts due from subsidiaries and joint ventures are unsecured, interest-free and repayable on demand.

13. Other current assets

	Group		MLT	
	2020 S$'000	2019 S$'000	**2020 S$'000**	2019 S$'000
Deposits	**3,443**	1,257	**149**	1
Prepayments	**15,976**	14,657	**6,953**	5,839
	19,419	15,914	**7,102**	5,840

Notes to the Financial Statements
For the financial year ended 31 March 2020

14. Investment properties

(a) Investment properties

	Group		MLT	
	2020 S$'000	2019 S$'000	**2020 S$'000**	2019 S$'000
Beginning of the year	**7,693,712**	6,515,221	**2,504,100**	1,743,600
Adoption of SFRS(I) 16 (Note 2.1)	**92,644**	–	**92,644**	–
Acquisitions of and additions to investment properties	**750,114**	1,045,694	**48,343**	809,380
Divestment of subsidiaries	**(38,333)**	–	**–**	–
Divestment of investment properties	**(174,218)**	(55,677)	**–**	(55,677)
Net movement in the value of investment properties recognised in the Statements of Profit or Loss	**116,741**	202,981	**(26,901)**	6,797
Currency translation difference	**107,749**	(14,507)	**–**	–
End of the year	**8,548,409**	7,693,712	**2,618,186**	2,504,100
Fair value change of investment properties (on net basis)	**8,429,173**	7,693,712	**2,498,950**	2,504,100
Add: Carrying amount of lease liabilities (Note 22)	**119,236**	–	**119,236**	–
Carrying amount of investment properties	**8,548,409**	7,693,712	**2,618,186**	2,504,100

The fair value of investment property as at 31 March 2019 had not been adjusted for the carrying amount of leased liability, as the adoption of SFRS(I) 16 was applied from 1 April 2019.

Included in acquisitions of and additions to investment properties of the Group are acquisitions of investment properties of S$668.7 million (2019: S$1,004.5 million) and capitalised expenditure of S$45.5 million (2019: S$41.2 million). In MLT, it comprises of capitalised expenditure of S$12.4 million (2019: S$5.0 million) and in 2019 included acquisitions of investment properties of S$804.4 million.

As at 31 March 2020, S$32.5 million (2019: S$15.4 million) of investment properties are under redevelopment.

As at 31 March 2020, certain investment properties in Japan and Malaysia with carrying amount of S$742.1 million are secured under certain notes payables (Note 22).

Investment properties are stated at fair value based on valuations performed by independent professional valuers.

The fair values are generally derived using the following methods:

- Income capitalisation - Properties are valued by capitalising net rental income after property tax at a rate which reflects the present and potential income growth and over the unexpired lease term.
- Discounted cash flow - Properties are valued by discounting the future net income stream over a period to arrive at a present value.
- Direct comparison - Properties are valued using transacted prices for comparable properties in the vicinity and elsewhere with adjustments made for differences in location, tenure, size, shape, design, age and condition of the buildings, availability of car park facilities, dates of transactions and the prevailing market conditions.
- Residual value - Investment properties under redevelopment or development are valued, as a starting point using the income capitalisation method and discounted cash flow method to derive the fair value of the property as if the redevelopment was already completed at reporting date. Deductions from that fair value, such as estimated construction cost and other costs to completion and estimated profit margin required to hold and develop property to completion are made to reflect the current condition of the property under redevelopment and development.

Notes to the Financial Statements
For the financial year ended 31 March 2020

14. Investment properties (continued)

(a) Investment properties (continued)

The Manager is of the view that the valuation methods and estimates are reflective of current market conditions and have taken into account the impact of COVID-19 pandemic outbreak based on information available as at 31 March 2020. Certain valuation reports have highlighted that with the uncertainty of COVID-19, the valuation of investment properties subsequent to valuation date, may change more rapidly and significantly than during normal market conditions. The Manager will continue to monitor the situation and seek professional advice on the property values as and when necessary.

Details of the properties are shown in the Portfolio Statements.

(b) Net movement in the fair value of investment properties

Net movement in the fair value of investment properties recognised in Statements of Profit or Loss comprises the following:

	Group		MLT	
	2020 S$'000	2019 S$'000	**2020 S$'000**	2019 S$'000
Fair value change of investment properties	**116,741**	202,981	**(26,901)**	6,797
Effect of lease incentive and marketing commission amortisation	**(25,772)**	–	**–**	–
Net movement in the fair value of investment properties recognised in the Statements of Profit or Loss	**90,969**	202,981	**(26,901)**	6,797

(c) Fair value hierarchy

The Group classifies investment properties measured at fair value by the following levels of fair value measurement hierarchy:

- Level 1: quoted prices (unadjusted) in active markets for identical assets;
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3: inputs for the asset that are not based on observable market data (unobservable inputs).

All properties within MLT's and the Group's portfolio are classified within Level 3 of the fair value hierarchy.

(d) Reconciliation of Level 3 fair value measurements

The reconciliation between the balances at the beginning and end of the financial year is disclosed within the investment properties movement table presented in Note 14(a).

Notes to the Financial Statements
For the financial year ended 31 March 2020

14. Investment properties (continued)

(e) Valuation techniques and key unobservable inputs

The following table presents the valuation techniques and key unobservable inputs that were used to determine the fair value of the investment properties classified under Level 3 of the fair value hierarchy:

Geographical regions	Valuation techniques	Key unobservable inputs
Singapore	Income capitalisation	Capitalisation rate 2020: 5.25% – 7.00% (2019: 5.25% – 7.00%)
	Discounted cash flow	Discount rate 2020: 7.75% (2019: 7.75%)
Hong Kong	Income capitalisation	Capitalisation rate 2020: 3.75% – 4.60% (2019: 3.75% – 4.60%)
	Discounted cash flow	Discount rate 2020: 6.75% – 7.60% (2019: 6.75% – 7.60%)
Japan	Discounted cash flow	Discount rate 2020: 4.00% – 10.00% (2019: 4.50% – 10.00%)
Australia	Income capitalisation	Capitalisation rate 2020: 4.75% – 7.50% (2019: 5.25% – 8.25%)
	Discounted cash flow	Discount rate 2020: 6.50% – 8.25% (2019: 6.50% – 9.00%)
South Korea	Income capitalisation	Capitalisation rate 2020: 5.50% – 6.90% (2019: 5.75% – 7.00%)
	Direct comparison	Adjusted price per square meter 2020: KRW790,400 – KRW1,477,200 (2019: KRW772,939 – KRW1,454,270)
	Discounted cash flow	Discount rate 2020: 7.50% – 8.15% (2019: 7.50% – 8.25%)
China	Income capitalisation	Capitalisation rate 2020: 5.25% – 6.50% (2019: 5.25% – 6.50%)
	Discounted cash flow	Discount rate 2020: 9.00% – 10.50% (2019: 9.00% – 10.50%)
	Residual value	Gross development value The same capitalisation rate and discount rate as disclosed for this property under development have been applied in determining the gross development value.

Notes to the Financial Statements
For the financial year ended 31 March 2020

14. Investment properties (continued)

(e) Valuation techniques and key unobservable inputs (continued)

Geographical regions	Valuation techniques	Key unobservable inputs
Malaysia	Income capitalisation	Capitalisation rate 2020: 6.50% – 8.00% (2019: 6.50% – 8.00%)
	Discounted cash flow	Discount rate 2020: 8.00% – 9.50% (2019: 9.00% – 9.50%)
Vietnam	Income capitalisation	Capitalisation rate 2020: 9.00% – 9.75% (2019: 9.50% – 10.00%)
	Direct comparison	Adjusted price per square meter 2020: VND6,233,000 – VND11,075,000 (2019: VND6,000,000 – VND11,175,000)
	Discounted cash flow	Discount rate 2020: 12.50% (2019: Not applicable)

Relationship of key unobservable inputs to fair value

- The higher the capitalisation rate, the lower the fair value.
- The higher the adjusted price per square meter, the higher the fair value.
- The higher the discount rate, the lower the fair value.
- The higher the gross development value, the higher the fair value.

15. Leases

Leases as lessee (SFRS(I) 16)

The Group leases leasehold lands for certain properties within its logistics portfolio. The leases are typically more than 10 years, with an option to renew the lease after the expiry date. Lease payments are revised annually based on lessor's prevailing published rental rent with a certain percentage escalation cap annually.

These leasehold lands are classified in investment properties (Note 14(a)).

There are no externally imposed covenant on these lease arrangements.

(a) Carrying amounts

The right-of-use asset relating to the leasehold land presented under investment properties (Note 14(a)) and is stated at fair value.

Notes to the Financial Statements
For the financial year ended 31 March 2020

15. Leases (continued)

Leases as lessee (SFRS(I) 16) (continued)

(b) Interest expense

	Group and MLT
	2020 **S$'000**
Interest expense on lease liabilities (Note 7)	**4,087**

(c) Total cash outflow for all the leases in 2020 was S$13,438,000.

(d) Additions to ROU assets during the financial year ended 31 March 2020 was S$35,943,000.

(e) Extension options - The leases for leasehold lands for which the related lease payments had not been included in lease liabilities as the options are subjected to the Group meeting certain conditions and approval is at the discretion of the lessor.

Leases as lessor

The Group leases out its investment properties to third parties for monthly lease payments. The leases are classified as operating leases because the risk and rewards incidental to ownership of the assets are not substantially transferred. As part of its asset and lease management strategy, the Manager proactively engages tenants for negotiations well ahead of lease expiries to mitigate leasing risk and achieve a well-staggered lease expiry profile. The Group also actively manages its property portfolio and reviews its tenant mix in order to achieve portfolio diversification and stability.

The Group also act as an intermediate lessor in respect of the land component, in leasing arrangements where its investment properties on underlying ground leases with JTC are leased to single tenants. The sublease periods do not form a major part of the remaining lease terms under the head leases and accordingly, the sub-leases are classified as an operating leases.

Rental income from investment properties are disclosed in Note 3.

Undiscounted lease payments from the operating leases to be received after the reporting date are as follows:

	Group		MLT	
	2020 **S$'000**	2019 S$'000	**2020** **S$'000**	2019 S$'000
Less than one year	**470,283**	446,480	**165,411**	180,036
One to two years	**363,345**	338,100	**133,885**	139,718
Two to three years	**267,983**	261,006	**109,914**	111,148
Three to four years	**203,786**	195,614	**87,490**	92,580
Four to five years	**160,369**	160,107	**64,772**	80,591
Five years and above	**625,707**	686,759	**241,104**	296,382
Total undiscounted lease payment	**2,091,473**	2,088,066	**802,576**	900,455

Notes to the Financial Statements
For the financial year ended 31 March 2020

16. Investments in subsidiaries

	MLT	
	2020 S$'000	2019 S$'000
Equity investments at cost	**992,275**	986,479
Accumulated impairment	**(37,536)**	(37,536)
	954,739	948,943

Details of significant subsidiaries are included in Note 35.

17. Investments in joint ventures

	MLT	
	2020 S$'000	2019 S$'000
Equity investments in joint ventures, at cost	**35,125**	28,392

On 26 November 2019, the Group acquired 50% interest in 4 (2019: 11) Hong Kong entities, each of which indirectly owns a logistics property in the People's Republic of China.

The Group did not receive any dividends from the joint ventures.

No individual joint venture is considered to be material to the Group. The following represents the aggregate amount of the Group's share of results and total comprehensive income/(loss) of joint ventures and their carrying amounts.

	Group	
	2020 S$'000	2019 S$'000
Profit/(loss) for the year and total comprehensive income/(loss)	**5,235**	(1,546)
Carrying amount	**37,709**	25,794

There are no contingent liabilities relating to the Group's interest in the joint ventures.

Details of joint ventures are included in Note 35.

Notes to the Financial Statements

For the financial year ended 31 March 2020

18. Loans to subsidiaries

Loans to subsidiaries are denominated in the following currencies:

	MLT	
	2020 S$'000	2019 S$'000
Singapore Dollar	**399,301**	347,254
Hong Kong Dollar	**192,904**	186,795
Japanese Yen	**120,063**	53,697
United States Dollar	**240,150**	219,282
Renminbi	**88,503**	75,371
Malaysian Ringgit	**38,456**	125,854
Australian Dollar	**335,559**	199,731
	1,414,936	1,207,984

The loans to subsidiaries are unsecured and have no fixed repayment terms. The loans denominated in Singapore Dollar, Hong Kong Dollar and Malaysian Ringgit are interest-free. The weighted average interest rates of the loans at reporting date are 2.80% (2019: 3.87%) per annum.

19. Loans to joint ventures

	Group		MLT	
	2020 S$'000	2019 S$'000	**2020 S$'000**	2019 S$'000
Loans to joint ventures	**230,178**	174,773	**230,178**	174,773

In 2020, the Group and MLT extended interest bearing loans to its joint ventures acquired in November 2019.

The loans to joint ventures are unsecured and have no fixed repayment terms. The weighted average interest rates of the loans at reporting date are 4.80% (2019: 5.61%) per annum.

The loans to joint ventures are denominated in Renminbi.

20. Loans to related companies

	MLT	
	2020 S$'000	2019 S$'000
Loans to related companies	**195,874**	–

The loans to related companies relate to subscription of unrated junior medium term notes issued by structured entities. The structured entities are consolidated in the financial statements of the Group in accordance with SFRS(I) 10 *Consolidated Financial Statements* as the Group is able to demonstrate control on its investments in the structured entities for financial reporting purposes.

The loans are secured and mature in 2026. The fixed component of the loans is interest bearing at 5.0%.

The variable component of the loans is declared based on the performance of the related companies, subject to cash availability.

Notes to the Financial Statements
For the financial year ended 31 March 2020

21. Trade and other payables

	Group		MLT	
	2020 S$'000	2019 S$'000	**2020 S$'000**	2019 S$'000
Current				
Trade payables	**3,542**	4,307	**48**	294
Other payables	**1,809**	4,534	**2,432**	3,621
Accruals	**53,656**	45,101	**26,141**	23,201
Accrued retention sums	**5,812**	3,045	**664**	2,877
Amounts due to subsidiaries (non-trade)	**–**	–	**77,716**	35,577
Amounts due to related parties (trade)	**17,468**	14,615	**10,178**	3,884
Deposits and advance rental	**102,264**	125,296	**28,118**	55,714
Interest payable	**9,739**	10,181	**–**	–
Deferred revenue	**440**	1,092	**440**	1,092
	194,730	208,171	**145,737**	126,260
Non-current				
Deferred revenue	**1,901**	2,341	**1,901**	2,341
Total trade and other payables	**196,631**	210,512	**147,638**	128,601

The amounts due to subsidiaries and related parties are unsecured, interest-free and repayable on demand.

Accruals include accrued operating, capital and development expenditures.

22. Borrowings

	Group		MLT	
	2020 S$'000	2019 S$'000	**2020 S$'000**	2019 S$'000
Current				
Term loans	**92,898**	–	**–**	–
Revolving credit facilities	**–**	31,609	**–**	–
Notes payable	**108,971**	–	**–**	–
	201,869	31,609	**–**	–
Lease liabilities	**9,078**	–	**9,078**	–
	210,947	31,609	**9,078**	–
Non-current				
Term loans	**1,413,794**	1,458,927	**–**	–
Revolving credit facilities	**1,289,469**	1,232,725	**–**	–
Notes payable	**520,823**	270,411	**–**	–
Loans from a subsidiary	**–**	–	**1,693,938**	1,457,931
	3,224,086	2,962,063	**1,693,938**	1,457,931
Lease liabilities	**110,158**	–	**110,158**	–
	3,334,244	2,962,063	**1,804,096**	1,457,931
Total borrowings	**3,425,955**	2,993,672	**1,693,938**	1,457,931
Total lease liabilities	**119,236**	–	**119,236**	–

The borrowings of the Group and MLT are unsecured except for certain non-current notes payable amounting to S$338.5 million (2019: S$nil) which are secured over certain investment properties (Note 14(a)).

Notes to the Financial Statements
For the financial year ended 31 March 2020

22. Borrowings (continued)

(a) Maturity of borrowings

As at 31 March 2020, the current borrowings have a weighted average maturity of approximately 5 months (2019: 6 months) from the end of the financial year.

The non-current term loans, revolving credit facilities and notes payable mature between 2021 and 2028 (2019: 2020 and 2026). The loans from a subsidiary have no fixed repayment terms and are not expected to be repaid within the next 12 months.

(b) Interest rates

The weighted average effective interest rates of borrowings at the reporting date were as follows:

	Group		MLT	
	2020 %	2019 %	**2020 %**	2019 %
Term loans (current)	**1.48**	–	**–**	–
Term loans (non-current)	**1.28**	1.66	**–**	–
Revolving credit facilities (current)	**–**	4.69	**–**	–
Revolving credit facilities (non-current)	**1.94**	2.95	**–**	–
Notes payable (current)	**2.97**	–	**–**	–
Notes payable (non-current)	**2.79**	2.51	**–**	–
Loans from a subsidiary	**–**	–	**2.52**	3.08

(c) Interest rate risks

The exposure of the borrowings and lease liabilities of the Group and MLT to interest rate changes and the contractual repricing dates at the reporting dates (before taking into account the derivatives to swap the floating rates to fixed rates) are as follows:

Group	Variable rates less than 6 months S$'000	Fixed rates less than 1 year S$'000	Fixed rates 1 to 5 years S$'000	Fixed rates more than 5 years S$'000	Total S$'000
31 March 2020					
Borrowings	**3,020,436**	**53,523**	**121,556**	**230,440**	**3,425,955**
Lease liabilities	**–**	**9,078**	**37,514**	**72,644**	**119,236**
31 March 2019					
Borrowings	2,832,285	–	161,387	–	2,993,672

Notes to the Financial Statements
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22. Borrowings (continued)

(c) Interest rate risks (continued)

MLT	Variable rates less than 6 months S$'000	Fixed rates less than 1 year S$'000	Fixed rates 1 to 5 years S$'000	Fixed rates more than 5 years S$'000	Total S$'000
31 March 2020					
Borrowings	**1,572,382**	**–**	**121,556**	**–**	**1,693,938**
Lease liabilities	**–**	**9,078**	**37,514**	**72,644**	**119,236**
31 March 2019					
Borrowings	1,348,372	–	109,559	–	1,457,931

(d) Carrying amounts and fair values

The carrying amounts of current borrowings approximate their fair values. The carrying amounts of non-current borrowings, which are at variable market rates, also approximate their fair values.

The carrying amounts and fair values of fixed rate non-current notes payable and loans from a subsidiary were as follows:

	Carrying amounts		Fair values	
	2020 S$'000	2019 S$'000	**2020 S$'000**	2019 S$'000
Group				
Notes payable (non-current)	**351,996**	161,387	**362,092**	169,055
MLT				
Loans from a subsidiary	**121,556**	109,559	**125,026**	116,721

The fair values above are determined from the cash flow analyses, discounted at market borrowing rates of an equivalent instrument at the balance sheet date are as follows:

	Group		**MLT**	
	2020 %	2019 %	**2020 %**	2019 %
Notes payable (non-current)	**1.50 – 4.30**	0.60 – 3.00	**–**	–
Loans from a subsidiary	**–**	–	**1.50**	0.60

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23. Derivative financial instruments

	Group		MLT	
	Contract notional amount S$'000	Fair value Assets/ (Liabilities) S$'000	Contract notional amount S$'000	Fair value Assets/ (Liabilities) S$'000
31 March 2020				
Derivatives held for hedging:				
Cash flow hedges				
– Interest rate swaps	**1,769,364**	**(59,439)**	**–**	**–**
– Cross currency swaps	**287,740**	**4,764**	**–**	**–**
Derivatives not held for hedging:				
– Interest rate swaps	**150,973**	**(2,564)**	**–**	**–**
– Cross currency swaps	**123,142**	**(3,232)**	**–**	**–**
– Currency forwards	**334,131**	**(4,490)**	**334,131**	**(4,490)**
		(64,961)		**(4,490)**
Represented by:				
Current assets		**4,475**		**2,087**
Non-current assets		**11,663**		**1,395**
Current liabilities		**(4,428)**		**(3,802)**
Non-current liabilities		**(76,671)**		**(4,170)**
		(64,961)		**(4,490)**
31 March 2019				
Derivatives held for hedging:				
Cash flow hedges				
– Interest rate swaps	1,746,650	(17,396)	–	–
– Cross currency swaps	261,989	6,225	–	–
Derivatives not held for hedging:				
– Interest rate swaps	261,431	(1,353)	–	–
– Cross currency swaps	92,000	(1,222)	–	–
– Currency forwards	276,495	6,363	276,495	6,363
		(7,383)		6,363
Represented by:				
Current assets		4,863		3,302
Non-current assets		13,342		3,665
Current liabilities		(884)		(429)
Non-current liabilities		(24,704)		(175)
		(7,383)		6,363

Notes to the Financial Statements
For the financial year ended 31 March 2020

23. Derivative financial instruments (continued)

Hedging instruments used in Group's hedging strategy in 2020

Group	Contractual notional amount S$'000	Carrying Amount: Assets/ (Liabilities) S$'000	Carrying Amount: Financial statement line item	Changes in fair value used for calculating hedge ineffectiveness: Hedging instruments S$'000	Changes in fair value used for calculating hedge ineffectiveness: Hedged item S$'000	Hedge ineffectiveness recognised in P&L[1] S$'000	Hedged rate	Maturity
Cash flow hedge								
Interest rate risk								
– Interest rate swap to hedge floating rate borrowings	**1,769,364**	**(59,439)**	**Derivative financial instruments**	**(45,297)**	**44,011**	**(1,285)**	**0.19% – 2.37%**	**2020 – 2026**
Foreign currency risk/ Interest rate risk								
– Cross currency swap to hedge floating rate borrowings denominated in foreign currency	**287,740**	**4,764**	**Derivative financial instruments**	**152**	**(1,057)**	**(906)**	**0.52% – 4.65%**	**2020 – 2026**
Net investment hedge								
– Borrowings to hedge net investments in foreign operations	**–**	**(739,164)**	**Borrowings**	**(8,001)**	**8,001**	**–**	**–**	**–**

[1] All hedge ineffectiveness and costs of hedging are recognised in Statements of Profit or Loss within "net change in fair value of financial derivatives" (Note 8).

Notes to the Financial Statements
For the financial year ended 31 March 2020

23. Derivative financial instruments (continued)

Hedging instruments used in Group's hedging strategy in 2019

Group	Contractual notional amount S$'000	Carrying Amount: Assets/ (Liabilities) S$'000	Carrying Amount: Financial statement line item	Changes in fair value used for calculating hedge ineffectiveness: Hedging instruments S$'000	Changes in fair value used for calculating hedge ineffectiveness: Hedged item S$'000	Hedge ineffectiveness recognised in P&L[1] S$'000	Hedged rate	Maturity
Cash flow hedge								
Interest rate risk								
– Interest rate swap to hedge floating rate borrowings	1,746,650	(17,396)	Derivative financial instruments	(13,596)	13,222	(374)	0.19% – 3.89%	2019 – 2026
Foreign currency risk/ Interest rate risk								
– Cross currency swap to hedge floating rate borrowings denominated in foreign currency	261,989	6,225	Derivative financial instruments	3,995	(2,202)	1,793	1.54% – 4.65%	2019 – 2025
Net investment hedge								
– Borrowings to hedge net investments in foreign operations	–	(520,777)	Borrowings	20,594	(20,594)	–	–	–

[1] All hedge ineffectiveness and costs of hedging are recognised in Statements of Profit or Loss within "net change in fair value of financial derivatives" (Note 8).

Notes to the Financial Statements
For the financial year ended 31 March 2020

24. Deferred taxation

	Group	
	2020 S$'000	2019 S$'000
Beginning of the year	**170,238**	146,451
Tax charged to Statements of Profit or Loss (Note 9)	**16,807**	26,309
Acquisition of subsidiaries	**459**	–
Currency translation difference	**5,026**	(2,522)
End of the year	**192,530**	170,238

The movement in deferred income tax liabilities prior to offsetting of balances within the same tax jurisdiction is as follows:

Group	Accelerated tax depreciation S$'000	Change in fair value of investment properties S$'000	Total S$'000
2020			
Beginning of the year	**104,183**	**66,055**	**170,238**
Tax charge to Statements of Profit or Loss	**14,312**	**2,495**	**16,807**
Acquisition of subsidiaries	**–**	**459**	**459**
Currency translation difference	**3,915**	**1,111**	**5,026**
End of the year	**122,410**	**70,120**	**192,530**
2019			
Beginning of the year	86,403	60,048	146,451
Tax charge to Statements of Profit or Loss	18,504	7,805	26,309
Currency translation difference	(724)	(1,798)	(2,522)
End of the year	104,183	66,055	170,238

Notes to the Financial Statements
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25. Units in issue and perpetual securities

(a) Units in issue

	Group and MLT	
	2020 '000	2019 '000
Beginning of the year	**3,622,335**	3,058,168
Creation of new units arising from		
– Distribution Reinvestment Plan	**9,617**	59,832
– Settlement of acquisition fees	**841**	855
– Settlement of disposal fees	**187**	279
– Settlement of management fees	**12,686**	9,492
– Private placement	**154,608**	493,709
End of the year	**3,800,274**	3,622,335

(i) MLT had implemented a Distribution Reinvestment Plan in 2013 whereby the Unitholders have the option to receive their distribution in units instead of cash or a combination of units and cash.

In 2020, 9,616,727 new units (2019: 59,831,784) at an issue price of S$1.4365 (2019: at issue price range of S$1.2061 to S$1.3170) per unit were issued during the financial year, pursuant to the Distribution Reinvestment Plan.

(ii) 840,686 new units (2019: 854,944) at an issue price of S$1.6170 (2019: S$1.1970) per unit were issued during the financial year, in respect of the payment of Manager's acquisition fees for the acquisition of Mapletree Logistics Hub – Shah Alam (2019: 50% interest in 11 property holding companies).

(iii) 187,134 new units (2019: 278,574) at an issue price of S$1.7005 (2019: S$1.2205) per unit were issued during the financial year, in respect of the payment of Manager's disposal fees for the divestment of MapletreeLog Integrated (Shanghai) Co., Ltd. (2019: 7 Tai Seng Drive).

(iv) 12,685,536 new units (2019: 9,492,552) at an issue price range of S$1.4392 to S$1.7005 (2019: S$1.2110 to S$1.2909) per unit were issued during the financial year, in respect of the payment of management fees to the Manager and the Property Manager in units.

(v) 154,608,000 new units (2019: 493,709,000) at an issue price of S$1.6170 (2019: at issue price range of S$1.1970 to S$1.2100) per unit were issued during the financial year, in respect of a private placement exercise.

Notes to the Financial Statements

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25. Units in issue and perpetual securities (continued)

(a) Units in issue (continued)

Each unit in MLT represents an undivided interest in MLT. The rights and interests of Unitholders are contained in the Trust Deed and included the right to:

- Receive income and other distributions attributable to the units held;
- Participate in the termination of MLT by receiving a share of all net cash proceeds derived from the realisation of the assets of MLT less any liabilities, in accordance with their proportionate interests in MLT. However, a Unitholder does not have the right to require that any assets (or part thereof) of MLT be transferred to him; and
- Attend all Unitholders' meetings. The Trustee or the Manager may (and the Manager shall at the request in writing of not less than 50 Unitholders or one-tenth in the number of Unitholders, whichever is lesser) at any time convene a meeting of Unitholders in accordance with the provisions of the Trust Deed.

The restrictions of a Unitholder include the following:

- A Unitholder's right is limited to the right to require due administration of MLT in accordance with the provisions of the Trust Deed; and
- A Unitholder has no right to request to redeem his units while the units are listed on SGX-ST.

A Unitholder's liability is limited to the amount paid or payable for any units in MLT. The provisions of the Trust Deed provide that no Unitholder will be personally liable to indemnify the Trustee or any creditor of the Trustee in the event that the liabilities of MLT exceed its assets.

(b) Perpetual securities

The following represents the terms of the perpetual securities:

- These perpetual securities have no fixed redemption date;
- Redemption is at the discretion of MLT. The distribution will be payable semi-annually at the discretion of MLT and will be non-cumulative.

In terms of distribution payments or in the event of winding-up of MLT:

- These perpetual securities rank pari passu with the holders of preferred units (if any) and rank ahead of the Unitholders of MLT, but junior to the claims of all other present and future creditors of MLT.
- MLT shall not declare distribution or pay any distributions to the Unitholders, or make redemption, unless MLT declare or pay any distributions to the holders of the perpetual securities.

These perpetual securities are classified as equity instruments and recorded in equity in the Statements of Movements in Unitholders' Funds. The S$429,960,000 (2019: S$429,931,000) presented on the Statements of Financial Position represents the S$430,000,000 (2019: S$430,000,000) perpetual securities net of issue costs and includes profit attributable to perpetual securities holders from last distribution date.

26. Issue expenses

Issue expenses comprise professional, advisory, underwriting, printing and other costs related to issuance of units and perpetual securities of MLT.

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27. Commitments

(a) Capital expenditure commitments

Development expenditures contracted for at the reporting date but not recognised in the financial statements amounted to S$6,303,000 (2019: S$13,782,000).

In September 2019, the Group had entered into conditional forward purchase agreement with Wooreddy Investments Pty Ltd to acquire a logistics warehouse in Melbourne, Australia, for a consideration of approximately AUD18.4 million, equivalent to S$16.7 million. The Group has paid an initial deposit of 10% of the consideration. The property is estimated to complete by December 2020.

(b) Operating lease commitments

(i) The Group as lessee

For the Singapore properties, the Group and MLT is required to pay Jurong Town Corporation for annual land rent in respect of certain of its investment properties. The annual land rent is based on market rent in the relevant year of the current lease term and the lease provides that any increase in annual land rent from year to year shall not exceed 5.5% of the annual land rent for the immediate preceding year. The leases are non-cancellable with remaining lease terms of up to 78 years as at 31 March 2019, with options to renew up to a further 30 years for some of the leases. The land rent paid/payable based on prevailing rental rates for the financial year ended 31 March 2019 approximates S$11,590,000.

As disclosed in Note 2.1, the Group has adopted SFRS(I) 16 on 1 April 2019. These lease payments have been recognised as right-of-use assets and lease liabilities on the balance sheet as at 31 March 2020.

Short-term and low value leases are not material to the Group and MLT.

(ii) The Group as lessor

The Group and MLT leases out its investment properties. The future minimum lease payments receivable under non-cancellable operating leases contracted for as at 31 March 2019 but not recognised as receivables, are as follows:

	Group S$'000	**MLT** S$'000
Not later than 1 year	446,480	180,036
Later than 1 year but not later than 5 years	954,827	424,037
Later than 5 years	686,759	296,382
	2,088,066	900,455

Some of the operating leases are subject to revision of lease rentals at periodic intervals. For the purpose of the above disclosure, the prevailing lease rentals are used.

On 1 April 2019, the Group has adopted SFRS(I) 16 and the undiscounted lease payments from the operating leases to be received after 31 March 2020 is disclosed in Note 15.

Notes to the Financial Statements
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28. Financial risk management

Financial risk factors

The Group's activities expose it to market risk (including currency risk and interest rate risk), credit risk and liquidity risk in the normal course of its business. The Group's overall risk management strategy seeks to minimise adverse effects from the unpredictability of financial markets on the Group's financial performance. The Group uses financial instruments such as currency forwards, cross currency swaps, interest rate swaps and foreign currency borrowings to hedge certain financial risk exposures.

The Board of Directors ("BOD") of the Manager is responsible for setting the objectives and underlying principles of financial risk management for the Group. This is supported by comprehensive internal processes and procedures which are formalised in the Manager's organisational and reporting structure, operating manuals and delegation of authority guidelines.

(a) Market risk

(i) Currency risk

The Manager's investment strategy includes investing in the Asia-Pacific region. In order to manage the currency risk involved in investing in assets outside Singapore, the Manager adopts currency risk management strategies that may include:

- The use of foreign currency denominated borrowings to match the currency of the asset investment as a natural currency hedge;
- The use of cross currency swaps to swap a portion of debt in another currency into the currency of the asset investment to reduce the underlying currency exposure; and
- Entering into currency forward contracts to hedge the foreign currency income received from the offshore assets, back into Singapore Dollars.

The currency forwards are denominated in the same currency as the highly probable foreign currency income, therefore the hedge ratio is 1:1.

The Group determines the existence of an economic relationship between the hedging instrument and hedge item based on the currency, amount and timing of their respective cash flows. The Group assess whether the derivative designated in each hedging relationship is expected to be and has been effective in offsetting changes in cash flows of the hedged item using the hypothetical derivative method.

In these hedge relationships, main sources of ineffectiveness are:

- Changes in the designated component value of the hedging instrument exceeds on an absolute basis the change in value of the hedged item attributable to the hedged risk;
- Changes in the credit risk of the derivative counterparty or the Group; and
- Changes in the timing of the hedged transactions.

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28. Financial risk management (continued)

Financial risk factors (continued)

(a) Market risk (continued)

(i) Currency risk (continued)

The Group's main currency exposure based on the information provided to key management is as follows:

Group	SGD S$'000	HKD S$'000	MYR S$'000	JPY S$'000	USD S$'000	RMB S$'000	AUD S$'000	Others S$'000	Total S$'000
31 March 2020									
Financial assets									
Cash and cash equivalents	**6,753**	**23,304**	**30,047**	**30,981**	**4,979**	**24,516**	**6,851**	**23,779**	**151,210**
Trade and other receivables[1]	**1,185**	**12**	**1,341**	**2,585**	**–**	**244,691**	**1,044**	**1,470**	**252,328**
Financial liabilities									
Trade and other payables[2]	**(64,024)**	**(32,589)**	**(13,902)**	**(27,937)**	**(108)**	**(20,497)**	**(4,845)**	**(20,451)**	**(184,353)**
Lease liabilities	**(119,236)**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**(119,236)**
Borrowings	**(799,523)**	**(687,021)**	**(246,999)**	**(1,138,189)**	**(132,948)**	**–**	**(421,275)**	**–**	**(3,425,955)**
Net financial assets/ (liabilities)	**(974,845)**	**(696,294)**	**(229,513)**	**(1,132,560)**	**(128,077)**	**248,710**	**(418,225)**	**4,798**	**(3,326,006)**
Less:									
Net financial liabilities denominated in the respective entities' functional currencies	**960,387**	**718,089**	**434,471**	**1,076,203**	**–**	**52,288**	**433,419**	**8,440**	**3,683,297**
Cross currency swaps*	**–**	**–**	**–**	**60,778**	**123,081**	**(46,711)**	**–**	**–**	**137,148**
Net currency exposure	**(14,458)**	**21,795**	**204,958**	**4,421**	**(4,996)**	**254,287**	**15,194**	**13,238**	**494,439**
31 March 2019									
Financial assets									
Cash and cash equivalents	11,226	16,585	5,806	21,566	2,339	25,053	6,079	15,645	104,299
Trade and other receivables[1]	946	6,622	566	807	–	184,254	1,209	961	195,365
Financial liabilities									
Trade and other payables[2]	(84,059)	(34,027)	(8,391)	(27,141)	(735)	(20,238)	(5,261)	(16,824)	(196,676)
Lease liabilities	–	–	–	–	–	–	–	–	–
Borrowings	(720,105)	(665,264)	(64,812)	(873,727)	(223,433)	–	(446,331)	–	(2,993,672)
Net financial assets/ (liabilities)	(791,992)	(676,084)	(66,831)	(878,495)	(221,829)	189,069	(444,304)	(218)	(2,890,684)
Less:									
Net financial liabilities denominated in the respective entities' functional currencies	791,588	692,934	71,656	822,677	–	80,023	456,635	12,044	2,927,557
Cross currency swaps*	–	–	–	54,779	126,106	(47,289)	–	–	133,596
Net currency exposure	(404)	16,850	4,825	(1,039)	(95,723)	221,803	12,331	11,826	170,469

* The Group entered into cross currency swaps to swap JPY denominated borrowings into RMB amounting to S$60.8 million (2019: S$54.8 million), USD denominated borrowings into RMB amounting to S$104.5 million (2019: S$107.9 million) and USD denominated borrowings into KRW amounting to S$18.6 million (2019: S$18.2 million).

1 Excludes accrued revenue and Goods and Services Tax receivables.

2 Excludes advanced rental, deferred revenue and Goods and Services Tax payables.

Notes to the Financial Statements
For the financial year ended 31 March 2020

28. Financial risk management (continued)

Financial risk factors (continued)

(a) Market risk (continued)

(i) Currency risk (continued)

MLT's main foreign currency exposure based on the information provided by key management is as follows:

MLT	HKD S$'000	MYR S$'000	JPY S$'000	USD S$'000	RMB S$'000	AUD S$'000	Others S$'000
31 March 2020							
Financial assets							
Cash and cash equivalents	**295**	**75**	**2,315**	**159**	**377**	**317**	**–**
Trade and other receivables	**21,696**	**9,010**	**3,386**	**13,877**	**27,523**	**15,975**	**13,239**
Loans to subsidiaries	**192,904**	**38,456**	**120,062**	**240,150**	**88,503**	**335,559**	**–**
Loans to joint ventures	**–**	**–**	**–**	**–**	**230,178**	**–**	**–**
Loans to related companies	**–**	**195,874**	**–**	**–**	**–**	**–**	**–**
Financial liabilities							
Trade and other payables[1]	**(22,291)**	**–**	**(1,320)**	**(5,374)**	**(45,649)**	**(1,099)**	**–**
Lease liabilities	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Borrowings	**–**	**–**	**(211,489)**	**(94,473)**	**–**	**(421,275)**	**–**
Net currency exposure	**192,604**	**243,415**	**(87,046)**	**154,339**	**300,932**	**(70,523)**	**13,239**
31 March 2019							
Financial assets							
Cash and cash equivalents	13	–	1,382	231	2,652	585	–
Trade and other receivables	17,038	4,825	2,347	13,902	17,093	12,665	11,826
Loans to subsidiaries	186,795	125,854	53,697	219,282	75,371	199,731	–
Loans to joint ventures	–	–	–	–	174,773	–	–
Loans to related companies	–	–	–	–	–	–	–
Financial liabilities							
Trade and other payables[1]	(23,224)	–	(1,150)	(7,836)	(948)	(919)	–
Lease liabilities	–	–	–	–	–	–	–
Borrowings	–	–	(100,632)	(179,211)	–	(290,804)	–
Net currency exposure	180,622	130,679	(44,356)	46,368	268,941	(78,742)	11,826

[1] Excludes advance rental, deferred revenue and Goods and Services Tax payables.

Notes to the Financial Statements
For the financial year ended 31 March 2020

28. Financial risk management (continued)

Financial risk factors (continued)

(a) Market risk (continued)

(i) Currency risk (continued)

The Group's main foreign currency exposure is in HKD, MYR, JPY, USD, RMB and AUD (2019: HKD, MYR, JPY, USD, RMB and AUD). If the HKD, MYR, JPY, USD, RMB and AUD change against the SGD by 5% (2019: 5%), with all other variables including tax being held constant, the effects arising from the net financial asset/liability position will be as follows:

	Increase/(Decrease)	
Group	**2020 Profit for the year S$'000**	2019 Profit for the year S$'000
HKD against SGD		
– strengthened	**1,147**	887
– weakened	**(1,038)**	(802)
MYR against SGD		
– strengthened	**10,787**	254
– weakened	**(9,760)**	(230)
JPY against SGD		
– strengthened	**233**	(55)
– weakened	**(210)**	49
USD against SGD		
– strengthened	**(263)**	(5,038)
– weakened	**238**	4,558
RMB against SGD		
– strengthened	**13,383**	11,674
– weakened	**(12,109)**	(10,562)
AUD against SGD		
– strengthened	**800**	649
– weakened	**(723)**	(587)

Notes to the Financial Statements
For the financial year ended 31 March 2020

28. Financial risk management (continued)

Financial risk factors (continued)

(a) Market risk (continued)

(i) Currency risk (continued)

MLT's main foreign currency exposure is in HKD, MYR, JPY, USD, RMB and AUD (2019: HKD, MYR, JPY, USD, RMB and AUD). If the HKD, MYR, JPY, USD, RMB and AUD change against the SGD by 5% (2019: 5%), with all other variables including tax being held constant, the effects arising from the net financial asset/liability will be as follows:

MLT	Increase(Decrease) 2020 Profit for the year S$'000	2019 Profit for the year S$'000
HKD against SGD		
– strengthened	**10,137**	9,506
– weakened	**(9,172)**	(8,601)
MYR against SGD		
– strengthened	**12,811**	6,878
– weakened	**(11,591)**	(6,223)
JPY against SGD		
– strengthened	**(4,581)**	(2,335)
– weakened	**4,145**	2,112
USD against SGD		
– strengthened	**8,123**	2,440
– weakened	**(7,349)**	(2,208)
RMB against SGD		
– strengthened	**15,839**	14,155
– weakened	**(14,330)**	(12,807)
AUD against SGD		
– strengthened	**(3,712)**	(4,144)
– weakened	**3,358**	3,750

(ii) Cash flow and fair value interest rate risk

The Group's exposure to changes in interest rates relates primarily to interest-earning financial assets and interest-bearing financial liabilities. Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market interest rates. The Group has no significant interest-bearing assets.

Notes to the Financial Statements

For the financial year ended 31 March 2020

28. **Financial risk management** (continued)

Financial risk factors (continued)

(a) Market risk (continued)

(ii) Cash flow and fair value interest rate risk (continued)

The Group's policy is to maintain at least 50% of its borrowings in fixed-rate instruments. The Group's exposure to cash flow interest rate risks arises mainly from variable-rate borrowings. MLT's exposure to cash flow interest rate risks arises mainly from borrowings and loans to subsidiaries at variable rates. The Manager manages these cash flow interest rate risks using floating-to-fixed interest rate swaps.

The Group enters into interest rate swaps with the same critical terms as the hedged item, such as reference rate, reset dates, payment dates, maturities and notional amount. The Group does not hedge 100% of its loans, therefore the hedged item is identified as a proportion of the outstanding amount of the borrowings. As all critical terms matched during the year, the economic relationship was 100% effective.

Hedge effectiveness

Hedge effectiveness is determined at the inception of the hedging relationship, and through periodic prospective effective assessments to ensure that an economic relationship exists between the hedged item and hedging instrument.

The Group enters into hedge relationships where the critical terms of the hedging instrument match exactly with the terms of the hedged item, and so a qualitative assessment of effectiveness is performed. If changes in circumstances affect the terms of the hedged item such that the critical terms no longer match exactly with the critical terms of the hedging instrument, the Group uses the hypothetical derivative method to assess effectiveness.

Hedge ineffectiveness have occurred due to changes in the critical terms of either the interest rate swaps or the borrowings.

The Group's borrowings at variable rates on which interest rate swaps have not been entered into, are denominated mainly in JPY and SGD (2019: SGD and JPY).

If JPY and SGD (2019: SGD and JPY) interest rates increase/decrease by 0.5% per annum (2019: 0.5% per annum), the other comprehensive income will be lower/higher by S$3,300,000 (2019: S$1,406,000).

(b) Credit risk

Credit risk is the potential financial loss resulting from the failure of a customer or counterparty to settle its financial and contractual obligations to the Group, as and when they fall due.

The Manager has established credit limits for customers and monitors their balances on an ongoing basis. Credit evaluations are performed by the Manager before lease agreements are entered into with customers. The risk is also mitigated due to customers placing security deposits or furnishing bankers guarantees for lease rentals. Cash and short-term bank deposits are placed with financial institutions which are regulated.

For the MLT's non-trade amounts and loans due from subsidiaries and joint ventures, MLT considers the financial assets to have a low credit risk by taking into consideration that the Group's financial abilities and sufficient credit facilities to settle the amounts.

Notes to the Financial Statements
For the financial year ended 31 March 2020

28. Financial risk management (continued)

Financial risk factors (continued)

(b) Credit risk (continued)

At the reporting date, there was no significant concentration of credit risk. The maximum exposure to credit risk is represented by the carrying value of each financial asset in the Statements of Financial Position, except as follows:

	MLT	
	2020 S$'000	2019 S$'000
Corporate guarantees provided to banks on subsidiaries' loans	**1,732,017**	1,535,741

The Group's major classes of financial assets are cash and cash equivalents, trade and other receivables and loans to joint ventures.

MLT's major class of financial assets are cash and cash equivalents, amounts due from subsidiaries, loans to subsidiaries, loans to joint ventures and loans to related companies.

(i) Trade receivables

In measuring the expected credit losses, trade debtors are grouped based on shared credit risk characteristics and days past due. In calculating the expected credit loss rates, the Group considers historical loss rates for each category of customers and adjusts to reflect current and forward-looking macroeconomic factors affecting the ability of the debtor to settle the receivables.

Trade receivables are impaired (net of security deposits and bank guarantees) when it is deemed probable that the Group is unable to collect all amounts due in accordance with the contractual terms of agreement. Where receivables are written off, the Group continues to engage in enforcement activity to attempt to recover the receivables due. Where recoveries are made, these are recognised in profit or loss.

Financial assets that are neither past due nor impaired

Bank deposits that are neither past due nor impaired are mainly deposits with banks which are regulated and with high credit-ratings assigned by international credit-rating agencies. Trade and other receivables that are neither past due nor impaired are substantially from companies with a good collection track record with the Group.

Financial assets that are past due and/or impaired

The age analysis of trade receivables past due but not impaired is as follows:

	Group		MLT	
	2020 S$'000	2019 S$'000	**2020 S$'000**	2019 S$'000
Past due 0 to 3 months	**2,108**	887	**178**	215
Past due 3 to 6 months	**220**	37	**21**	–
Past due over 6 months	**166**	6	**13**	1
	2,494	930	**212**	216

As at 31 March 2020, the Group made a provision of doubtful debts of S$40,000. MLT had no financial assets which it had determined to be impaired and there are no credit loss allowance provided for.

As at 31 March 2019, there were no credit loss allowance for financial assets.

Notes to the Financial Statements
For the financial year ended 31 March 2020

28. Financial risk management (continued)

Financial risk factors (continued)

(b) Credit risk (continued)

(ii) Financial guarantee contracts

MLT has issued financial guarantees to banks for borrowings of its subsidiaries. These guarantees are subject to the impairment requirements of SFRS(I) 9. MLT has assess that its subsidiaries have strong financial capacity to meet the contractual cash flow obligations in the near future and hence, does not expect significant credit losses arising from these guarantees.

(c) Liquidity risk

The Manager monitors and maintains a level of cash and cash equivalents deemed adequate to finance the Group's and MLT's operations. In addition, the Manager also monitors and observes the CIS by the MAS concerning the leverage limits as well as bank covenants imposed by the banks on the various borrowings.

The table below analyses the maturity profile of the Group's and MLT's financial liabilities (including derivative financial liabilities) based on contractual undiscounted cash flows.

Group	Less than 1 year S$'000	Between 1 and 2 years S$'000	Between 2 and 5 years S$'000	Over 5 years S$'000
31 March 2020				
Net-settled interest rate and cross currency swaps	**14,224**	**13,135**	**25,969**	**3,112**
Gross-settled currency forwards				
– Receipts	**87,490**	**65,396**	**54,550**	**26,613**
– Payments	**(90,194)**	**(67,019)**	**(54,844)**	**(25,257)**
Trade and other payables[1]	**(184,354)**	**–**	**–**	**–**
Lease liabilities	**(13,445)**	**(13,277)**	**(38,315)**	**(93,264)**
Borrowings	**(261,234)**	**(191,845)**	**(2,056,588)**	**(1,170,916)**
	(447,513)	**(193,610)**	**(2,069,228)**	**(1,259,712)**
31 March 2019				
Net-settled interest rate and cross currency swaps	7,773	7,019	8,586	1,397
Gross-settled currency forwards				
– Receipts	21,146	5,110	2,180	17,036
– Payments	(21,642)	(5,274)	(2,069)	(14,608)
Trade and other payables[1]	(196,676)	–	–	–
Lease liabilities	–	–	–	–
Borrowings	(99,808)	(394,090)	(1,625,649)	(1,129,853)
	(289,207)	(387,235)	(1,616,952)	(1,126,028)

Notes to the Financial Statements
For the financial year ended 31 March 2020

28. Financial risk management (continued)

Financial risk factors (continued)

(c) Liquidity risk (continued)

MLT	Less than 1 year S$'000	Between 1 and 2 years S$'000	Between 2 and 5 years S$'000	Over 5 years S$'000
31 March 2020				
Gross-settled currency forwards				
– Receipts	**87,490**	**65,396**	**54,550**	**26,613**
– Payments	**(90,194)**	**(67,019)**	**(54,844)**	**(25,257)**
Trade and other payables[1]	**(140,226)**	**–**	**–**	**–**
Lease liabilities	**(13,445)**	**(13,277)**	**(38,315)**	**(93,264)**
Borrowings - loans from a subsidiary	**(28,105)**	**(26,340)**	**(51,208)**	**(1,699,130)**
	(184,480)	**(41,240)**	**(89,817)**	**(1,791,038)**
31 March 2019				
Gross-settled currency forwards				
– Receipts	21,146	5,110	2,180	17,036
– Payments	(21,642)	(5,274)	(2,069)	(14,608)
Trade and other payables[1]	(118,260)	–	–	–
Lease liabilities	–	–	–	–
Borrowings - loans from a subsidiary	(39,010)	(37,551)	(74,402)	(1,463,572)
	(157,766)	(37,715)	(74,291)	(1,461,144)

[1] Excludes advance rental, deferred revenue and Goods and Services Tax payables.

(d) Capital risk

The Manager's objective when managing capital is to optimise the Group's capital structure within the borrowing limits set out in the CIS by the MAS to fund future acquisitions and asset enhancement works. To maintain or achieve an optimal capital structure, the Manager may issue new units or source additional funding from both financial institutions and capital markets.

The Manager monitors capital based on aggregate leverage limit. Under the CIS, all Singapore-listed real estate investment trusts ("S-REITs") are given the aggregate leverage limit of 45% of its deposited property (2019: 45% of its deposited property) regardless whether a S-REIT has obtained a credit rating from a major credit rating agency.

In accordance with Property Funds Appendix, the aggregate leverage ratio is calculated as total borrowings plus deferred payments divided by total assets of the Group, including the Group's proportionate share of its joint venture's borrowings and deposited property values.

With the adoption of SFRS(I) 16, MAS had issued a circular on 26 November 2018 specified that the lease liabilities pertaining to investment properties that were entered into before the beginning of financial year (i.e. 1 April 2019) to be excluded in the aggregated leverage ratio calculation.

The Group has an aggregate leverage ratio of 39.3% (2019: 37.7%) at the statement of financial position date.

The Group and MLT are in compliance with the borrowing limit requirement imposed by the CIS and all externally imposed capital requirements for the financial year ended 31 March 2020 and 31 March 2019.

Notes to the Financial Statements
For the financial year ended 31 March 2020

28. Financial risk management (continued)

Financial risk factors (continued)

(e) Categories of financial assets and financial liabilities

The carrying amount of the different categories of financial instrument is as disclosed on the face of the Statements of Financial Position and in Note 23 to the financial statements, except for the following:

	Group S$'000	MLT S$'000
31 March 2020		
Financial assets, at FVPL	**16,138**	**199,356**
Financial liabilities, at FVPL	**81,099**	**8,525**
Financial assets, at amortised cost[1]	**406,981**	**1,768,657**
Financial liabilities, at amortised cost[2]	**3,729,544**	**1,953,298**
31 March 2019		
Financial assets, at FVPL	18,205	6,967
Financial liabilities, at FVPL	25,588	1,517
Financial assets, at amortised cost[1]	301,263	1,488,505
Financial liabilities, at amortised cost[2]	3,190,347	1,576,191

1 Excludes prepayment, accrued revenue and Good and Services Taxes receivables.

2 Excludes advance rental, deferred revenue and Good and Services Taxes payables.

(f) Fair value measurements

The following table presents financial derivatives at fair value at reporting dates and classified by level of the fair value measurement hierarchy:

(i) Level 1: quoted prices (unadjusted) in active markets for identical assets

(ii) Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

(iii) Level 3: inputs for the asset that are not based on observable market data (unobservable inputs)

	Group		MLT	
Level 2	**2020 S$'000**	2019 S$'000	**2020 S$'000**	2019 S$'000
Assets				
Derivative financial instruments	**16,138**	18,205	**3,482**	6,967
Liabilities				
Derivative financial instruments	**(81,099)**	(25,588)	**(7,972)**	(604)

The fair values of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) are based on banks' quotes. The fair values of forward currency contracts are determined using actively quoted forward currency rates at the reporting date. The fair values of interest-rate swaps are calculated as the present value of the estimated future cash flows, discounted at actively quoted interest rates.

The carrying value of trade and other receivables, other current assets and trade and other payables approximate their fair values. The financial liabilities (other than derivative financial instruments) are estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group and MLT for similar financial instruments. The fair value of borrowings approximates their carrying amounts as the interest rate of such loans are adjusted for changes in relevant market interest rate except for non-current fixed rate borrowings which are disclosed in Note 22(d) which are classified within Level 2 of the fair value hierarchy.

Notes to the Financial Statements
For the financial year ended 31 March 2020

29. Intermediate and ultimate holding companies

For the financial reporting purposes under SFRS(I) 10 *Consolidated Financial Statements*, the Trust is regarded as a subsidiary of Mapletree Investments Pte Ltd.

Consequentially, the intermediate and ultimate holding companies are Mapletree Investments Pte Ltd and Temasek Holdings (Private) Limited respectively. The intermediate and ultimate holding companies are incorporated in Singapore.

30. Related party transactions

For the purposes of these financial statements, parties are considered to be related to the Group when the Group has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common significant influence. Related parties may be individuals or other entities and include fellow subsidiaries of Mapletree Investments Pte Ltd. Related corporations include fellow subsidiaries of Temasek Holdings (Private) Limited.

During the financial year, other than those disclosed elsewhere in the financial statements, the following significant related party transactions took place at terms agreed between the parties as follows:

	Group		MLT	
	2020 S$'000	2019 S$'000	**2020 S$'000**	2019 S$'000
Management fees paid/payable to the Manager and related parties*	**57,488**	51,966	**30,856**	26,608
Property management fees paid/ payable to related parties	**8,025**	8,942	**4,685**	5,315
Rental and other related income received/receivable from related parties	**7,814**	8,565	**7,773**	8,565
Acquisition of properties via the purchase of shares in subsidiaries from a related party	**53,545**	–	**53,545**	–
Acquisition of 50% interest in property holding companies from a related party	**4,269**	20,732	**4,269**	20,732
Acquisition of property from related parties	**546,276**	–	**–**	–
Divestment of property to a related party	**–**	68,000	**–**	68,000
Interest income received/receivable from joint venture	**9,139**	8,061	**9,139**	8,061
Divestment of subsidiaries to a related corporation	**63,730**	–	**–**	–
Interest expense paid to related corporation	**13,992**	11,500	**–**	–

* Includes amount capitalised into investment properties under development.

31. Segment information

The Group has determined the operating segments based on the reports reviewed by Management that are used to make strategic decisions. Management comprises the Chief Executive Officer and the Chief Financial Officer.

Management considers the business from a geographic segment perspective. Geographically, Management manages and monitors the business by the eight countries: Singapore, Japan, Hong Kong, South Korea, the People's Republic of China, Australia, Malaysia and Vietnam. All geographical locations are in the business of investing in logistics properties, which is the only business segment of the Group.

Management assesses the performance of the geographic segments based on a measure of Net Property Income ("NPI"). Interest income and finance expenses are not allocated to segments, as the treasury activities are centrally managed by the Group.

Notes to the Financial Statements
For the financial year ended 31 March 2020

31. **Segment information** (continued)

The segment information provided to Management for the reportable segments for the year ended 31 March 2020 is as follows:

	Singapore S$'000	Hong Kong S$'000	Japan S$'000	Australia S$'000	South Korea S$'000	China S$'000	Malaysia S$'000	Vietnam S$'000	Total S$'000
Gross revenue	**187,619**	**118,437**	**52,136**	**39,662**	**30,695**	**27,060**	**22,044**	**13,124**	**490,777**
Net property income	**163,071**	**110,794**	**45,770**	**38,384**	**26,965**	**21,764**	**19,956**	**11,840**	**438,544**
Interest and other income									**9,816**
Unallocated costs*									**(61,067)**
Borrowing costs									**(82,830)**
Net investment income									**304,463**
Net change in fair value of financial derivatives									**(12,487)**
Net income									**291,976**
Net movement in the value of investment properties	**(26,901)**	**91,447**	**9,329**	**4,071**	**2,597**	**5,292**	**3,781**	**1,353**	**90,969**
Gain on divestment of subsidiaries	**–**	**–**	**–**	**–**	**–**	**23,877**	**–**	**–**	**23,877**
Gain on divestment of investment properties	**–**	**–**	**34,421**	**–**	**–**	**–**	**–**	**–**	**34,421**
Share of results of joint ventures	**–**	**–**	**–**	**–**	**–**	**5,235**	**–**	**–**	**5,235**
Profit before income tax									**446,478**
Income tax									**(51,176)**
Profit for the year									**395,302**
Other segment items									
Acquisitions of and additions to investment properties	**48,343**	**4,880**	**304,945**	**3,900**	**45,017**	**17,512**	**273,783**	**51,734**	**750,114**
Segment assets									
– Investment properties	**2,618,186**	**2,671,690**	**1,169,705**	**599,715**	**489,954**	**338,356**	**501,273**	**159,530**	**8,548,409**
– Investment in joint ventures and loans to joint ventures	**–**	**–**	**–**	**–**	**–**	**267,887**	**–**	**–**	**267,887**
– Others	**745**	**–**	**–**	**450**	**357**	**4,284**	**810**	**742**	**7,388**
									8,823,684
Unallocated assets**									**227,689**
Consolidated total assets									**9,051,373**
Segment liabilities	**28,165**	**24,935**	**22,862**	**1,024**	**11,341**	**7,605**	**7,103**	**4,426**	**107,461**
Unallocated liabilities***									**3,926,421**
Consolidated total liabilities									**4,033,882**

Notes to the Financial Statements
For the financial year ended 31 March 2020

31. Segment information (continued)

The segment information provided to Management for the reportable segments for the year ended 31 March 2019 is as follows:

	Singapore S$'000	Hong Kong S$'000	Japan S$'000	Australia S$'000	South Korea S$'000	China S$'000	Malaysia S$'000	Vietnam S$'000	Total S$'000
Gross revenue	164,259	112,095	60,833	36,899	28,846	26,499	17,302	7,530	454,263
Net property income	127,624	105,530	53,042	35,230	25,018	21,142	15,281	6,599	389,466
Interest and other income									8,670
Unallocated costs*									(65,836)
Borrowing costs									(72,544)
Net investment income									259,756
Net change in fair value of financial derivatives									4,117
Net income									263,873
Net movement in the value of investment properties	6,797	175,717	4,155	(2,114)	6,474	4,275	2,511	5,166	202,981
Gain on divestment of investment properties	34,028	–	–	–	–	–	–	–	34,028
Realisation of reserve upon liquidation of subsidiaries	–	2	–	–	–	(15)	18	–	5
Share of results of joint ventures	–	–	–	–	–	(1,546)	–	–	(1,546)
Profit before income tax									499,341
Income tax									(42,811)
Profit for the year									456,530
Other segment items									
Acquisitions of and additions to investment properties	809,380	5,002	1,817	111,445	50,194	21,118	3,142	43,596	1,045,694
Segment assets									
– Investment properties	2,504,100	2,474,615	945,541	623,657	460,202	357,214	225,116	103,267	7,693,712
– Investment in joint ventures and loans to joint ventures	–	–	–	–	–	200,567	–	–	200,567
– Others	592	18	–	465	302	2,023	202	589	4,191
									7,898,470
Unallocated assets**									179,866
Consolidated total assets									8,078,336
Segment liabilities	56,008	25,201	20,208	1,095	9,921	10,396	3,784	2,990	129,603
Unallocated liabilities ***									3,281,545
Consolidated total liabilities									3,411,148

* Unallocated costs include Manager's management fees, Trustee's fees and other trust expenses.

** Unallocated assets include cash and cash equivalents, trade and other receivables, other current assets and derivative financial instruments.

*** Unallocated liabilities include borrowings of S$3,426.0 million (2019: S$2,993.7 million), details of which are included in Note 22. The remaining balances of unallocated liabilities include trade and other payables, lease liabilities, current income tax liabilities, deferred taxation and derivative financial instruments.

The revenue from external parties reported to Management is measured in a manner consistent with that of the Statements of Profit or Loss. The Group provides a single product/service - logistics business.

Notes to the Financial Statements
For the financial year ended 31 March 2020

32. Financial ratios

	2020 %	2019 %
Ratio of expenses to weighted average net assets[1]		
– Including performance component of asset management fees	**1.25**	1.26
– Excluding performance component of asset management fees	**0.93**	0.93
Portfolio turnover rate[2]	**4.46**	1.31

1 The annualised ratios are computed in accordance with the guidelines of Investment Management Association of Singapore dated 25 May 2005.

The expenses used in the computation relate to expenses of the Group, excluding property expenses, borrowing costs, net foreign exchange differences and income tax expense.

2 The annualised ratio is computed based on the lesser of purchases or sales of underlying investment properties of the Trust expressed as a percentage of daily average net asset value in accordance with the formulae stated in the CIS.

33. Events occurring after statement of financial position date

(a) The Manager announced a distribution of 2.048 cents (2019: 2.024 cents) per unit for the period from 1 January 2020 to 31 March 2020.

(b) The rapid outbreak of the coronavirus ("COVID-19") has caused disruptions to supply chains and market demand by varying degrees across MLT's geographies. As the COVID-19 situation is rapidly evolving and may continue for an extended period, it could negatively impact demand for warehouse space, occupancy and rental rates, and the financial performance of MLT.

Subsequent to the Group's financial year-end of 31 March 2020, some governments in the region have introduced relief schemes under emergency COVID-19 legislation. With the aim to help cushion the impact of the global pandemic on businesses, in particular the small- and medium-sized businesses, these measures include: (i) deferral of rental arrears to be granted to tenants, and (ii) property tax rebates to be passed on to tenants. In addition to these legislated schemes, the Manager will also work closely with tenants to provide support and relief measures in a targeted manner.

Based on SFRS(I) 1-10 *Events after the Reporting Period*, the Manager has assessed that these developments are non-adjusting events after the reporting period. In view of the continuing development and uncertainty of the situation, the full financial impact of COVID-19 on MLT cannot be reasonably determined at this juncture.

Notes to the Financial Statements
For the financial year ended 31 March 2020

34. New or revised recommended accounting practice, accounting standards and FRS interpretations

Below are the mandatory standards that have been published, and are relevant for the Group's accounting periods beginning on or after 1 April 2020 or later periods and which the Group had not early adopted:

Amendments to SFRS(I) 3 *Business Combination* (effective for annual periods beginning on or after 1 April 2020)

The amendments provide new guidance on the assessment of whether an acquisition meets the definition of a business under SFRS(I) 3. To be considered a business, an acquisition would have to include an output and a substantive process that together significantly contribute to the ability to create outputs. A framework is introduced to evaluate when an input and substantive process are present. To be a business without outputs, there will now need to be an organised workforce.

The definition of the term 'outputs' is narrowed to focus on goods and services provided to customers, generating investment income and other income, and it excludes returns in the form of lower costs and other economic benefits.

It is also no longer necessary to assess whether market participants are capable of replacing missing elements or integrating the acquired activities and assets. Entities can apply a 'concentration test' that, if met, eliminates the need for further assessment. Under this optional test, where substantially all of the fair value of gross assets acquired is concentrated in a single asset (or a group of similar assets), the assets acquired would not represent a business.

These amendments are applied to business combinations and asset acquisitions with acquisition date on or after 1 April 2020. Early application is permitted. The Group does not expect any significant impact arising from applying these amendments.

Amendments to SFRS(I) 9, SFRS(I) 1-39 and SFRS(I) 7 Interest Rate Benchmark Reform (effective for annual periods beginning on or after 1 April 2020)

In December 2019, the ASC issued "Amendments to SFRS(I) 9, SFRS(I) 1-39 and SFRS(I) 7 Interest Rate Benchmark Reform" (effective 1 January 2020). The amendments provide exceptions that allow entities to continue hedge accounting for existing hedge relationships under the assumption that Inter Bank Offer Rate (IBOR) based hedged cash flows are not altered as a result of the IBOR Reform.

These amendments are issued due to global reform of interest rate benchmarks such as IBORs. IBORs are key reference rates for financial instruments such as derivatives, loans and bonds. Regulators in a number of jurisdictions, including Singapore, are in the midst of phasing out IBORs and replacing them with more suitable alternative reference rates. There is currently uncertainty around the timing and precise nature of these changes.

For the current financial year, the Group has determined that hedge relationships that include IBORs as a hedged risk continue to qualify for hedge accounting without early adoption of the amendments. The Group does not expect any significant impact from applying these amendments. The Group continues to monitor the developments of IBOR reform and it will assess the impact for the Group as further information becomes available.

Notes to the Financial Statements
For the financial year ended 31 March 2020

35. Listing of significant companies in the Group

Name of companies	Principal activities	Country of incorporation/ business	Equity holding 2020 %	Equity holding 2019 %
(a) Subsidiaries				
MapletreeLog Treasury Company Pte. Ltd.[a]	Captive treasury	Singapore/Singapore	**100**	100
MapletreeLog Treasury Company (HKSAR) Ltd.[a]	Captive treasury	Cayman Islands/Hong Kong	**100**	100
Mapletree Topaz Ltd.[h]	Investment holding	Cayman Islands/Hong Kong	**100**	100
Mapletree Opal Ltd.[b]	Investment holding	Cayman Islands/Hong Kong	**100**	100
MapletreeLog PF (HKSAR) Ltd.[b]	Investment holding	Cayman Islands/Hong Kong	**100**	100
MapletreeLog GTC (HKSAR) Ltd.[b]	Investment holding	Cayman Islands/Hong Kong	**100**	100
Greatdeal Finance Limited[b]	Investment holding	BVI/Hong Kong	**100**	100
Genright Investment Limited[b]	Investment holding	Hong Kong/Hong Kong	**100**	100
Mapletree Titanium Ltd.[h]	Investment holding	Cayman Islands/Hong Kong	**100**	100
Mapletree TY (HKSAR) Limited[b]	Investment holding	Hong Kong/Hong Kong	**100**	100
MapletreeLog Ouluo (Shanghai) Ltd.[h]	Investment holding	Cayman Islands/PRC	**100**	100
Mapletree Ouluo Logistics (Shanghai) Co., Ltd.[c]	Investment holding	PRC/PRC	**100**	100
MapletreeLog AIP (Guangzhou) Ltd.[h]	Investment holding	Cayman Islands/PRC	**100**	100
MapletreeLog Seastar (Xian) Ltd.[h]	Investment holding	Cayman Islands/PRC	**100**	100
Mapletree WND (Wuxi) (HKSAR) Limited[b]	Investment holding	Hong Kong/PRC	**100**	100
Mapletree Logistics Development (Wuxi) Co., Ltd.[c]	Investment holding	PRC/PRC	**100**	100
MapletreeLog Northwest (Shanghai) Ltd.[h]	Investment holding	Cayman Islands/PRC	**100**	100
MapletreeLog Integrated (Shanghai) (Cayman) Ltd.[h]	Investment holding	Cayman Islands/PRC	**100**	100
MapletreeLog AIP (Guangzhou) (HKSAR) Limited[b]	Investment holding	Hong Kong/PRC	**100**	100
MapletreeLog Northwest (Shanghai) (HKSAR) Limited[b]	Investment holding	Hong Kong/PRC	**100**	100
MapletreeLog Integrated (Shanghai) (HKSAR) Limited[b]	Investment holding	Hong Kong/PRC	**–**	100
MapletreeLog Seastar (Xian) (HKSAR) Limited[b]	Investment holding	Hong Kong/PRC	**100**	100
Guangzhou Mapletree Eastern American Log Limited[c]	Investment holding	PRC/PRC	**100**	100
Mapletree Logistics Warehouse (Xian) Co., Ltd.[c]	Investment holding	PRC/PRC	**100**	100
MapletreeLog Jinda Warehouse (Shanghai) Co., Ltd.[c]	Investment holding	PRC/PRC	**100**	100
MapletreeLog Integrated (Shanghai) Co., Ltd.[c]	Investment holding	PRC/PRC	**–**	100
Mapletree Emerald (HKSAR) Limited[b]	Investment holding	Hong Kong/PRC	**100**	100
Mapletree Emerald (ZILP) Limited[c]	Investment holding	PRC/PRC	**100**	100
Mapletree Lingang Ltd.[h]	Investment holding	Cayman Islands/PRC	**100**	100
Mapletree Lingang Logistics Warehouse (Shanghai) Co., Ltd.[c]	Investment holding	PRC/PRC	**100**	100
MapletreeLog Malaysia Holdings Pte. Ltd.[a]	Investment holding	Singapore/Malaysia	**100**	100
MapletreeLog (M) Holdings Sdn. Bhd.[d]	Investment holding	Malaysia/Malaysia	**100**	100
Semangkuk Berhad[d][i]	Investment holding	Malaysia/Malaysia	**N.A.**	N.A.
Semangkuk 2 Berhad[d][i]	Investment holding	Malaysia/Malaysia	**N.A.**	–
MapletreeLog Gyoda (Japan) (HKSAR) Limited[b]	Investment holding	Hong Kong/Japan	**100**	100
Godo Kaisha Samara Logistics 1[h][i]	Investment holding	Japan/Japan	**N.A.**	N.A.
Godo Kaisha Asagao[h][i]	Investment holding	Japan/Japan	**N.A.**	N.A.
Godo Kaisha Hinoki[h][i]	Investment holding	Japan/Japan	**N.A.**	N.A.
Godo Kaisha Hinageshi [h][i]	Investment holding	Japan/Japan	**N.A.**	–
Sazanka Tokutei Mokuteki Kaisha[e][i]	Investment holding	Japan/Japan	**N.A.**	–
MapletreeLog Sazanka Pte. Ltd.[a]	Investment holding	Singapore/Japan	**100**	–
MapletreeLog Hinageshi Pte. Ltd.[a]	Investment holding	Singapore/Japan	**100**	–
MapletreeLog Oakline (Korea) Pte. Ltd.[a]	Investment holding	Singapore/ South Korea	**100**	100

Notes to the Financial Statements
For the financial year ended 31 March 2020

35. Listing of significant companies in the Group (continued)

Name of companies	Principal activities	Country of incorporation/ business	Equity holding 2020 %	Equity holding 2019 %
(a) Subsidiaries (continued)				
MapletreeLog MQ (Korea) Pte. Ltd.[a]	Investment holding	Singapore/South Korea	**100**	100
Kingston (Korea) Pte. Ltd.[a]	Investment holding	Singapore/South Korea	**100**	100
Pyeongtaek (Korea) Pte. Ltd.[a]	Investment holding	Singapore/South Korea	**100**	100
Iljuk (Korea) Pte. Ltd.[a]	Investment holding	Singapore/South Korea	**100**	100
Dooil (Korea) Pte. Ltd.[a]	Investment holding	Singapore/South Korea	**100**	100
Jungbu Jeil (Korea) Pte. Ltd.[a]	Investment holding	Singapore/South Korea	**100**	100
Miyang (Korea) Pte. Ltd.[a]	Investment holding	Singapore/South Korea	**100**	100
Seoicheon (Korea) Pte. Ltd.[a]	Investment holding	Singapore/South Korea	**100**	100
Baekam (Korea) Pte. Ltd.[a]	Investment holding	Singapore/South Korea	**100**	100
Majang 1 (Korea) Pte. Ltd.[a]	Investment holding	Singapore/South Korea	**100**	100
Hobeob 1 (Korea) Pte. Ltd.[a]	Investment holding	Singapore/South Korea	**100**	100
Wonsam 1 (Korea) Pte. Ltd.[a]	Investment holding	Singapore/South Korea	**100**	100
Hobeob 2 (Korea) Pte. Ltd.[a]	Investment holding	Singapore/South Korea	**100**	–
MapletreeLog First Korea (Yujoo) Co., Ltd.[f]	Investment holding	South Korea/South Korea	**100**	100
MapletreeLog Korea (Yongin) Co., Ltd.[f]	Investment holding	South Korea/South Korea	**100**	100
MapletreeLog Kingston Co., Ltd.[f]	Investment holding	South Korea/South Korea	**100**	100
MapletreeLog Pyeongtaek Co., Ltd.[f]	Investment holding	South Korea/South Korea	**100**	100
MapletreeLog Iljuk Korea Co., Ltd.[f]	Investment holding	South Korea/South Korea	**100**	100
MapletreeLog Dooil Co., Ltd.[f]	Investment holding	South Korea/South Korea	**100**	100
MapletreeLog Jungbu Jeil Co., Ltd.[f]	Investment holding	South Korea/South Korea	**100**	100
MapletreeLog Miyang Co., Ltd.[f]	Investment holding	South Korea/South Korea	**100**	100
Seoicheon Logistics Co., Ltd.[f]	Investment holding	South Korea/South Korea	**100**	100
Baekam Logistics Korea Co., Ltd.[f]	Investment holding	South Korea/South Korea	**100**	100
Majang 1 Logistics Korea Co., Ltd.[f]	Investment holding	South Korea/South Korea	**100**	100
Hobeob 1 Logistics Korea Co., Ltd.[f]	Investment holding	South Korea/South Korea	**100**	100
Wonsam 1 Logistics Korea Co., Ltd.[f]	Investment holding	South Korea/South Korea	**100**	100
Hobeob 2 Logistics Korea Co., Ltd.[f]	Investment holding	South Korea/South Korea	**100**	–
MapletreeLog VSIP 1 Warehouse Pte. Ltd.[a]	Investment holding	Singapore/Vietnam	**100**	100
Mapletree VSIP 1 Warehouse (Cayman) Co. Ltd.[h]	Investment holding	Cayman Islands/Vietnam	**100**	100
Mapletree VSIP Bac Ninh Phase 1 (Cayman) Co. Ltd.[h]	Investment holding	Cayman Islands/Vietnam	**100**	100
Mapletree VSIP 2 Phase 2 (Cayman) Co. Ltd.[h]	Investment holding	Cayman Islands/Vietnam	**100**	100
Mapletree VSIP Bach Ninh Phase 2 (Cayman) Co. Ltd.[h]	Investment holding	Cayman Islands/Vietnam	**100**	–
Mapletree VSIP 2 Phase 1 (Cayman) Co. Ltd.[h]	Investment holding	Cayman Islands/Vietnam	**100**	–
Mapletree First Warehouse (Vietnam) Co., Ltd.[g]	Investment holding	Vietnam/Vietnam	**100**	100
Mapletree Logistics Park Bac Ninh Phase 1 (Vietnam) Co., Ltd. [g]	Investment holding	Vietnam/Vietnam	**100**	100
Mapletree Logistics Park Phase 2 (Vietnam) Co., Ltd.[g]	Investment holding	Vietnam/Vietnam	**100**	100
Mapletree Logistics Park Bac Ninh Phase 2 (Vietnam) Co., Ltd.[g]	Investment holding	Vietnam/Vietnam	**100**	–
Mapletree Logistics Park Phase 1 (Vietnam) Co., Ltd.[g]	Investment holding	Vietnam/Vietnam	**100**	–
MapletreeLog Frontier Pte. Ltd.[a]	Investment holding	Singapore/Australia	**100**	100
MapletreeLog Frontier Trust [a]	Investment holding	Australia/Australia	**100**	100
WS Asset Trust [a]	Investment holding	Australia/Australia	**100**	100
NSW Assets Trust [a]	Investment holding	Australia/Australia	**100**	100
VIC Assets Trust [a]	Investment holding	Australia/Australia	**100**	100
QLD Assets Trust [a]	Investment holding	Australia/Australia	**100**	100
Alset Forest Lake Trust [a]	Investment holding	Australia/Australia	**100**	100

Notes to the Financial Statements
For the financial year ended 31 March 2020

35. Listing of significant companies in the Group (continued)

Name of companies	Principal activities	Country of incorporation/ business	Equity holding 2020 %	Equity holding 2019 %
(b) Joint Ventures				
Changsha Development (HKSAR) Limited [c]	Investment holding	Hong Kong/PRC	**50**	50
Changshu IDZ (HKSAR) Limited[c]	Investment holding	Hong Kong/PRC	**50**	50
Hangzhou Development (HKSAR) Limited[c]	Investment holding	Hong Kong/PRC	**50**	50
Jiaxing Development (HKSAR) Limited[c]	Investment holding	Hong Kong/PRC	**50**	50
Jurong Development (HKSAR) Limited[c]	Investment holding	Hong Kong/PRC	**50**	50
Nanchang ETDZ Development (HKSAR) Limited[c]	Investment holding	Hong Kong/PRC	**50**	50
Nantong Development (HKSAR) Limited[c]	Investment holding	Hong Kong/PRC	**50**	50
TWDA (HKSAR) Limited[c]	Investment holding	Hong Kong/PRC	**50**	50
Mapletree Xi'an Falcon II (HKSAR) Limited[c]	Investment holding	Hong Kong/PRC	**50**	50
Wuxi EMZ (HKSAR) Limited[c]	Investment holding	Hong Kong/PRC	**50**	50
Yangluo EDZ (HKSAR) Limited[c]	Investment holding	Hong Kong/PRC	**50**	50
Changsha Development II (HKSAR) Limited[c]	Investment holding	Hong Kong/PRC	**50**	–
Chengdu DC Development (HKSAR) Limited[c]	Investment holding	Hong Kong/PRC	**50**	–
SD Licheng (HKSAR) Limited [c]	Investment holding	Hong Kong/PRC	**50**	–
Shenyang SYEDA Development (HKSAR) Limited[c]	Investment holding	Hong Kong/PRC	**50**	–
(c) Subsidiaries held by Joint Ventures				
Fengshun Logistics Development (Changsha) Co., Ltd.[c]	Investment holding	PRC/PRC	**50**	50
Changshu Fengjia Warehouse Co., Ltd.[c]	Investment holding	PRC/PRC	**50**	50
Fengzhou Warehouse (Hangzhou) Co., Ltd.[c]	Investment holding	PRC/PRC	**50**	50
Jiaxing Fengyue Warehouse Co., Ltd.[c]	Investment holding	PRC/PRC	**50**	50
Fengzhen Logistics (Zhenjiang) Co., Ltd.[c]	Investment holding	PRC/PRC	**50**	50
Fengqi Warehouse (Nanchang) Co., Ltd.[c]	Investment holding	PRC/PRC	**50**	50
Fengrui Logistics (Nantong) Co., Ltd.[c]	Investment holding	PRC/PRC	**50**	50
Fengquan Warehouse (Tianjin) Co., Ltd.[c]	Investment holding	PRC/PRC	**50**	50
Fenghang Logistics Development (Xi'an) Co., Ltd.[c]	Investment holding	PRC/PRC	**50**	50
Fengshuo Warehouse Development (Wuxi) Co., Ltd.[c]	Investment holding	PRC/PRC	**50**	50
Fengying Logistics (Wuhan) Co., Ltd.[c]	Investment holding	PRC/PRC	**50**	50
Fengyi Warehouse (Changsha) Co., Ltd.[c]	Investment holding	PRC/PRC	**50**	–
Digital China (Chengdu) Science Park Co., Ltd.[c]	Investment holding	PRC/PRC	**50**	–
Fengcheng Logistics Development (Jinan) Co., Ltd.[c]	Investment holding	PRC/PRC	**50**	–
Fengda Warehouse (Shenyang) Co., Ltd.[c]	Investment holding	PRC/PRC	**50**	–

(a) Audited by PricewaterhouseCoopers LLP, Singapore[j]

(b) Audited by PricewaterhouseCoopers Limited, Hong Kong[j]

(c) Audited by PricewaterhouseCoopers Zhong Tian CPAs Limited Company, PRC[j]

(d) Audited by PricewaterhouseCoopers, Malaysia[j]

(e) Audited by PricewaterhouseCoopers Aarata LLC, Japan[j]

(f) Audited by Samil PricewaterhouseCoopers, Korea[j]

(g) Audited by PricewaterhouseCoopers (Vietnam) Limited, Vietnam[j]

(h) Not required to be audited under the laws of the country of incorporation.

(i) The structured entity has been consolidated in the financial statements in accordance with SFRS(I) 10 – *Consolidated Financial Statements* as the Group is able to demonstrate control on its investment in the structured entities.

(j) Part of the network of member firms of PricewaterhouseCoopers International Limited (PwCIL).

36. Authorisation of the financial statements

The financial statements were authorised for issue by the Manager and the Trustee on 28 April 2020.

Statistics of Unitholdings

As at 26 May 2020

Distribution of Unitholdings

Size of Unitholdings	No. of Unitholders	%	No. of Units	%
1 - 99	503	2.92	22,171	0.00
100 - 1,000	1,772	10.30	1,202,001	0.03
1,001 - 10,000	9,147	53.19	45,476,506	1.20
10,001 - 1,000,000	5,727	33.30	248,562,605	6.53
1,000,001 and above	49	0.29	3,509,231,193	92.24
Total	**17,198**	**100.00**	**3,804,494,476**	**100.00**

Location of Unitholders

Country	No. of Unitholders	%	No. of Units	%
Singapore	16,587	96.45	3,793,053,074	99.70
Malaysia	403	2.34	8,180,951	0.21
Others	208	1.21	3,260,451	0.09
Total	**17,198**	**100.00**	**3,804,494,476**	**100.00**

Twenty Largest Unitholders

No.	Name	No. of Units	%
1	Citibank Nominees Singapore Pte Ltd	749,379,670	19.70
2	DBS Nominees (Private) Limited	622,620,998	16.37
3	Mulberry Pte. Ltd.	400,605,230	10.53
4	Meranti Investments Pte. Ltd.	363,004,703	9.54
5	DBSN Services Pte. Ltd.	332,251,936	8.73
6	HSBC (Singapore) Nominees Pte Ltd	303,420,023	7.98
7	Mapletree Logistics Properties Pte. Ltd.	176,579,586	4.64
8	Mangrove Pte. Ltd.	176,577,431	4.64
9	Raffles Nominees (Pte.) Limited	137,931,295	3.63
10	BPSS Nominees Singapore (Pte.) Ltd.	51,532,362	1.35
11	Mapletree Logistics Trust Management Ltd.	38,939,739	1.02
12	Merrill Lynch (Singapore) Pte. Ltd.	17,214,007	0.45
13	DB Nominees (Singapore) Pte Ltd	15,354,208	0.40
14	United Overseas Bank Nominees (Private) Limited	14,386,262	0.38
15	NTUC Fairprice Co-Operative Ltd.	12,317,835	0.32
16	ABN AMRO Clearing Bank N.V.	8,985,595	0.24
17	UOB Kay Hian Private Limited	7,839,571	0.21
18	Phillip Securities Pte Ltd	7,032,251	0.18
19	OCBC Nominees Singapore Private Limited	6,140,273	0.16
20	Maybank Kim Eng Securities Pte. Ltd.	6,060,902	0.16
Total		**3,448,173,877**	**90.63**

Statistics of Unitholdings

As at 26 May 2020

Substantial Unitholders as at 26 May 2020

No.	Name of Company	No. of Units Direct Interest	No. of Units Deemed Interest	% of Total Issued Capital
1	Temasek Holdings (Private) Limited [1]	–	1,217,875,725	32.01
2	Fullerton Management Pte Ltd [1]	–	1,159,656,064	30.48
3	Mapletree Investments Pte Ltd [1]	–	1,159,656,064	30.48
4	Mulberry Pte. Ltd.	400,605,230	–	10.53
5	Meranti Investments Pte. Ltd.	363,004,703	–	9.54

Note:

1 Each of Temasek Holdings (Private) Limited ("Temasek") and Fullerton Management Pte Ltd ("Fullerton") is deemed to be interested in the 400,605,230 Units held by Mulberry Pte. Ltd. ("Mulberry"), 363,004,703 Units held by Meranti Investments Pte. Ltd. ("Meranti"), 176,579,586 Units held by Mapletree Logistics Properties Pte. Ltd. ("MLP"), 176,577,431 Units held by Mangrove Pte. Ltd. ("Mangrove"), 38,939,739 Units held by Mapletree Logistics Trust Management Ltd. (the "Manager") and 3,949,375 Units held by Mapletree Property Management Pte. Ltd. ("MPM"). In addition, Temasek is deemed to be interested in 58,219,661 Units in which its other subsidiaries and associated companies have direct or deemed interest. Mulberry, Meranti, MLP and Mangrove are wholly-owned subsidiaries of Mapletree Investments Pte Ltd ("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 which is in turn a wholly-owned subsidiary of Temasek. Each of MIPL and such other subsidiaries and associated companies referred to above is an independently-managed Temasek portfolio company. Neither Temasek nor Fullerton are involved in their business or operating decisions, including those regarding their unitholdings.

Unitholdings of the Directors of the Manager as at 21 April 2020

No.	Name	No. of Units Direct Interest	No. of Units Deemed Interest
1	Lee Chong Kwee	62,412	–
2	Tarun Kataria	–	330,000
3	Lim Joo Boon	100,000	–
4	Lim Mei	–	–
5	Loh Shai Weng	–	–
6	Tan Wah Yeow	–	–
7	Wee Siew Kim	–	–
8	Goh Chye Boon	–	–
9	Wendy Koh Mui Ai	–	117,294
10	Wong Mun Hoong	–	–
11	Ng Kiat	–	137,500

Free Float

Based on the information made available to the Manager as at 26 May 2020, approximately 67.97% of the units in MLT were held in the hands of the public. Accordingly, Rule 723 of the Listing Manual of the SGX-ST has been complied with.

Issued and Fully Paid Units

3,804,494,476 units (voting rights: one vote per unit)
Market Capitalisation: S$7,190,494,559.64 (based on closing price of S$1.89 per unit on 26 May 2020)

Interested Person Transactions

The transactions entered into with interested persons during the financial year under the Listing Manual of the Singapore Exchange Securities Trading Limited ("SGX-ST") and the Property Funds Appendix of the Code on Collective Investment Schemes, are as follows:

Name of Interested Person	Nature of relationship	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S$100,000) S$'000	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S$100,000) S$'000
Mapletree Investments Pte Ltd and its subsidiaries or associates			
– Management fees	Subsidiaries of controlling Unitholders of Mapletree Logistics Trust	57,488[1][2][3]	–
– Property management fees		8,025[3]	–
– Acquisition fees related to acquisition of properties		3,748	–
– Disposal fees related to divestment of a property		318	–
– Acquisition of properties		599,821	–
– Acquisition of 50% interest in each of 4 property holding companies		4,269	–
– Loans to Joint Ventures		39,642	–
– Interest income from loans to Joint Ventures		9,139	–
– Lease rental income		510	–
EDC Holdings Limited			
– Sale proceeds from divestment of subsidiaries	Associate of Mapletree Logistics Trust's controlling Unitholders	63,730	–
HSBC Institutional Trust Services (Singapore) Limited			
– Trustee fees	Associate of Mapletree Logistics Trust's Trustee	1,112	–

(1) Included amount capitalised into investment property under development.

(2) Included fees in relation to services rendered by service providers appointed or as directed by the Manager under the Trust Deed.

(3) Included MLT Joint Ventures' share of fees in relation to services rendered by service providers appointed by the Manager.

For the purpose of the disclosure, the full contract sum was used where an interested person transaction had a fixed term and contract value, while the annual amount incurred and accrued was used where an interested person transaction had an indefinite term or where the contract sum was not specified.

Saved as disclosed above, there were no interested person transactions entered (excluding transactions of less than S$100,000 each), nor material contracts entered into by MLT Group that involved the interests of the CEO or Director of the Manager, or any controlling unitholder of MLT, either still subsisting at the end of the financial year under review or entered into since the end of the previous financial year.

As set out in the MLT Prospectus dated 18 July 2005, fees and charges payable to MLT to the Manager under the Trust Deed are not subject to Rules 905 and 906 of the SGX-ST's Listing Manual. MLT Group has not obtained a general mandate from Unitholders pursuant to Rule 920 for any interested person transactions.

Please also see Significant Related Party Transactions in Note 30 to the financial statements.

Corporate Directory

The Manager

Mapletree Logistics Trust Management Ltd.
Company Registration Number: 200500947N

The Manager's Registered Office

10 Pasir Panjang Road
#13-01 Mapletree Business City
Singapore 117438

T: (65) 6377 6111
F: (65) 6273 2281
Investor Relations Fax: (65) 6273 2007

W: www.mapletreelogisticstrust.com
E: Ask-MapletreeLog@mapletree.com.sg

Board of Directors

Mr Lee Chong Kwee
Non-Executive Chairman and Director

Mr Tarun Kataria
Lead Independent Non-Executive Director

Mr Lim Joo Boon
Independent Non-Executive Director

Ms Lim Mei
Independent Non-Executive Director

Mr Loh Shai Weng
Independent Non-Executive Director

Mr Tan Wah Yeow
Independent Non-Executive Director

Mr Wee Siew Kim
Independent Non-Executive Director

Mr Goh Chye Boon
Non-Executive Director

Ms Wendy Koh Mui Ai
Non-Executive Director

Mr Wong Mun Hoong
Non-Executive Director

Ms Ng Kiat
Executive Director and Chief Executive Officer

Audit and Risk Committee

Mr Lim Joo Boon (Chairman)

Mr Loh Shai Weng

Mr Tan Wah Yeow

Mr Wee Siew Kim

Nominating and Remuneration Committee

Mr Tarun Kataria (Chairman)

Ms Lim Mei

Mr Wong Mun Hoong

Management Team

Ms Ng Kiat
Chief Executive Officer

Ms Charmaine Lum
Chief Financial Officer

Ms Jean Kam
Head, Asset Management

Ms Fion Ng
Head, Investment

Ms Sandra Chia
Director, Finance

Ms Khoo Geng Foong
Vice President, Treasury

Ms Lum Yuen May
Director, Investor Relations

Mr James Sung
Director, International Marketing

Mr Victor Liu
Director, Technical Services

Mr Marc Lucas
General Manager, Australia

Mr Edward Chen
General Manager, China

Mr David Won
General Manager, Hong Kong SAR

Ms Yuko Shimazu
General Manager, Japan

Mr Shankar Arasaratnam
General Manager, Malaysia

Ms Chua Hwee Ling
General Manager, Singapore

Mr Jacob Chung
General Manager, South Korea

Mr Bui Anh Tuan
General Manager, Vietnam

Corporate Services

Mr Wan Kwong Weng
Joint Company Secretary

Ms See Hui Hui
Joint Company Secretary

Property Management

Mr Tan Wee Seng
Head, Group Chief Development Office of the Sponsor

Mr Foo Say Chiang
Head, Group Property Management of the Sponsor

Unit Registrar

Boardroom Corporate & Advisory Services Pte. Ltd.
50 Raffles Place
#32-01 Singapore Land Tower
Singapore 048623

T: (65) 6536 5355
F: (65) 6438 8710
E: srs.teamd@boardroomlimited.com

Trustee

HSBC Institutional Trust Services (Singapore) Limited

Registered Address:
10 Marina Boulevard
Marina Bay Financial Centre
Tower 2 #48-01
Singapore 018983

Correspondence Address:
10 Marina Boulevard
Marina Bay Financial Centre
Tower 2 #45-01
Singapore 018983

T: (65) 6658 6667
F: (65) 6534 5526

Auditor

PricewaterhouseCoopers LLP
7 Straits View
Marina One East Tower, Level 12
Singapore 018936

T: (65) 6236 3388
F: (65) 6236 3300

Partner-in-charge: Ms Magdelene Chua
(Appointed from the financial year ended 31 March 2020)

Mapletree Logistics Trust Management Ltd.
(As Manager of Mapletree Logistics Trust)
Co. Reg. No.: 200500947N

10 Pasir Panjang Road
#13-01 Mapletree Business City
Singapore 117438

Tel: +65 6377 6111
Fax: +65 6273 2281
Investor Relations Fax: +65 6273 2007
Email: Ask-MapletreeLog@mapletree.com.sg

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