



Daiwa House
Logistics Trust

Daiwa House Asset Management Asia Pte. Ltd.

8 Marina View, #14-09, Asia Square Tower 1, Singapore, 018960

Tel +65-6202-0486

Registration No. 202037636H

DAIWA HOUSE LOGISTICS TRUST'S IPO RECEIVES OVERWHELMING DEMAND WITH SINGAPORE PUBLIC OFFER 9.5 TIMES SUBSCRIBED

- ***Placement tranche was approximately 4.9 times subscribed***
- ***Strong demand from institutional, corporate and high net worth investors***
- ***Attractive distribution yield of 6.5% for Projection Year 2022¹***
- ***Trading debut expected on Friday, 26 November 2021, at 2.00 p.m.***

SINGAPORE, 25 NOVEMBER 2021 – Daiwa House Asset Management Asia Pte. Ltd., as manager of Daiwa House Logistics Trust (the “**Manager**” and Daiwa House Logistics Trust, “**DHLT**” or the “**REIT**”), announced today that it has successfully completed its Initial Public Offering (“**IPO**” or the “**Offering**”) of 244,438,000 units in DHLT (the “**Units**”) (subject to the Over-Allotment Option) in connection with the proposed listing of DHLT (the “**Listing**”) on the Main Board of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”), with strong support from institutional, corporate and retail investors.

Priced at the offering price of S\$0.80 per Unit (the “**Offering Price**”), the Offering comprised an international placement of 219,438,000 Units to investors outside the United States of America (the “**Placement Tranche**”) and a public offer of 25,000,000 Units to the public in Singapore (the “**Singapore Public Offer**”).

DBS Bank Ltd. is the Sole Financial Adviser, and DBS Bank Ltd. and Nomura Singapore Limited are the Joint Issue Managers for the initial public offering of Daiwa House Logistics Trust.

¹ *Projection Year 2022 (“PY2022”) refers to the full financial year from 1 January 2022 to 31 December 2022. The forecast and projected yields are calculated based on the Offering Price, together with the accompanying assumptions and assumed exchange rates as set out in the Prospectus. Such yields will vary accordingly to the extent that the Listing Date is later than 1 October 2021, or for investors who purchase the Units in the secondary market at a market price different from the Offering Price.*

The Placement Tranche received indications of interest amounting to a subscription rate of 4.9 times, and attracted strong interest from a good mix of long-only institutional investors, insurance firms, multi-strategy funds, family offices and high net worth individuals.

At the close of the Offering at 12.00 noon on 24 November 2021, 7,543 valid applications for 236,990,660 Units were received for the Singapore Public Offer, representing a subscription rate of 9.5 times.

In addition, concurrently with, but separate from the Offering, Bangkok Life Assurance Public Co. Ltd, Credit Suisse AG, Singapore Branch and Credit Suisse AG, Hong Kong Branch (on behalf of certain of their private banking clients), DBS Bank Ltd., DBS Bank Ltd. (on behalf of certain wealth management clients), DBS Bank (Hong Kong) Ltd. (on behalf of certain wealth management clients), DWS Investments Australia Limited, Kuang Ming Investments Pte Limited, Nomura Singapore Limited (on behalf of certain wealth management clients), Hazelview Securities Inc., and Metro ARC Investments Pte. Ltd. (collectively, the “**Cornerstone Investors**”) have respectively entered into subscription agreements to subscribe for an aggregate of 336,062,000 Units at the Offering Price, which represents 49.8% of the total number of outstanding Units at IPO.

Mr Takeshi Fujita, Chief Executive Officer of the Manager, said, “We are pleased to have received such strong support from Cornerstone, institutional and retail investors for our Offering. We believe that this is testament to the attractiveness of our portfolio of high-quality modern logistics properties, as well as the strength of our Sponsor – Daiwa House Industry Co., Ltd, one of the largest construction and real estate development companies in Japan. Our Sponsor has announced plans to pursue development opportunities more aggressively in the logistics asset class, with the Southeast Asian region being a key area of focus given the demand for overseas logistics and manufacturing bases, particularly from Japanese-based tenants.”

“The Sponsor has granted a right of first refusal to DHLT over the Sponsor’s pipeline of assets in Southeast Asia and Japan. With committed support from the Sponsor and backed by the attractive fundamentals of the logistics market in Japan and Southeast Asia, we aim to generate stable distributions for Unitholders, while achieving long-term growth,” added Mr Fujita.

DHLT is an Asia-focused REIT with an initial portfolio (“**IPO Portfolio**”) comprising 14 high-quality modern logistics properties across Japan with an appraised value of approximately ¥80,570.0 million (S\$952.9 million)² and an aggregate net lettable area (“**NLA**”) of approximately 423,920 sq m. To demonstrate the Sponsor’s strong commitment to DHLT and the IPO, the IPO Portfolio will be acquired at S\$840.5 million, equivalent to an 11.8% discount to the appraised value.

The IPO Portfolio enjoys a high occupancy rate of 96.3%³ and a long aggregate weighted average lease expiry (“**WALE**”) of 7.2 years⁴. It is anchored by a diversified blue-chip tenant base, with 70.6% of the tenant base⁵ occupied by TSE-listed companies, their parents and/or their subsidiaries. 10 out of 14 properties in the IPO Portfolio have solar panels installed on their rooftops. Notably, rental revenue of the IPO Portfolio has been unaffected by the COVID-19 pandemic⁶.

Concurrently with, but separate from the Offering, the Sponsor has entered into a subscription agreement to subscribe for an aggregate of 94,498,000 Units, representing 14.0% of the total number of Units in issue on the Listing Date (the “**Sponsor Subscription Units**”) at the Offering Price, subject to the exercise of the Over-Allotment Option.

Based on the Offering Price of S\$0.80 per Unit, the REIT offers an attractive distribution yield of 6.5% for PY2022.

² The appraised value is calculated based on the average of the two independent valuations of the IPO Properties conducted by the Independent Valuers which are as at 30 June 2021.

³ As at 1 October 2021.

⁴ By occupied NLA as of 30 June 2021.

⁵ By NLA as at 30 June 2021.

⁶ As at 30 September 2021.

Trading of DHLT's Units on the Main Board of SGX-ST is expected to commence at 2.00 p.m. on Friday, 26 November 2021. Details on allotments and/or allocations will be published in The Business Times as well as via SGXNET, prior to the listing of the Units on the Main Board of the SGX-ST.

This media release is issued on behalf of Daiwa House Logistics Trust by Citigate Dewe Rogerson. For media queries, please contact:

Citigate Dewe Rogerson Singapore Pte Ltd

Chia Hui Kheng / Valencia Wong / Samantha Lee

E: huikheng.chia@citigatedewerogerson.com /
valencia.wong@citigatedewerogerson.com /
samantha.lee@citigatedewerogerson.com

About Daiwa House Logistics Trust

Daiwa House Logistics Trust (“**DHLT**”) is a Singapore real estate investment trust (“**REIT**”) established with the investment strategy of principally investing in a portfolio of income-producing logistics and industrial real estate assets located across Asia.

Its initial portfolio comprises 14 high-quality modern logistics properties across Japan with an appraised value of approximately ¥80,570 million (S\$952.9 million) as at 30 June 2021, and an aggregate net lettable area of approximately 423,920 sq m.

DHLT is managed by Daiwa House Asset Management Asia Pte. Ltd., a wholly-owned subsidiary of its Sponsor, Daiwa House Industry Co., Ltd.

About the Sponsor, Daiwa House Industry Co., Ltd.

Daiwa House Industry Co., Ltd. (“**Daiwa House Industry**”) is one of the largest construction and real estate development companies in Japan. It is listed on the Tokyo Stock Exchange (“**TSE**”) with a market capitalisation of ¥2,491.1 billion (S\$29.5 billion) as of 30 September 2021.

Founded in 1955, Daiwa House Industry has an extensive track record in real estate development. In addition to its primary operations in Japan, the Sponsor has presence in other markets including ASEAN, East Asia, the United States of America, Europe, and Australia. Daiwa House Industry has vast and deep experience in logistics asset development and is one of the largest logistics real estate developers in Japan by both number of properties and gross floor area.

Daiwa House Industry has extensive knowledge in both asset and fund management and is currently managing real estate funds which include TSE-listed Daiwa House REIT Investment Corporation, two unlisted REITs as well as multiple private funds.

IMPORTANT NOTICE

NOT FOR DISTRIBUTION OR PUBLICATION, DIRECTLY OR INDIRECTLY, IN THE UNITED STATES OR IN ANY OTHER JURISDICTION OUTSIDE SINGAPORE

The prospectus of Daiwa House Logistics Trust (“**DHLT**”) dated 19 November 2021 (the “**Prospectus**”) has been registered by the Monetary Authority of Singapore (“**MAS**”) on 19 November 2021. Capitalised terms used in this media release shall unless otherwise defined, bear the same meanings assigned to them in the Prospectus.

This media release is for information purposes only and does not constitute an offer of, or invitation to subscribe or purchase or solicitation of subscriptions or purchases of units in DHLT (“**Units**”) in any jurisdiction nor should it or any part of it form the basis of, or be relied upon in any connection with, any contract or commitment or any investment decision whatsoever. The information in this media release in respect of DHLT is qualified in its entirety by, and should be viewed in conjunction with, the full text of the Prospectus in relation to the initial public offering (the “**Offering**”) of the Units. The Offering is made by Daiwa House Asset Management Asia Pte. Ltd., as manager of DHLT (the “**Manager**”). The information presented in this media release is subject to change.

The value of the Units and the income derived from them may fall as well as rise. The Units are not obligations of, deposits in, or guaranteed by, the Manager, HSBC Institutional Trust Services (Singapore) Limited (as trustee of DHLT), Daiwa House Industry Co., Ltd. (as the sponsor of DHLT), DBS Bank Ltd., Nomura Singapore Limited, Citigroup Global Markets Singapore Pte. Ltd., Credit Suisse (Singapore) Limited, Daiwa Capital Markets Singapore Ltd., Mizuho Securities (Singapore) Pte. Ltd., Morgan Stanley Asia (Singapore) Pte., and SMBC Nikko Capital Markets Limited (as the joint bookrunners and underwriters) or any of their respective affiliates, advisers or representatives. An investment in the Units is subject to investment risks, including the possible loss of the principal amount invested. Investors have no right to request that the Manager redeem or purchase their Units while the Units are listed. It is intended that holders of the Units may only deal in their Units through trading on the SGX-ST. Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.

This media release may contain forward-looking statements that involve assumptions, risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties

and assumptions. The forecast and projected yields and yield growth are calculated based on the Offering Price and the accompanying assumptions in the Prospectus. Such yields and yield growth will vary accordingly for investors who purchase the Units in the secondary market at a market price different from the Offering Price.

Predictions, projections or forecasts of the economy or economic trends of the markets are not necessarily indicative of the future or likely performance of DHLT. The forecast financial performance of DHLT is not guaranteed. Investors are cautioned not to place undue reliance on these forward-looking statements, which are based on the Manager's current view of future events. A potential investor should read the Prospectus and, in particular, the section entitled "Forward-Looking Statements" and make his own assessment before making any decision to purchase the Units.

Neither this media release nor any copy or portion of it may be sent or taken, transmitted or distributed, directly or indirectly, in or into the United States ("**U.S.**") (including its territories and possessions, any state of the US and the District of Columbia) or any other jurisdiction outside of Singapore. The Units have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**"), or the securities laws of any state of the U.S. and the Units may not be offered or sold within the U.S., except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Units will be offered and sold only outside of the U.S. in offshore transactions in reliance on and in compliance with Regulation S under the Securities Act and in a transaction pursuant to an exemption from the registration requirements under the Securities Act. No public offering of securities is being made in the U.S.

This media release may be restricted by law in certain jurisdictions. Persons who may come into possession of this media release are advised to consult with their own legal advisers as to what restrictions may be applicable to them and to observe such restrictions. This media release may not be used for the purpose of an offer or invitation in any circumstances in which such offer or invitation is not authorised. Neither this media release nor any of its content may be forwarded or distributed to any other person and may not be reproduced in any manner whatsoever. Information contained in this media release does not constitute a part of the Prospectus. Failure to comply with these restrictions may result in a violation of the Securities Act or the applicable laws of other jurisdictions.

This media release has not been reviewed by the Monetary Authority of Singapore.