Daiwa House Logistics Trust

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Daiwa House Logistics Trust posted DPU of 2.24 cents for 1H FY2025

- ***Positive rent reversion of 10% for renewals and new leases entered in 1HFY2025[1]***
- ***Portfolio occupancy remained healthy at 93.2% as at 30 June 2025***
- ***Continued growth of the portfolio with the addition of DPL Gunma Fujioka in March 2025***

SINGAPORE, 8 August 2025 – 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"**), has today announced the financial results for the first half ended 30 June 2025 ("**1H FY2025**").

Of the six leases that expired during 1H FY2025, two of the leases were renewed while new tenants were secured for three leases. Space vacated during FY2024 was also partially backfilled during 1H FY2025. Higher rent was achieved for each of the leases renewed and new leases entered into during 1H FY2025 (including the leases for the partially backfilled space vacated during FY2024), with a weighted average increase of approximately 10%[2]. As a result, portfolio occupancy remained at a healthy level of 93.2% as at 30 June 2025, while the weighted average lease expiry ("**WALE**") of the portfolio remained relatively long at 6.5 years[3]

Maintaining the growth momentum, DHLT added DPL Gunma Fujioka to its growing portfolio in March 2025. Built in 2022, DPL Gunma Fujioka is a freehold logistics property in Greater Tokyo, Japan that is well-connected to transportation networks.

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1 Based on the monthly rent of the renewed / new leases compared against the preceding lease for the same respective spaces, for leases renewed or entered into during 1H FY2025.
2 Based on the monthly rent of the renewed / new leases compared against the preceding lease for the same respective spaces, for leases renewed or entered into during 1H FY2025.
3 By gross rental income ("**GRI**") which was based on monthly rent as at 30 June 2025.

This property is leased to a group company of one of the largest multinational consumer goods corporations globally, which will further strengthen the tenant base of DHLT's portfolio. In line with DHLT's sustainability efforts, DPL Gunma Fujioka is certified green by the Building Energy-efficiency Labelling System (BELS) with a rating of 5-stars. Its rooftop is also installed with solar panels with total capacity of 2.5 MWp.

Summary of Financial Results

	Period from 1 January to 30 June		
	1H FY2024 (unaudited)	**1H FY2025 (unaudited)**	**Variance (%)**
Gross Revenue (S$ '000)	27,581	29,174	5.8
Net Property Income ("**NPI**") (S$ '000)	21,233	22,519	6.1
Distributable Income (S$ '000)	17,104	15,696	(8.2)
Distribution per Unit ("**DPU**") (cents)	2.45	2.24	(8.6)

Gross revenue and NPI grew year-on-year ("**y-o-y**") mainly due to the contributions from D Project Tan Duc 2 and DPL Gunma Fujioka which were acquired in July 2024 and March 2025, respectively. However, the higher NPI was offset by higher interest expenses and lower realised exchange gains, which resulted in lower distributable income and DPU y-o-y. The higher interest expense was mainly due to new borrowings drawn for acquisitions and higher interest rate as a result of the refinancing and restructuring of onshore JPY borrowings in November 2024.

Capital Management

As at 30 June 2025, the aggregate leverage was 40.7%, below the regulatory limit of 50%[4], and interest coverage ratio remained healthy at 6.6 times[5]. As at 30 June 2025, 99.3% of the total borrowings are on fixed-rate basis and none of the properties in the portfolio are encumbered.

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[4] Based on the Code on Collective Investment Schemes, REITs are subjected to a minimum interest coverage ratio threshold of 1.5 times and an aggregate leverage limit of 50%, effective from 28 November 2024.

[5] Based on period of last 12 months up to 30 June 2025.

Outlook

New supply of logistics space in Japan is expected to decline from 2026 due to factors such as rising construction and land costs. Fundamentals of the Japan logistics market are expected to remain strong with demand to be well-supported such by industries as e-commerce. As such, a more balanced supply-demand equilibrium is expected in coming years[6]. Based on a survey conducted on corporations using logistics facilities in Japan[7], 47% and 35% of the respondents indicated that they intend to expand floor area or expand number of sites, respectively, over the next two years. 63% of the respondents expected increase in rent over the same timeframe. Findings from the survey also revealed that leasing of existing or new multi-tenanted properties was the most commonly selected expansion plan, while preference for regional / transit locations has increased due to restriction on overtime of truck drivers.

Following a trade deal between the United States and Japan, which included lower tariffs on Japan imports, the Bank of Japan held interest rates steady in recent meeting amidst uncertainties on how trade policies will evolve and affect overseas economic and price activities. [8]

Occupancy rate for industrial and logistics facilities in Vietnam generally improved in 1Q2025 due to factors such as growing economy and e-commerce activities[9]. Vietnam's gross domestic product grew 7.52% for first half of 2025, following an increase of 7.09% in 2024[10]. Occupancy of ready-built warehouses in the Southern Key Economic Zone ("**SKEZ**") generally improved in 1Q2025, reflecting the region's strategic position and infrastructure development. However, looking ahead, substantial new supply of ready-built warehouses is expected in the SKEZ from 2025 to 2027[11].

The United States and Vietnam reached agreement on 20% tariffs on goods from Vietnam, which was lower than 46% initially brought up in April 2025, and 40% on

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6 Source: Savills Research - Japan Logistics (March 2025).
7 Source: CBRE Research – Japan Logistics, 2025 Logistics Occupier Survey (June 2025).
8 Source: The Business Times article - Bank of Japan offers cautiously upbeat view, keeps rates steady (31 July 2025).
9 Source: CBRE – Asia Pacific Industrial & Logistics Trends 1Q2025.
10 Source: Website of Vietnam's National Statistics Office.
11 Source: Cushman & Wakefield –Southern Key Economic Zone Industrial Markets, Q1 2025 Marketbeat.

transshipment. Notwithstanding the tariff, Vietnam is keeping its target of at least 8% GDP growth this year, and will continue to strive for economic expansion of 10% from 2026 to 2030[12]. Currently, DHLT has one property in Vietnam with a long lease which expires in 2043.

Mr Jun Yamamura, Chief Executive Officer of the Manager, said, "Apart from the vacated space in DPL Sendai Port, leasing activities have been healthy in 1H FY2025 and we were able to achieve a commendable weighted average rent uplift of 10%[13]. The occupancy rate of DPL Koriyama has also improved steadily from 66.6% as at 31 December 2024 to 92.3% as at 30 June 2025. We will continue to work on the remaining vacant space in DPL Koriyama and DPL Sendai Port. We are pleased that D Project Tan Duc 2 and DPL Gunma Fujioka, which were acquired in the last 12 months, have contributed positively. DPL Ibaraki Yuki, which was acquired in March 2024, also contributed on a full six-month basis in 1H FY2025.

Looking ahead, while the long-term fundamentals of the logistics sector of markets DHLT have presence in are expected to remain healthy, there are likely to be near-term uncertainties brought about by the United States' trade policy. Space of approximately 6% of portfolio's total net lettable area will expire in 2H FY2025, and negotiations with potential tenants are ongoing. We remain vigilant of the near-term market uncertainties as we continue to focus on improving the occupancy of the portfolio.

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[12] Source: Business Times article - Vietnam prepares for impact of 20% tariffs as investors back deal (9 July 2025).

[13] Based on the monthly rent for new or renewed leases compared against the preceding lease for the same space.

About Daiwa House Logistics Trust *(www.daiwahouse-logisticstrust.com)*

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 portfolio currently comprises 18 high-quality logistics properties across Japan and one property in Vietnam, with an aggregate net lettable area in excess of 499,000 sqm.

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. (*www.daiwahouse.co.jp*)

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 JPY3,267 billion (S$28.8 billion) as of 30 June 2025.

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

This announcement is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for units in Daiwa House Logistics Trust ("**DHLT**", and the units in DHLT, the "**Units**").

The past performance of DHLT is not necessarily indicative of the future performance of DHLT. The value of the Units and the income derived from them, if any, may fall as well as rise. Units are not obligations of, deposits in, or guaranteed by, Daiwa House Asset Management Asia Pte. Ltd., as manager of DHLT (the "**Manager**") or any of its affiliates. 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 the Manager to redeem or purchase their Units for so long as the Units are listed on Singapore Exchange Securities Trading Limited ("**SGX-ST**"). It is intended that unitholders of DHLT may only deal in their Units through trading on the SGX-ST. The listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.

This announcement may contain forward-looking statements. 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. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from similar developments, shifts in expected levels of property rental income, changes in operating expenses, property expenses and governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business. 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.