

Kerry Logistics Network Partners with MUFG Bank in Syndicated Sustainability-linked & Social Term Loan of HK\$1 Billion - The First of Its Kind in the Asia Pacific

Hong Kong, 7 October 2024

Kerry Logistics Network Limited ('Kerry Logistics Network', 'KLN'; Stock Code 0636.HK) and a syndicate solely led by MUFG Bank Ltd. ('MUFG') have signed a five-year HK\$1 billion syndicated Sustainability-linked & Social Term Loan Facility ('Facility'). This Facility is a first-of-its-kind ESG-linked syndicated loan structure in the Asia Pacific, validating KLN's pioneer position in the logistics sector and commitment to Environment, Social and Governance ('ESG').

MUFG acted as the sole Mandated Lead Arranger, Bookrunner and Underwriter and Sustainability & Social Loan Structuring Advisor in the Facility. The oversubscribed transaction showcases MUFG's unparalleled syndication arrangement and ESG structuring capabilities, while leveraging its deep relationship network to broaden the investor base for clients.

The Facility was tailored with a cutting-edge ESG structure comprising both sustainability-linked loan and social loan tranches. Under the terms of the Facility, KLN is to invest in social initiatives to generate positive impact to the communities it serves across Hong Kong and the Mainland of China. Other social targets include a list of eligible social projects providing access to employment, essential services and affordable basic infrastructure.

Ellis Cheng, Executive Director and Chief Financial Officer of Kerry Logistics Network, said, "The overwhelming subscription result demonstrates the banking industry's trust in the impact of KLN's social contributions. KLN appreciates MUFG's leadership in spearheading the company's inaugural syndication and the bespoke ESG structure is a testament of KLN's commitment to create a greener, safer and better-connected world."

Cerlin Ip, MUFG's Head of Global Corporate Banking, Hong Kong, said, "We are honoured to continue deepening our partnership with KLN. This landmark sustainability-linked and social syndicated loan facility has further demonstrated KLN's pioneering position in the logistics sector and deep commitment to sustainability, while reaffirming MUFG's efforts in partnering clients to pursue their environmental and business agendas. We look forward to deepening our collaboration with KLN in their journey to a sustainable future."

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About Kerry Logistics Network Limited (Stock Code 0636.HK)

Kerry Logistics Network is an Asia-based, global 3PL with a highly diversified business portfolio and extensive coverage in Asia. It offers a broad range of supply chain solutions from integrated logistics, international freight forwarding (air, ocean, road, rail and multimodal) and e-commerce to industrial project logistics and infrastructure investment.

With a global presence across 60 countries and territories, Kerry Logistics Network has established a solid foothold in half of the world's emerging markets. Its diverse infrastructure, extensive coverage in international gateways and local expertise span across the Mainland of China, India, Southeast Asia, the CIS, Middle East, LATAM and other locations.

Kerry Logistics Network generated a revenue of over HK\$47.4 billion in 2023. It is listed on the Hong Kong Stock Exchange and is a constituent of the Hang Seng Corporate Sustainability Benchmark Index.

About MUFG

Mitsubishi UFJ Financial Group, Inc. (MUFG) is one of the world's leading financial groups. Headquartered in Tokyo and with over 360 years of history, MUFG has a global network with approximately 2,000 locations in more than 40 markets. The Group has about 120,000 employees and offers services including commercial banking, trust banking, securities, credit cards, consumer finance, asset management, and leasing.

MUFG Bank, Ltd. is Japan's premier bank, with a global network spanning more than 40 markets. Outside of Japan, the bank offers an extensive scope of commercial and investment banking products and services to businesses, governments, and individuals worldwide.

In Asia Pacific, MUFG has a presence across 18 markets – Australia, Bangladesh, China, Hong Kong, Indonesia, India, South Korea, Laos, Malaysia, Myanmar, New Zealand, Pakistan, Philippines, Singapore, Sri Lanka, Taiwan, Thailand, and Vietnam.

It has also formed strategic partnerships with some of the most prominent banks in South-east Asia, further augmenting its unrivalled network across the region – VietinBank in Vietnam, Krungsri in Thailand, Security Bank in the Philippines, and Bank Danamon in Indonesia.

Under the Group's current three-year Medium Term Business Plan ending FY2026, MUFG is dynamically pursuing opportunities to expand and invest in Asia's growth. This will be guided by an unrelenting focus on capturing recurring revenue opportunities; challenging ourselves in new domains; capitalising on the growth of key markets like India, cultivating an Asian digital strategy while consolidating and concentrating on core competencies.



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