

DAIWA HOUSE LOGISTICS TRUST
Unaudited Condensed Interim Financial Statements and Distribution Announcement
For the six months and full year ended 31 December 2024



Daiwa House
Logistics Trust

(a real estate investment trust constituted on 2 November 2021 under the laws of the Republic of Singapore)

**DAIWA HOUSE LOGISTICS TRUST UNAUDITED INTERIM FINANCIAL STATEMENTS AND DISTRIBUTION
ANNOUNCEMENT FOR THE SIX MONTHS AND FULL YEAR ENDED 31 DECEMBER 2024**

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DAIWA HOUSE LOGISTICS TRUST

Unaudited Condensed Interim Financial Statements and Distribution Announcement For the six months and full year ended 31 December 2024

INTRODUCTION

Daiwa House Logistics Trust (“DHLT”) is a Singapore real estate investment trust constituted pursuant to the Trust Deed dated 2 November 2021 between Daiwa House Asset Management Asia Pte. Ltd. as manager (the “Manager”) of DHLT and HSBC Institutional Trust Services (Singapore) Limited as trustee (the “Trustee”) of DHLT.

DHLT was listed on the Main Board of the Singapore Exchange Securities Trading Limited (“SGX-ST”) on 26 November 2021 (“Listing Date”). DHLT’s initial IPO comprised 14 logistics properties in Japan with an aggregate net lettable area (“NLA”) of approximately 423,920 square meter (“sqm”) and a total land area of approximately 420,393 square meters. On 8 December 2022, DHLT completed the acquisition of 2 freehold properties and an underlying freehold land in Japan. In March 2024, DHLT acquired DPL Ibaraki Yuki, a freehold property in Japan, growing its portfolio to 17 logistics properties in Japan. In July 2024, DHLT acquired D Project Tan Duc 2 in Vietnam, its first property outside Japan. As at 31 December 2024, DHLT has a portfolio of 18 properties with a total NLA of 476,614 sqm.

The investment strategy of DHLT is to invest in a diversified portfolio of income-producing logistics and industrial real estate assets located across Asia. DHLT’s key objectives are to provide Unitholders with regular and stable distributions, and to achieve long-term growth in Distributions per Unit (“DPU”) and net asset value per Unit, while maintaining an optimal capital structure and strengthening the portfolio in scale and quality.

Summary of Daiwa House Logistics Trust Group Results

	1 Jul 2024 to 31 Dec 2024 (2H 2024)	1 Jul 2023 to 31 Dec 2023 (2H 2023)	Change between 2H 2024 and 2H 2023	1 Jan 2024 to 31 Dec 2024 (FY2024)	1 Jan 2023 to 31 Dec 2023 (FY2023)	Change between FY2024 and FY2023
	S\$’000	S\$’000	%	S\$’000	S\$’000	%
Gross Revenue	29,519	28,951	2.0	57,100	59,852	(4.6)
Net Property Income	22,657	22,192	2.1	43,890	45,324	(3.2)
Distributable income to Unitholders of DHLT	16,412	18,244	(10.0)	33,518	36,373	(7.8)
Distribution per Unit ("DPU") (cents)	2.34	2.61	(10.3)	4.79	5.22	(8.2)

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**DAIWA HOUSE LOGISTICS TRUST AND ITS SUBSIDIARIES UNAUDITED
CONDENSED INTERIM FINANCIAL STATEMENTS**

FOR THE SIX MONTHS AND FULL YEAR ENDED 31 DECEMBER 2024

DAIWA HOUSE LOGISTICS TRUST

Unaudited Condensed Interim Financial Statements and Distribution Announcement For the six months and full year ended 31 December 2024

CONSOLIDATED CONDENSED INTERIM STATEMENT OF TOTAL RETURN AND CONSOLIDATED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

		GROUP						
Notes		2H 2024 S\$ '000	2H 2023 S\$ '000	Variance %	FY2024 S\$ '000	FY2023 S\$ '000	Variance %	
	Gross revenue	5	29,519	28,951	2.0	57,100	59,852	(4.6)
	Property expenses	6	(6,862)	(6,759)	1.5	(13,210)	(14,528)	(9.1)
	Net property income		22,657	22,192	2.1	43,890	45,324	(3.2)
	Manager's management fees	7	(1,179)	(1,413)	(16.6)	(2,393)	(2,733)	(12.4)
	Japan asset management fees		(522)	(518)	0.8	(1,045)	(1,077)	(3.0)
	Trustee's fee		(123)	(127)	(3.1)	(284)	(257)	10.5
	Trust expenses		(776)	(796)	(2.5)	(1,671)	(1,776)	(5.9)
	Finance expenses	8	(3,587)	(3,078)	16.5	(6,630)	(6,394)	3.7
	Other income		198	2,562	(92.3)	2,013	4,180	(51.8)
	Net income before tax and fair value changes		16,668	18,822	(11.4)	33,880	37,267	(9.1)
	Fair value change in investment properties		9,787	13,072	(25.1)	8,483	11,576	(26.7)
	Fair value change in derivatives		(1,405)	(445)	NM	(1,024)	866	NM
	Net income before tax		25,050	31,449	(20.3)	41,339	49,709	(16.8)
	Tax expenses	9	(4,471)	(4,063)	10.0	(6,634)	(6,389)	3.8
	Total return for the period		20,579	27,386	(24.9)	34,705	43,320	(19.9)
	Attributable to:							
	Unitholders		20,186	26,974	(25.2)	33,921	42,473	(20.1)
	Perpetual securities holders		393	412	(4.6)	784	847	(7.4)
	Total returns		20,579	27,386	(24.9)	34,705	43,320	(19.9)
	Distribution Statement							
	Total returns attributable to Unitholders of DHLT		20,186	26,974	(25.2)	33,921	42,473	(20.1)
	Adjustments		(3,774)	(8,730)	(56.8)	(403)	(6,100)	(93.4)
	Distributable income to Unitholders of DHLT		16,412	18,244	(10.0)	33,518	36,373	(7.8)

Note: "NM" denotes "Not Meaningful"

DAIWA HOUSE LOGISTICS TRUST
Unaudited Condensed Interim Financial Statements and Distribution Announcement
For the six months and full year ended 31 December 2024

CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION

	Notes	Group		Trust	
		31-Dec-24 S\$ '000	31-Dec-23 S\$ '000	31-Dec-24 S\$ '000	31-Dec-23 S\$ '000
Current assets:					
Cash and cash equivalents		41,598	45,801	5,763	9,100
Restricted cash	10	40,208	42,363	-	-
Trade and other receivables	11	4,570	5,511	376,654	400,844
Derivative assets	12	678	1,779	678	1,779
Total current assets		87,054	95,454	383,095	411,723
Non-current assets:					
Investment properties	13	996,406	1,006,288	-	-
Investment in subsidiaries		-	-	2,620	1,532
Derivative assets	12	55	-	55	-
Total non-current assets		996,461	1,006,288	2,675	1,532
Total assets		1,083,515	1,101,742	385,770	413,255
Current liabilities:					
Trade and other payables	14	12,491	9,799	1,858	999
Lease liabilities		2,525	2,662	-	-
Loans and borrowings	15	86,482	93,359	-	-
Derivative liabilities	12	20	-	20	-
End-tenants security deposits		2,492	3,721	-	-
Provision for taxation		65	54	56	45
Total current liabilities		104,075	109,595	1,934	1,044
Non-current liabilities:					
Trade and other payables	14	16,503	16,415	-	-
Lease liabilities		141,025	154,823	-	-
Loans and borrowings	15	251,617	220,861	26,083	-
Derivative liabilities	12	-	43	-	43
End-tenants security deposits		23,966	23,046	-	-
Deferred tax liabilities		28,202	23,479	-	-
Total non-current liabilities		461,313	438,667	26,083	43
Total liabilities		565,388	548,262	28,017	1,087
Net assets		518,127	553,480	357,753	412,168
Represented by:					
Unitholders' funds		482,358	517,703	321,984	376,391
Perpetual securities		35,769	35,777	35,769	35,777
Total equity at end of period		518,127	553,480	357,753	412,168
Units in issue and to be issued ('000)	16	698,920	696,066	698,920	696,066
Net asset value per Unit (S\$)	17	0.69	0.74	0.46	0.54

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CONDENSED INTERIM CONSOLIDATED DISTRIBUTION STATEMENT

	Group			
	2H 2024 S\$'000	2H 2023 S\$'000	FY2024 S\$'000	FY2023 S\$'000
Amount available for distribution to Unitholders at beginning of the period	17,210	18,152	18,273	17,748
Total return for the period attributable to Unitholders	20,186	26,974	33,921	42,473
Distribution adjustments (Note A)	(3,774)	(8,730)	(403)	(6,100)
Income available for distribution to unitholders	16,412	18,244	33,518	36,373
Distributions to Unitholders:				
Distribution of 2.61 cents per unit for the period from 1 July 2022 to 31 December 2022	-	-	-	(17,675)
Distribution of 0.31 cents per unit for the period from 8 December 2022 to 31 December 2022	-	-	-	(50)
Distribution of 2.61 cents per unit for the period from 1 January 2023 to 30 June 2023	-	(18,123)	-	(18,123)
Distribution of 2.61 cents per unit for the period from 1 July 2023 to 31 December 2023	-	-	(18,167)	-
Distribution of 2.61 cents per unit for the period from 1 January 2024 to 30 June 2024	(17,077)	-	(17,077)	-
Net amount available for distribution to Unitholders at end of the period	16,545	18,273	16,547	18,273
Distribution per Unit ('DPU') (cents):				
- DPU	2.34	2.61	4.79	5.22
Note A - Distribution Adjustments				
Manager's management fees paid/payable in Units	589	689	1,196	1,349
Fair value change in investment properties	(11,619)	(14,345)	(11,619)	(14,309)
Fair value change in derivatives	1,405	445	1,024	(866)
Unrealised forex loss/(gain)	533	1	822	(142)
Amortisation of loan /bond upfront fee	885	757	1,650	1,581
Deferred tax expenses	4,433	3,871	6,439	6,072
Issue costs partly reimbursed from government grant	-	-	-	200
Others	-	(148)	85	15
Total distribution adjustments	(3,774)	(8,730)	(403)	(6,100)

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CONDENSED STATEMENTS OF MOVEMENTS IN UNITHOLDERS' FUNDS

	Group		Trust	
	2H 2024 S\$'000	2H 2023 S\$'000	2H 2024 S\$'000	2H 2023 S\$'000
<u>Unitholders' funds</u>				
Balance at beginning of period	654,132	648,180	329,199	378,736
<u>Operations</u>				
Total return for the period attributable to Unitholders	20,579	27,386	7,889	15,501
Less: Amount reserved for distribution to perpetual securities holders	(393)	(412)	(393)	(412)
Net increase in net assets resulting from operations	20,186	26,974	7,496	15,089
<u>Unitholders transactions</u>				
Movement during the period				
- GST refunds on IPO issue cost	1,520	-	1,520	-
- Manager's fee paid/payable in units	846	689	846	689
Distribution to unitholders	(17,077)	(18,123)	(17,077)	(18,123)
Net change in unitholders' transactions	(14,711)	(17,434)	(14,711)	(17,434)
Balance at end of the period	659,607	657,720	321,984	376,391
<u>Foreign currency translation reserve</u>				
Balance at beginning of period	(192,464)	(138,272)	-	-
Net change in foreign currency transaction reserve	15,215	(1,745)	-	-
Balance at end of the period	(177,249)	(140,017)	-	-
Net assets attributable to Unitholders	482,358	517,703	321,984	376,391
<u>Perpetual securities</u>				
Beginning balance of period	35,765	35,789	35,765	35,789
Amount reserved for distribution to perpetual securities holders	393	412	393	412
Distribution made to perpetual securities holders	(389)	(424)	(389)	(424)
Balance at end of the period	35,769	35,777	35,769	35,777
Total	518,127	553,480	357,753	412,168

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CONDENSED STATEMENTS OF MOVEMENTS IN UNITHOLDERS' FUNDS

	Group		Trust	
	FY2024 S\$'000	FY2023 S\$'000	FY2024 S\$'000	FY2023 S\$'000
<u>Unitholders' funds</u>				
Balance at beginning of period	657,720	649,746	376,391	427,015
<u>Operations</u>				
Total return for the period attributable to Unitholders	34,705	43,320	(21,589)	(15,278)
Less: Amount reserved for distribution to perpetual securities holders	(784)	(847)	(784)	(847)
Net increase in net assets resulting from operations	33,921	42,473	(22,373)	(16,125)
<u>Unitholders transactions</u>				
Movement during the period				
- GST refunds on IPO issue cost	1,520	-	1,520	-
- Manager's fee paid/payable in units	1,690	1,349	1,690	1,349
Distribution to unitholders	(35,244)	(35,848)	(35,244)	(35,848)
Net change in unitholders' transactions	(32,034)	(34,499)	(32,034)	(34,499)
Balance at end of the period	659,607	657,720	321,984	376,391
<u>Foreign currency translation reserve</u>				
Balance at beginning of period	(140,017)	(96,535)	-	-
Net change in foreign currency transaction reserve	(37,232)	(43,482)	-	-
Balance at end of the period	(177,249)	(140,017)	-	-
Net assets attributable to Unitholders	482,358	517,703	321,984	376,391
<u>Perpetual securities</u>				
Beginning balance of period	35,777	35,792	35,777	35,792
Amount reserved for distribution to perpetual securities holders	784	847	784	847
Distribution made to perpetual securities holders	(792)	(862)	(792)	(862)
Balance at end of the period	35,769	35,777	35,769	35,777
Total	518,127	553,480	357,753	412,168

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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	Group			
	2H 2024 S\$'000	2H 2023 S\$'000	FY2024 S\$'000	FY2023 S\$'000
Cash flows from operating activities:				
Net income before tax but after fair value changes	25,050	31,449	41,339	49,709
<i>Adjustments for:</i>				
Amortisation and straight lining of rents	32	108	32	70
Manager's fee paid in units	589	689	1,196	1,349
Manager's acquisition fee paid in units	257	-	494	-
Finance expenses	2,702	2,322	4,980	4,813
Amortisation of financing costs	885	757	1,650	1,581
Amortisation of prepaid expenses	167	156	317	319
Amortisation of leasing commission	263	88	263	166
Fair value change in investment properties	(9,840)	(13,072)	(8,483)	(11,576)
Fair value change in derivatives	1,405	445	1,024	(866)
Taxes paid	(170)	(23)	(397)	(23)
Interest income	(96)	(145)	(184)	(272)
Operating income before working capital changes	21,244	22,774	42,231	45,270
Changes in working capital:				
Trade and other receivables	4,028	198	(401)	(837)
Trade and other liabilities	(4,077)	(1,630)	(980)	32
Net cash flows generated from operating activities	21,195	21,342	40,850	44,465
Cash flows from investing activity:				
Acquisition of investment properties and related assets and liabilities	-	(199)	(23,649)	(243)
Capital expenditure on investment properties	(299)	-	(431)	-
Acquisition of a subsidiary, net of cash acquired (Note A)	(23,285)	-	(23,285)	-
(Refund)/ receipt of security deposits	(1,093)	15	(1,093)	15
Payment of leasing commission	(633)	(72)	(633)	(72)
Cash flow used in investing activity	(25,310)	(256)	(49,091)	(300)

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Cash flows from financing activities:

Repayments of lease liability	(1,949)	(2,049)	(2,975)	(3,136)
Proceeds from issuance of new units	-	-	-	-
Payment of issue cost	1,519	-	1,519	-
Proceeds from grant	-	-	-	-
Proceeds from perpetual securities	-	-	-	-
Loan repayment	(87,973)	-	(87,973)	-
Proceeds from debt financings	113,536	-	136,071	-
Payments of debt financing cost	(3,278)	-	(3,867)	-
Payment of the finance expenses	(1,904)	(2,180)	(4,062)	(4,483)
Payments of perpetual securities distribution	(389)	(424)	(792)	(862)
Distributions paid to unitholders	(17,077)	(18,123)	(35,244)	(35,848)
Receipt of interest	93	108	200	239
Restricted cash for financing activities	427	-	(247)	-
Cash flows generated from/ (used in) financing activities	3,005	(22,668)	2,630	(44,090)
Net (decrease)/increase in cash and cash equivalents	(1,110)	(1,582)	(5,611)	75
Cash and cash equivalents at beginning of the period	37,420	47,500	45,801	48,938
Effect of exchange rate changes on cash and cash equivalents	5,288	(117)	1,408	(3,212)
Cash and cash equivalents at end of the period	41,598	45,801	41,598	45,801

Note A:

Acquisition of a subsidiary

On 5 July 2024, the Group completed the acquisition of D Project Tan Duc 2 (the "Property") through the acquisition of DH Logistics Management Vietnam Co., Ltd. ("DHLMV") for a total cash consideration of approximately S\$23.3 million.

The Group considered the acquisition as an acquisition of a group of assets and liabilities and not a business combination. Accordingly, the acquisition cost was allocated to the assets acquired and liabilities assumed and no goodwill or deferred tax was recognised.

The fair value of identifiable assets and liabilities of DHLMV as at the date of acquisition were:

	Fair value recognised on acquisition	
	S\$'000	
Assets		
Investment property (Note 9)		27,022
Asset retirement cost		956
Cash and cash equivalents		4,824
Long term prepayments		2
Trade and other receivables		11
		32,815
Liabilities		
Trade and other payables		1,073

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Lease liabilities	956
Loans and borrowings	16,625
End-tenants security deposits	1,907
	<hr/> 20,561
Fair value of net assets acquired	12,254
Discount over fair value of net assets acquired	(514)
	<hr/> 11,740
Total consideration paid in cash and units	
Add: Shareholder loan	16,625
Less:	
Cash and cash equivalents acquired	(4,824)
Consideration paid in units	(256)
	<hr/> 23,285 <hr/> <hr/>
Cashflow on acquisition net of cash acquired	

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STATEMENT OF PORTFOLIO

Property	Geographic Area	Date of Construction	Tenure of Land	As at 31 Dec 2024	% of Net Assets Attributable to Unitholders	As at 31 Dec 2023	% of Net Assets Attributable to Unitholders
				S\$'000	%	S\$'000	%
DPL Sapporo Higashi Kariki	Hokkaido and Tohoku	1 Feb 2018	Freehold	112,015	23.2	119,499	23.1
DPL Sendai Port	Hokkaido and Tohoku	10 Mar 2017	Freehold	116,357	24.1	125,101	24.2
DPL Koriyama	Hokkaido and Tohoku	6 Sep 2019	Freehold	60,697	12.6	67,872	13.1
D Project Maebashi S	Greater Tokyo	5 Nov 2018	Freehold	32,042	6.6	34,449	6.7
D Project Kuki S	Greater Tokyo	1 Aug 2014	Leasehold	9,465	2.0	11,203	2.2
D Project Misato S	Greater Tokyo	15 Feb 2015	Leasehold	19,277	4.0	21,473	4.1
D Project Iruma S	Greater Tokyo	18 Dec 2017	Freehold	42,722	8.9	45,466	8.8
DPL Kawasaki Yako	Greater Tokyo	1 Jun 2017	Leasehold	185,824	38.5	196,055	37.9
D Project Nagano Suzaka S	Greater Tokyo	25 Sep 2018	Freehold	23,619	4.9	25,300	4.9
DPL Shinfuji	Greater Nagoya	20 Sep 2017	Leasehold	32,649	6.8	35,196	6.8
D Project Kakegawa S	Greater Nagoya	1 May 2019	Freehold	39,509	8.2	41,451	8.0
DPL Okayama Hayashima	Chugoku	19 Sep 2017 / 30 Nov 2018	Leasehold	39,509	8.2	42,385	8.2
DPL Okayama Hayashima 2	Chugoku	30 Oct 2017	Leasehold ⁽¹⁾	22,837	4.7	23,620	4.5
D Project Fukuoka Tobaras S	Kyushu	21 Feb 2019	Leasehold	13,373	2.8	12,697	2.5
DPL Iwakuni 1 & 2	Chugoku	28 Sep 2018 / 19 Mar 2020	Freehold	21,275	4.4	21,286	4.0
D Project Matsuyama S	Shikoku	31 Oct 1994 / 31 Jul 2017	Freehold	8,301	1.7	8,850	1.7
DPL Ibaraki Yuki	Greater Tokyo	31 Jan 2023	Freehold	29,089	6.0	-	-
D Project Tan Duc 2	Vietnam Long An	29 Sep 2023	Leasehold	27,342	5.7	-	-
				835,902	173.3	831,903	160.7

(1) The ordinary land lease will automatically renew for a term of 20 years upon expiry unless otherwise agreed by the parties and the lessor will not be able to object to renewal without a justifiable reason.

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	Carrying Value as at 31 December 2024	% of Net Assets Attributable to Unitholders	Carrying Value as at 31 December 2023	% of Net Assets Attributable to Unitholders
	S\$'000	%	S\$'000	%
Investment properties	835,902	173.3	831,903	160.7
Other assets and liabilities (net)	(317,775)	(65.9)	(278,423)	(53.8)
Net Assets of the Group	518,127	107.4	553,480	106.9
Perpetual securities	(35,769)	(7.4)	(35,777)	(6.9)
Net assets attributable to Unitholders	482,358	100.0	517,703	100.0

As disclosed in the Statement of Financial Position

	31 December 2024 S\$'000	31 December 2023 S\$'000
Investment properties	996,406	1,006,288
Less:		
Right-of-use	(144,001)	(157,970)
Asset Retirement Obligation	(16,503)	(16,415)
Total investment properties, at valuation	835,902	831,903

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

1. General

Daiwa House Logistics Trust (“DHLT”) is a Singapore real estate investment trust constituted pursuant to a trust deed dated 2 November 2021 between Daiwa House Asset Management Asia Pte. Ltd. (the “Manager”) and HSBC Institutional Trust Services (Singapore) Limited (the “Trustee”). DHLT was listed on the Main Board of the Singapore Exchange Securities Trading Limited (“SGX-ST”) on 26 November 2021 (“Listing Date”). The Trust and its subsidiaries are collectively referred to as “DHLT” or “Group” in the consolidated financial statements.

The registered address of the Manager is 6 Shenton Way, #21-08 OUE Downtown, Singapore 0688098.

The principal activity of the Trust is to invest in a diverse portfolio of stabilised income-producing logistics and industrial assets, and real estate-related assets in Asia, to provide unitholders of DHLT with regular and stable distributions.

2. Basis of Preparation

The unaudited condensed interim financial statements for the period ended 31 December 2024 have been prepared in accordance with International Financial Reporting Standards (“IFRS”) issued by the International Accounting Standards Board (“IASB”), the applicable requirements of the Code on Collective Investment Schemes (the “CIS Code”) issued by the Monetary Authority of Singapore (“MAS”) and the provisions of the Trust Deed. The condensed interim financial information does not include all of the information required for full annual financial statements and should be read in conjunction with the last issued audited annual financial statements of the Group as at and for the financial period ended 31 December 2023. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the performance of DHLT.

As at 31 December 2024, the Group’s current liabilities exceed its current assets by S\$17.0 million. Notwithstanding the net current liabilities position, based on the Group’s 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. Moreover, the sponsor of the Group has agreed to provide financial support to the Group.

The unaudited condensed interim financial statements are presented in Singapore Dollars (“S\$”), which is DHLT’s functional currency. All financial information presented in Singapore Dollars have been rounded to the nearest thousand, unless otherwise stated.

2.1 New and amended standards adopted

The accounting policies adopted in the preparation of the condensed consolidated interim financial statements are consistent with those used in the preparation of audited financial statements for the financial period ended 31 December 2023 except in the current financial period, the Group has adopted all the new and revised standards that are effective for annual periods beginning on 1 January 2024. The adoption of these standards did not have any material impact on the Group’s condensed interim financial statements.

2.2 Use of estimates and judgements

The preparation of the financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and any future periods affected. Information about critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial information is included in:

Area of estimation:
Valuation of investment properties

Note
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3. Seasonal operations

DHLT's business is not affected significantly by seasonal or cyclical factors during the period.

4. Segment Reporting

DHLT's operating segments are regularly reviewed by the Chief Operating Decision Maker ("CODM"), being the Chief Executive Officer ("CEO"). An operating segment is a component of the DHLT that engages in business activities from which it may earn revenue and incur expenses, including revenue and expenses that relate to transactions with any of the Group's other components.

The Group's investment properties comprise primarily logistics and industrial properties located in Japan and Vietnam. Therefore, the Manager considers the business from a geographical segment perspective as all the investment properties are in the business of investing in logistics and industrial properties, which is the only business segment of the Group. The Manager assesses the performance of the geographical segments based on a measure of Net Property Income ("NPI"). Prior to 2H 2024, the Group's investment properties comprise primarily logistics and industrial properties located in Japan. Therefore, the Manager considers that the Group operates within a single business segment and within a single geographical segment in Japan. Accordingly, no segment information has been presented in the financial statements for these periods.

	Japan S\$'000	Vietnam S\$'000	Total S\$'000
Segment results			
For the year ended 31 December 2024			
Gross revenue	55,875	1,225	57,100
Property expenses	(13,156)	(54)	(13,210)
Net property income	42,719	1,171	43,890
Change in fair value of investment properties	8,129	354	8,483
Japan asset management fees	(1,045)	-	(1,045)
Trustee Fee	(141)	-	(141)
Trust expenses	(586)	(71)	(657)
Finance expenses	(6,274)	(276)	(6,550)
Other income	32	65	97
	42,834	1,243	44,077
Unallocated amounts:			
- Management fees			(2,393)
- Trustee's fee			(143)
- Trust expenses			(1,014)
- Finance expenses			(80)
- Other income			113
- Foreign exchange gain			1,803
- Fair value change in derivative			(1,024)
Total profit for the year before tax			41,339
Income tax expense			(6,634)
Total profit for the year after tax			34,705

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Segment Assets and Liabilities	Japan	Vietnam	Total
As at 31 December 2024	S\$'000	S\$'000	S\$'000
Segment assets			
Investment properties (including right-of-use assets)	968,086	28,320	996,406
Others	75,374	5,206	80,580
	1,043,460	33,526	1,076,986
Unallocated assets ⁽¹⁾			6,529
Consolidated total assets			1,083,515
Segment liabilities	533,315	31,179	564,494
Unallocated liabilities			894
Consolidated total liabilities			565,388

(1) Unallocated assets consist of mainly cash and derivative financial instruments.

5. Gross revenue

	GROUP			
	2H 2024	2H 2023	FY2024	FY2023
	S\$ '000	S\$ '000	S\$ '000	S\$ '000
Rental income	26,023	25,454	50,535	52,498
Recoverable and other income	3,496	3,497	6,565	7,354
Gross Revenue	29,519	28,951	57,100	59,852

Recoverable and other income includes service charge income, utilities income, carpark income, rental income from rooftop lease for solar panel and facility usage income.

6. Property operating expenses

	GROUP			
	2H 2024	2H 2023	FY2024	FY2023
	S\$ '000	S\$ '000	S\$ '000	S\$ '000
Property taxes	2,559	2,606	5,107	5,405
Utilities expenses	2,070	2,058	3,719	4,633
Property management fees and expense	581	532	1,111	1,033
Building management expenses	985	975	1,948	2,023
Other operating expenses	667	588	1,325	1,434
Total property operating expenses	6,862	6,759	13,210	14,528

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7. Manager's management fees

The Manager is entitled under the Trust Deed to Management Fee comprising the Base Fee and Performance Fee as follows:

- (i) Base Fee of 10.0% per annum of the Annual Distributable Income (calculated before accounting for the Base Fee and the Performance Fee); and
- (ii) Performance Fee of 25.0% per annum of the difference in DPU in a financial year with the DPU in the preceding financial year (calculated before accounting for the Performance Fee but after accounting for the Base Fee in each financial year) multiplied by the weighted average number of Units in issue for such financial year (subject to adjustments in certain cases under the Trust Deed).

The Manager has elected to receive 50% of the base management fees in units, 50% in cash for FY2024 and FY2023, and 100% performance fee in cash for FY2023.

	GROUP			
	2H 2024	2H 2023	FY2024	FY2023
	S\$ '000	S\$ '000	S\$ '000	S\$ '000
Base Fee	1,179	1,378	2,393	2,698
Performance Fee	-	35	-	35
Total Manager's management fees	1,179	1,413	2,393	2,733

8. Finance expenses

	GROUP			
	2H 2024	2H 2023	FY2024	FY2023
	S\$ '000	S\$ '000	S\$ '000	S\$ '000
Interest expense	1,259	805	2,092	1,659
Amortisation of debt related expenses	885	757	1,650	1,581
Commitment and financing fees	40	40	80	80
Finance cost on lease liabilities and other liabilities	1,403	1,476	2,808	3,074
Total Finance Expenses	3,587	3,078	6,630	6,394

9. Tax expenses

Tax expense comprises income tax, withholding tax and deferred tax expense relating to origination and reversal of temporary differences.

	GROUP			
	2H 2024	2H 2023	FY2024	FY2023
	S\$ '000	S\$ '000	S\$ '000	S\$ '000
Current tax	38	192	202	317
Prior year tax	-	-	(7)	-
Deferred tax	4,433	3,871	6,439	6,072
Tax expenses	4,471	4,063	6,634	6,389

10. Restricted cash

Restricted cash comprises cash reserves as required by the lenders for capital expenditure, and expenditures including interest expenses, property tax expenses, special purpose vehicle costs, land rent payments and insurance premium. Restricted cash also includes cash paid by the end-tenants which is to be deposited into a reserve cash account with the Property Trustee.

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11. Trade and other receivables

	Group		Trust	
	31-Dec-24	31-Dec-23	31-Dec-24	31-Dec-23
	S\$ '000	S\$ '000	S\$ '000	S\$ '000
Trade receivables	792	667	-	-
Prepayments	568	1,050	19	129
Refundable deposits	2,830	3,237	2	2
Refundable tax paid	324	488	-	-
Others	56	69	-	33
Amount due from subsidiaries	-	-	376,633	400,680
	4,570	5,511	376,654	400,844

12. Derivative Financial Instruments

	Group		Trust	
	31-Dec-24	31-Dec-23	31-Dec-24	31-Dec-23
	S\$ '000	S\$ '000	S\$ '000	S\$ '000
Derivative assets	733	1,779	733	1,779
Derivative liabilities	(20)	(43)	(20)	(43)
Total derivative financial instruments	713	1,736	713	1,736
Percentage of derivative financial instruments to net assets	0.14%	0.31%	0.20%	0.42%

13. Investment properties

	Group	
	31 Dec 2024	31 Dec 2023
	S\$ '000	S\$ '000
Consolidated Statement of Financial Position		
At beginning of year	831,903	883,961
Addition through acquisition of a subsidiary	27,022	-
Acquisition of investment properties	24,319	-
Capital expenditure capitalised	432	236
Fair value changes in investment properties	11,619	14,309
Foreign exchange rate changes	(59,393)	(66,603)
Investment properties value at the end of period	835,902	831,903
Add: Right-of-use assets and assets corresponding to asset-retirement-Obligation	160,504	174,385
Carrying value of investment properties at the end of period	996,406	1,006,288
Consolidated Statement of Comprehensive Income		
Fair value changes in investment properties	11,619	14,309
Right-of-use assets and assets corresponding to asset-retirement-Obligation	(2,797)	(2,896)
Amortisation and straight lining	(339)	163
Net fair value changes recognised in the statement of comprehensive income	8,483	11,576

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The Group's investment properties comprise logistic spaces which are leased to external customers and held either to earn rental income or capital appreciation or both, and right-of-use assets relating to land leases where certain properties are built upon. Investment properties are stated at initial cost on acquisition including transaction costs, and fair value thereafter.

On 31 January 2024, the Group, through its subsidiary DH-CRUX Japan TMK, has entered into a Trust Beneficial Interest Sale and Purchase Agreement with Daiwa House Industry Co., Ltd. to acquire a freehold property located in Ibaraki, Japan, known as DPL Ibaraki Yuki. The purchase consideration is JPY 2,640.0 million (approximately S\$24.3 million) and the acquisition is completed on 15 March 2024.

On 5 July 2024, the Group completed the acquisition of a cold storage logistic facility located in Long An Province, Vietnam, known as D Project Tan Duc 2 (the "Property"), through the purchase of the entire charter capital of DH Logistics Management Vietnam Co., Ltd.,. The agreed value of the Property for the purpose of the acquisition was Vietnamese Dong ("VND") 483.0 billion (approximately S\$26.5 million).

Measurement of fair value

The Group's investment properties valuations were performed by independent professional valuers as of 31 December 2024. The independent professional valuers have appropriate recognised professional qualifications and recent experience in the location and category of the properties being valued. The fair value is generally derived by using income capitalisation method, discounted cash flow method, direct comparison method and/or residual value method and key assumptions used include capitalisation rate, discount rate and adjusted price per square meter.

The carrying values of the investment properties as of 31 December 2024 were internally assessed by the Manager, after considering the operating parameters of the properties and in consultation with the external valuers conducting the annual valuation, considering current market conditions, capitalisation rates, discount rates and market comparables. Based on the review, there is no indication of significant changes affecting the value of the DHLT portfolio and the fair value of investment properties approximates the carrying value accounted in the Condensed Interim Statements of Financial Position.

The independent appraisers have the appropriate professional qualifications and recent experience in the location and category of the properties being valued.

The fair values were generally calculated using the Income Approach. The two primary income approaches that may be used are the Discounted Cashflow Method ("DCF") and the Direct Capitalisation Method ("DCM"). DCF calculates the present values of future cash flows over a specified time period, including the potential proceeds of a deemed disposal, to determine the fair value. DCM determines value by applying a capitalisation rate to the property's stabilised net operating income, normally at the first year. Both the DCF and DCM approaches convert the earnings of a property into an estimate of value. The Market Transaction or Direct Comparison approach may also be used, which is based on sound considerations for similarity and comparability between properties that have recently been sold. Considerations may include geographic location, physical, legal, and revenue generating characteristics, market conditions and financing terms and conditions. The final step in the valuation process involves the reconciliation of the individual valuation techniques in relationship to their substantiation by market data, and the reliability and applicability of each valuation technique to the subject property.

The valuation methods used in determining the fair value involve certain estimates including those relating to discount rate, terminal capitalisation rate and capitalisation rate, which are unobservable. In relying on the valuation reports, the Manager has exercised its judgement and is satisfied that the valuation methods and estimates used are reflective of the current market conditions.

The fair value measurement for investment properties has been categorised as a Level 3 fair value based on the inputs to the valuation techniques used.

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Valuation techniques and significant unobservable inputs

The following table shows the range of key unobservable inputs used within the valuation reports:

Valuation technique	Key unobservable inputs	Relationship between key unobservable inputs and fair value measurement
Discounted cash flow approach	<p><u>Japan:</u></p> <p>Rental rate per Tsubo/3.31 sq metres 2024: JPY 2,329 – JPY 7,241 (2023: JPY 2,500 – JPY 7,150)</p> <p>Discount rate 2024: 3.30% - 4.7% (2023: 3.30% – 4.80%)</p> <p>Terminal capitalisation/terminal discount rate 2024: 3.40% - 5.00% (2023: 3.40% – 5.20%)</p> <p><u>Vietnam:</u></p> <p>Rental Rate per sq metres 2024: VND 194,486</p> <p>Discount rate 2024: 11.00%</p> <p>Terminal capitalization 2024: 7.50%</p>	<p>Higher/(lower) rental rate would result in a higher/(lower) fair value.</p> <p>Lower/(Higher) discount rate or terminal capitalisation rate would result in a higher/ (lower) fair value.</p>
Direct capitalisation method	<p><u>Japan:</u></p> <p>Rental rate per Tsubo/3.31 sq metres 2024: JPY 2,329 – JPY 7,241 (2023: JPY 2,500 – JPY 7,150)</p> <p>Capitalisation rate 2024: 3.40% – 4.9% (2023: 3.40% – 5.10%)</p> <p><u>Vietnam:</u></p> <p>Rental Rate per sq metres 2024: VND 194,486</p> <p>Capitalisation rate 2024: 7.25%</p>	<p>Higher/(lower) rental rate would result in a higher/(lower) fair value.</p> <p>Lower/(Higher) capitalisation rate would result in a higher/(lower) fair value.</p>

Key unobservable inputs

Key unobservable inputs correspond to:

- Discount rate, which reflects the risk-free rate, adjusted for a risk premium to reflect the increased risk of investing in the asset class.
- Terminal capitalisation rate, which reflects the uncertainty, functional/economic obsolescence and the risk associated with a future assumed sale of the investment properties.
- Capitalisation rate, which reflects the ratio of the property's net property income to its fair value.

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14. Trade and other payables

	Group		Trust	
	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
	\$'000	\$'000	\$'000	\$'000
Current				
Trade payables	8	59	2	55
Other payables	1,326	949	1,062	139
Consumption tax payable	2,822	845		
Accrued expenses	3,050	3,112	794	805
Interest payable	765	679	-	-
Deferred revenue ⁽¹⁾	4,520	4,155	-	-
	<u>12,491</u>	<u>9,799</u>	<u>1,858</u>	<u>999</u>
Non-current				
Asset retirement obligation ⁽²⁾	16,503	16,415	-	-

⁽¹⁾ Deferred revenue comprises mainly advance rental and recoveries received in advance

⁽²⁾ Non-current liabilities refer to the asset retirement obligations in respect of the leasehold investment properties

15. Loans and borrowings

Loans and borrowings comprise loans and bonds that were drawn by DH-CRUX Japan TMK (“**DH TMK**”), a special purpose vehicle which holds directly and in trust each of the trust beneficial interests (“**TBIs**”) of the freehold properties and the ordinary land lease property and the Trust.

	Group		Trust	
	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
	S\$ '000	S\$ '000	S\$ '000	S\$ '000
Current				
Secured bank loans	-	93,359	-	-
Unsecured bank loans	86,834	-	-	-
Less :Unamortised upfront transaction costs	(352)	-		
	<u>86,482</u>	<u>93,359</u>	<u>-</u>	<u>-</u>
Secured bank loans	-	214,726	-	-
Secured fixed rate bonds	-	9,336	-	-
Unsecured bank loans	247,737	-	26,311	-
Unsecured fixed rate bonds	8,683	-	-	-
Less: Unamortised upfront transaction costs	(4,803)	(3,201)	(228)	-
	<u>251,617</u>	<u>220,861</u>	<u>26,083</u>	<u>-</u>
Total secured loans and borrowings	<u>338,099</u>	<u>314,220</u>	<u>26,083</u>	<u>-</u>
Percentage of borrowings to net assets	<u>65.3%</u>	<u>56.8%</u>	<u>7.3%</u>	<u>0.0%</u>

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DH TMK Debt Facilities

DH TMK, has the following debt facilities as of 31 December 2024 and 31 December 2023:

- (1) Loans amounting to JPY 35.5 billion (2023 : JPY33 billion) from a syndicate of lenders. The loans comprise various tranches between four to five year tenors with loan maturities between 2025 to 2029.
- (2) JPY 1.0 billion specified bonds issued to Sumitomo Mitsui Trust Bank Limited with a maturity in 2026.

The above loans which used to be fully secured as of 31 December 2023 are currently all unsecured as at 31 December 2024 post the release of the security interests.

Release of the Security Interests in connection with the Loan Facilities

The security interests created to secure the obligations of DH TMK as the borrower under the Loan Facilities (as listed below) were released in November 2024 and all the loan facilities are unsecured as of 31 December 2024. Instead the TK Operator (“GK2”) which holds the TBIs of the special fixed-term land lease properties under a TK-GK structure provides a guarantee on the loan obligations of DH TMK.

Prior to the release, the security interest comprised:

- (i) revolving pledges over each TBI held by DH TMK or TK Operator (GK2);
- (ii) revolving mortgages over all real estate corresponding to the TBI (conditional upon the termination of the trust pursuant to the relevant trust agreement);
- (iii) revolving pledge over claims pursuant to insurance agreements for all real estate (conditional upon the termination of the trust pursuant to the relevant trust agreement);
- (iv) revolving pledge over the specified shares in DH TMK; and
- (v) revolving pledges over TK interests held by DH TMK in TK Operator (GK2).

Release of the Security Interests in connection with the Specified Bonds

A general security lien (*ippan tanpo*) created to secure the obligations of DH TMK as the issuer of the Specified Bonds was also released in November 2024 and the Specified Bonds which used to be all secured is now unsecured.

Prior to the release, the subject of such general security lien (*ippan tanpo*) is the assets of DH TMK, which were, in substance, TBIs and TK interests in GKs. The Asset Liquidation Act grants specified bondholders the right to receive all payments due in relation to such specified bonds out of the assets of DH TMK prior to any payments to other unsecured creditors. The general security lien was subordinated to the above security interests (i) to (iii) and (v) held by DH TMK’s lenders but took preference over other unsecured creditors. Unless otherwise provided in the asset liquidation plan, that general security lien was automatically created by operation of law.

DHLT Loan Facilities

As at 31 Dec 2024, DHLT has drawn a 4 year unsecured JPY3.03bil loan (~S\$26.3mil). (31 December 2023 : -) The total available undrawn unsecured facilities amount to S\$50 million as at 31 December 2024 and 31 December 2023.

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16. Movements in Units

	Group and Trust			
	2H 2024	2H 2023	FY2024	FY2023
	No. of Units	No. of Units	No. of Units	No. of Units
Units in issue at beginning of period/year	697,038,817	694,355,286	695,503,052	692,535,066
Units issued during the financial period:				
- Acquisition fees paid in units	450,031	-	843,884	728,785
- Manager's base fee paid in units	941,577	1,147,766	2,083,489	2,239,201
Units issued at end of period	698,430,425	695,503,052	698,430,425	695,503,052
Units to be issued				
- Manager's base fee payable in units	489,791	562,858	489,791	562,858
	489,791	562,858	489,791	562,858
Total Units issued and to be issued at end of the period	698,920,216	696,065,910	698,920,216	696,065,910

There are no treasury Units in issue as at 31 December 2024 and 31 December 2023

17. Net Asset Value (“NAV”) Per Unit

	Group		Trust	
	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
Number of units in issue and to be issued ('000)	698,920	696,066	698,920	696,066
Net asset attributable to unitholders (S\$'000)	482,358	517,703	321,984	376,391
NAV and NTA per unit attributable to unitholders ⁽¹⁾ (S\$)	0.69	0.74	0.46	0.54

⁽¹⁾ The computation of NAV and NTA is based on number of units in issue and to be issued at the end of the period. NAV and NTA are the same as there is no intangible asset as at the end of the period.

18. Earnings Per Unit (“EPU”) and Distribution Per Unit (“DPU”)

	2H 2024	FY2024	2H 2023	FY2023
EPU				
Weighted average number of Units in issue	693,375,361	696,692,315	691,235,868	692,458,277
Net income for the period (S\$'000)	20,579	34,705	27,386	43,320
Basic and diluted EPU (cents)	2.97	4.98	3.96	6.26
DPU				
Number of units in issue and to be issued at end of period	698,920,216	698,920,216	696,065,910	696,065,910
Distributable income to be paid to Unitholders (S\$'000)	16,412	33,518	18,244	36,373
DPU (cents)	2.34	4.79	2.61	5.22

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Basic EPU is calculated based on the net income for the period and the weighted number of Units for the period.

Diluted EPU is the same as the basic EPU as there are no dilutive instruments in issue during the period.

19. Fair value measurement

The Group classifies financial assets measured at fair value using a fair value hierarchy which reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1: Quoted prices (unadjusted) in active market for identical assets or liabilities that the Group can access at the measurement date,
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, and
- Level 3: Unobservable inputs for the asset or liability.

The fair values of financial assets and liabilities, including their levels in the fair value hierarchy are set out below. It does not include the fair value information of financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

Group	Note	Carrying amount				Fair value			
		Financial assets at amortised cost	Financial liabilities at amortised cost	FVTPL	Total carrying amount	Level 1	Level 2	Level 3	Total
		S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
31 December 2024									
Financial assets measured at fair value									
Derivative assets	12	-	-	733	733	-	733	-	733
Financial liabilities not measured at fair value									
Loans and borrowings	15	-	338,099	-	338,099	-	-	315,661	315,661
Financial liabilities measured at fair value									
Derivative liabilities	12	-	-	20	20	-	20	-	20

Group	Note	Carrying amount				Fair value			
		Financial assets at amortised cost	Financial liabilities at amortised cost	FVTPL	Total carrying amount	Level 1	Level 2	Level 3	Total
		S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
31 December 2023									
Financial assets measured at fair value									
Derivative assets	12	-	-	1,779	1,779	-	1,779	-	1,779

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**Financial liabilities
not measured at fair
value**

Loans and borrowings	15	-	314,220	-	314,220	-	-	314,123	314,123
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**Financial liabilities
measured at fair
value**

Derivative liabilities	12	-	-	43	43	-	43	-	43
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Measurement of fair values

The following is a description of the valuation techniques and inputs used in the fair value measurement for assets and liabilities that are categorised within Level 2 and Level 3 of the fair value hierarchy:

Financial instruments measured at fair value

Derivatives

The fair value of forward contracts are based on valuations provided by the financial institutions that are the counterparties of the transactions.

Financial instruments not measured at fair value

Loans and borrowings

The fair values of loans and borrowings are calculated using the discounted cash flow technique based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the measurement date.

20. Significant related party transactions

In addition to the related party information disclosed elsewhere in the financial statements, the following significant related party transactions were carried out at terms agreed between the parties during the financial years:

	Group	
	FY2024	FY2023
	S\$ '000	S\$ '000
Trustee Fee paid and payable to Trustee	142	144
Rent from solar system income and other income from subsidiaries of Sponsor	(128)	(142)
Japan asset management fees	1,045	1,077
Property management fees	796	820
Building management fees	1,909	1,990
Construction management fees	52	47
Lease contract administration fees	633	72
Ground rent paid to Sponsor	5,605	6,370
Electricity paid/payable to a subsidiary of Sponsor	2,844	2,808
Repair cost/capex paid/payable to Sponsor or its subsidiaries	1,069	142
Insurance premium paid to a subsidiary of Sponsor	13	14
Acquisition of property/subsidiary from Sponsor or its subsidiary	49,444	-
Management fees paid/payable to the Manager	2,393	2,733
Distribution made to perpetual securities holder	784	847
Acquisition fees paid in units to the Manager	494	-
Miscellaneous expenses paid to a subsidiary of Sponsor	55	-

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21. Financial ratios

	Group	
	31 Dec 2024	31 Dec 2023
Ratio of expenses to weighted average net assets ⁽¹⁾		
- Including performance component of the Manager's management fees	1.04%	1.06%
- Excluding performance component of the Manager's management fees	1.04%	1.05%
Portfolio turnover ratio ⁽²⁾	-	-
Aggregate leverage	38.5%	35.2%
Interest coverage ratio	10.1x	11.9x

⁽¹⁾ The annualised ratios are computed in accordance with the guidelines of the Investment Management Association of Singapore ("IMAS"). The expenses used in the computation relate to expenses of DHLT, excluding property expenses, finance expenses, net foreign exchange differences and income tax expense for the trailing 12 months.

⁽²⁾ The annualised ratio is computed based on the lesser of purchases or sales of underlying investment properties of DHLT expressed as percentage of average net asset value in accordance with the formulae stated in the Code on Collective Investment Schemes.

22. Subsequent events

On 28 February 2025, the Manager announced a distribution of 2.34 Singapore cents per Unit to DHLT Unitholders for the period from 1 July 2024 to 31 December 2024.

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OTHER INFORMATION

1. Whether the figures have been audited, or reviewed and if so which auditing standard or practice has been followed

The figures have not been audited nor reviewed by our auditors.

Where the figures have been audited or reviewed, the auditor's report (including any qualifications or emphasis of matter)

Not applicable

2. Review of Actual Performance

A review of the 6 months and 12 months results is performed between 2H 2024 vs 2H 2023 and FY2024 vs FY2023 respectively.

	GROUP					
	2H 2024 Actual S\$ '000	2H 2023 Actual S\$ '000	Change %	FY2024 Actual S\$ '000	FY2023 Actual S\$ '000	Change %
Gross revenue	29,519	28,951	2.0	57,100	59,852	(4.6)
- Rental Income	26,023	25,454	2.2	50,535	52,498	(3.7)
- Recoverable and other income	3,496	3,497	(0.0)	6,565	7,354	(10.7)
Property expenses	(6,862)	(6,759)	1.5	(13,210)	(14,528)	(9.1)
- Property taxes	(2,559)	(2,606)	(1.8)	(5,107)	(5,405)	(5.5)
- Utilities expenses	(2,070)	(2,059)	0.5	(3,719)	(4,634)	(19.7)
- Property management fees and expenses	(581)	(532)	9.2	(1,111)	(1,033)	7.6
- Building management expenses	(985)	(975)	1.0	(1,948)	(2,023)	(3.7)
- Other operating expenses	(667)	(588)	13.4	(1,325)	(1,434)	(7.6)
Net property income ("NPI")	22,657	22,192	2.1	43,890	45,324	(3.2)
Manager's management fee	(1,179)	(1,413)	(16.6)	(2,393)	(2,733)	(12.4)
Japan asset management fees	(522)	(518)	0.8	(1,045)	(1,077)	(3.0)
Trustee's fee	(123)	(127)	(3.1)	(284)	(257)	10.5
Trust expenses	(776)	(796)	(2.5)	(1,671)	(1,776)	(5.9)
Finance expenses	(3,587)	(3,078)	16.5	(6,630)	(6,394)	3.7
Other income	198	2,563	(92.3)	2,013	4,180	(51.8)
Net income before tax and fair value change in investment properties	16,668	18,822	(11.4)	33,880	37,267	(9.1)
Fair value change in investment properties	9,787	13,072	(25.1)	8,483	11,576	(26.7)
Fair value change in derivatives	(1,405)	(445)	NM	(1,024)	866	NM
Tax expenses	(4,471)	(4,063)	10.0	(6,634)	(6,389)	3.8
Total returns	20,579	27,386	(24.9)	34,705	43,320	(19.9)

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Attributable to:

Unitholders	20,186	26,974	(25.2)	33,921	42,473	(20.1)
Perpetual Securities Holders	393	412	(4.6)	784	847	(7.4)
Total returns	20,579	27,386	(24.9)	34,705	43,320	(19.9)

Distribution Statement

Total returns attributable to Unitholders of DHLT	20,186	26,974	(25.2)	33,921	42,473	(20.1)
Adjustments	(3,774)	(8,730)	(56.8)	(403)	(6,100)	(93.4)
Total returns	16,412	18,244	(10.0)	33,518	36,373	(7.8)

Review of actual performance for 2H 2024 vs 2H 2023

2H 2024 gross revenue was S\$29.5 million, an increase of S\$0.6 million or 2% from 2H 2023. The increase was mainly due to the contributions from DPL Ibaraki Yuki (Japan) and D Project Tan Duc 2 (Vietnam) which were acquired in March 2024 and July 2024, respectively, but partially offset by the weaker JPY. The gross revenue of the Japan Portfolio which stands at JPY 3,214 million actually outperformed 2H 2023 by 2.5%, despite the lower occupancy which is driven by the acquisition in Japan.

Property expenses for 2H 2024 were S\$6.9 million, an increase of S\$0.1 million or 1.5% from 2H 2023 of S\$6.8 million. The increase of the property expenses are largely due to the acquisitions, higher leasing commissions given the renewals in 2H24 and green certification costs for the Japan Portfolio, mitigated by the weaker JPY exchange rate.

As a result of the above, net property income ("NPI") was S\$22.7 million for 2H 2024, an increase of S\$0.5 million or 2.1% from S\$22.2 million in 2H 2023. NPI of the Japan Portfolio in JPY terms was JPY 2,441 million for 2H 2024, an increase of JPY 38 million or 1.6% from JPY 2,403 million in 2H 2023.

Finance expenses was S\$3.6 million for 2H 2024, an increase of S\$0.5 million or 16.5% from S\$3.1 million in 2H 2023. The increase was mainly due to the additional borrowings taken to fund the acquisitions which were completed in March and July 2024.

Other income comprises mainly net foreign exchange gain of \$94k (2H 2023: S\$2.4 million) and interest income of \$96k. (2H 2023: S\$145k) Other income in 2H 2024 was lower mainly due to lower realised foreign exchange gains (1H 2024: S\$2.0 million / 1H 2023: S\$1.3 million) y-o-y as more favourable rates were locked in for 2H 2023 vis-à-vis the market rates at settlement.

Fair value on financial derivatives arose mainly from the revaluation of foreign exchange forward contracts entered to hedge against the foreign exchange exposures of the Group. This is a non-cash item and therefore does not affect income available for distribution to Unitholders.

Tax expense of S\$4.5 million largely relates to deferred tax expenses that arose from property fair value gains.

As a result of the above, income available for distribution to Unitholders for 2H 2024 was S\$16.4 million, 10.0% lower compared to S\$18.2 million for 2H 2023.

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Review of actual performance for FY2024 vs FY2023

Gross revenue was S\$57.1 million, a decrease of S\$2.8 million or 4.6% from FY2023. The decrease was mainly due to the weaker JPY against SGD, which negated the contributions from DPL Ibaraki Yuki and D Project Tan Duc 2 which were acquired in March 2024 and July 2024, respectively. In JPY terms, the gross revenue of the Japan Portfolio actually outperformed FY2023 by 1.2%, which increased to JPY 6,326 million for FY2024 with the contribution of the a Ibaraki acquisition, but was partially offset by lower occupancy.

Property expenses for FY2024 were S\$13.2 million, a decrease of S\$1.3 million or 9.1% from FY2023 of S\$14.5 million, mainly due to a weaker JPY and lower utilities expenses of the Japan Portfolio.

NPI was S\$43.9 million for FY2024, a decrease of S\$1.4 million or 3.2% from S\$45.3 million in FY2023. mainly due to weaker JPY mitigated by the contributions of the acquisitions. The NPI of the Japan Portfolio in JPY terms was JPY 4,838 million for FY2024, an increase of JPY 102 million or 2.1% from JPY 4,736 million in FY2023.

Finance expenses of S\$6.6 million were 3.7% higher than FY2023 mainly due to the additional borrowings taken to fund the acquisitions which were completed in March and July 2024.

Trust expenses of S\$1.7 million were S\$0.1 million lower than FY2023 mainly due the weaker JPY, offset by the increase in the professional expenses incurred in relation to the acquisition of D Project Tan Duc 2 in Vietnam.

Other income comprises mainly net foreign exchange gain including the realised exchange gain of \$2.6 million (FY2023: S\$3.8 million) mainly due to settlement of the income hedges and interest income (FY2024: S\$0.2 million / FY2023: S\$0.3 million).

The S\$8.5 million (FY23:S\$11.6 million) fair value change in investment properties comprised mainly the year-end fair valuation gain of the investment properties including the 2 acquisitions, recording a fair valuation gain in 2024 of S\$11.6 million (FY2023 : S\$14.3 million). Please see note 13 for further details. This contributes to the total return for the year, but has no impact to the income available for distribution.

Tax expense of S\$6.6 million largely comprises deferred tax expenses (FY2024: \$6.4 million) that arose from property fair value gains.

As a result of the above, income available for distribution to Unitholders for FY2024 was S\$33.5 million, 7.8% lower compared to S\$36.4 million for FY2023.

3. Variance from Previous Forecast/Prospect Statement

There was no forecast or prospect statement previously disclosed to shareholders for the financial year ended 31 December 2024.

4. Commentary on the competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months

The logistics sector in Japan continued to face near-term challenges from increase in supply, in general. However, the fundamentals are expected to remain strong from a longer-term perspective, with demand supported by the growing e-commerce sector and the expected moderation of new supply over the coming years⁽¹⁾. The e-commerce sector in Japan continued to grow, increasing by 4.8% in 2023 to a market size of JPY14.7 trillion⁽²⁾. However, the e-commerce penetration rate in Japan remained relatively low at 9.38% compared to other matured e-commerce markets such as China, United States and the United Kingdom⁽²⁾, which may indicate potential for further growth. The logistic sector in Vietnam is expected to be supported by factors such as growing foreign investments, improving infrastructure as well as growth of the e-commerce market.

In January 2025, the Bank of Japan raised interest rate, following the last hike in July 2024, and it indicated that it would continue to raise interest rates if its economic and price forecasts are realised⁽³⁾

Notes:

1. Source: Savills Research – Japan: 2024 Review and 2025 Prospects (December 2024).
2. Source: Report by the Ministry of Economy, Trade and Industry on 2023 E-Commerce Market Survey (September 2024).
3. Source: Business Times article “Bank of Japan raises interest rates to highest in 17 years, yen jumps” (24 January 2025).

5. Distributions

(a) Current financial period

Any distributions declared for the current financial period? Yes

Name of distribution : 6th distribution for the period from 1 July 2024 to 31 December 2024

Distribution type : Capital distribution
Distribution rate : 2.34 cents

Par value of units : Not applicable.

Tax rate : Distributions out of capital are not taxable in the hands of all Unitholders.

Such distributions are treated as a return of capital for Singapore Income Tax purposes. For Unitholders who hold the Units as trading or business assets and are liable to Singapore income tax on gains arising from disposal of the Units, the amount of such distributions will be applied to reduce the cost of the Units for the purpose of calculating the amount of taxable trading gain arising from a subsequent disposal of the Units. If the amount exceeds the cost of the Units, the excess will be subject to tax as trading income of such Unitholders.

Record date : 10 March 2025

Date of distribution : 26 March 2025

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Any distributions declared for the corresponding period of the immediately preceding financial year?

Yes.

Name of distribution : 5th distribution for the period from 1 January 2024 to 30 June 2024

Distribution type	:	Tax-exempt	Capital	Total
Distribution rate	:	0.54 cents	1.91 cents	2.45 cents

Par value of units : Not applicable

Tax rate : Tax-exempt income distribution
Tax-exempt income distribution is exempt from tax in the hands of all Unitholders

Capital distribution Distributions out of capital are not taxable in the hands of all Unitholders

Such distributions are treated as a return of capital for Singapore Income Tax purposes. For Unitholders who hold the Units as trading or business assets and are liable to Singapore income tax on gains arising from disposal of the Units, the amount of such distributions will be applied to reduce the cost of the Units for the purpose of calculating the amount of taxable trading gain arising from a subsequent disposal of the Units. If the amount exceeds the cost of the Units, the excess will be subject to tax as trading income of such Unitholders.

Record date : 20 August 2024

Date of distribution : 26 September 2024

Name of distribution : 4th distribution for the period from 1 July 2023 to 31 December 2023

Distribution type	:	Tax-exempt	Capital	Total
Distribution rate	:	2.14 cents	0.47 cents	2.61 cents

Par value of units : Not applicable

Tax rate : Tax-exempt income distribution
Tax-exempt income distribution is exempt from tax in the hands of all Unitholders

Capital distribution Distributions out of capital are not taxable in the hands of all Unitholders.

Such distributions are treated as a return of capital for Singapore Income Tax purposes. For Unitholders who hold the Units as trading or business assets and are liable to Singapore income tax on gains arising from disposal of the Units, the amount of

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such distributions will be applied to reduce the cost of the Units for the purpose of calculating the amount of taxable trading gain arising from a subsequent disposal of the Units. If the amount exceeds the cost of the Units, the excess will be subject to tax as trading income of such Unitholders.

Record date : 7 March 2024

Date of distribution : 26 March 2024

Name of distribution : 3rd distribution for the period from 1 January 2023 to 30 June 2023

Distribution type : Capital distribution

Distribution rate : 2.61 cents

Par value of units : Not applicable

Tax rate : Capital distribution
Distributions out of capital are not taxable in the hands of all Unitholders.

Such distributions are treated as a return of capital for Singapore Income Tax purposes. For Unitholders who hold the Units as trading or business assets and are liable to Singapore income tax on gains arising from disposal of the Units, the amount of such distributions will be applied to reduce the cost of the Units for the purpose of calculating the amount of taxable trading gain arising from a subsequent disposal of the Units. If the amount exceeds the cost of the Units, the excess will be subject to tax as trading income of such Unitholders.

Record date : 14 August 2023.

Date of distribution : 26 September 2023

6. If no distribution has been declared/recommended, a statement to that effect and the reason(s) for the decision

Not applicable.

7. Interested Person Transactions

The Group has not obtained a general mandate from Unitholders for interested person transactions.

8. Confirmation pursuant to Rule 704(13) of the Listing Manual

Pursuant to Rule 704(13) of the Listing Manual of the Singapore Exchange Securities Trading Limited, the Manager confirms that there is no person occupying a managerial position in the Manager or in any of DHLT's principal subsidiaries who is a relative of a director, chief executive officer, substantial shareholder of the Manager or substantial unitholder of DHLT.

9. Confirmation Pursuant to Rule 720 (1) of the Listing Manual

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The Manager confirms that it has procured undertakings from all its directors and executive officers in the form as set out in Appendix 7.7 under Rule 720 (1) of the Listing Manual.

This release may contain forward-looking statements that involve risks and uncertainties. Future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from other companies and venues for the sale/distribution of goods and services, shifts in customer demands, customers and partners, changes in operating expenses, including employee wages, benefits and training, governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business. You are cautioned not to place undue reliance on these forward-looking statements, which are based on the current view of management on future events.

For and on behalf of the Board
Daiwa House Asset Management Asia Pte Ltd
(Company Registration No. 202037636H)
As Manager of Daiwa House Logistics Trust

Tan Jeh Wuan
Chairman
28 February 2025

Jun Yamamura
Director and Chief Executive Officer