

**Daiwa House Logistics Trust
added 19th property in 1Q FY2025**

- ***Acquired DPL Gunma Fujioka in March 2025, adding a high-quality property to its growing portfolio¹***
- ***Healthy rent uplift of 13% from new tenants secured for vacated space***
- ***Maintained healthy portfolio occupancy rate of 92.1% as at 31 March 2025***

SINGAPORE, 9 MAY 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 business update for the first quarter ended 31 March 2025 (“**1Q FY2025**”).

During 1Q FY2025, DHLT acquired DPL Gunma Fujioka, a freehold logistics property located in Greater Tokyo, Japan (“**Property**”). Built in 2022, the Property is entirely leased to a blue-chip tenant which is a group company of one of the largest multinational consumer goods corporations globally, thereby further strengthening the tenant base of DHLT’s portfolio.

During the quarter, three leases expired and tenants have been secured for two of these leases with a weighted average rent uplift of approximately 13%². A space that was vacated during FY2024 was also partially leased. As a result, portfolio occupancy rate was 92.1% as at 31 March 2025, and the weighted average lease expiry (“**WALE**”) of the portfolio remained relatively long at 6.7 years³.

¹ Please refer to the announcement dated 24 March 2025 for further information on the acquisition of DPL Gunma Fujioka.

² Based on the monthly rent for the new leases compared against the preceding lease for the same space.

³ By gross rental income (“**GRI**”) which was based on monthly rent as at 31 March 2025.

Net property income (“**NPI**”) of the Japan portfolio for 1Q FY2025 in JPY terms was slightly lower year-on-year (“**y-o-y**”) by 1.0% as contribution from DPL Ibaraki Yuki which was acquired in March 2024 was offset by vacancies in the Japan portfolio and higher property-related expenses. NPI for the overall portfolio in SGD terms was higher by 2.7% y-o-y mainly due to the acquisition of D Project Tan Duc 2, partially offset by weaker JPY and lower contribution from the Japan portfolio. Distributable income was lower y-o-y mainly due to lower realised gains from hedges and higher interest expenses due to the additional borrowings drawn for acquisitions and higher interest rates due to the refinancing and restructuring of loans.

Prudent Capital Management

Aggregate leverage was higher at 41.1% as at 31 March 2025 compared to 31 December 2024, mainly due to an additional fixed rate loan drawn for the acquisition of DPL Gunma Fujioka, but remained below the limit of 50%⁴. The interest coverage ratio of 7.4 times as at 31 March 2025 was substantially above the threshold of 1.5 times⁴. The proportion of fixed rate borrowings remained high at 99.3% as at 31 March 2025.

Outlook

The Japan logistics market faced near term challenges due to large supply of logistics space in certain sub-markets recent years. However, the logistics sector in Japan is expected to be stable in the long term with demand well supported by factors such as the growth of e-commerce which is a key driver of the demand for logistics space, continued expansion of third-party logistics (“**3PL**”) sector and increased demand for distribution bases in relay points due to restrictions on overtime of truck drivers. Similarly, long terms prospect of Vietnam logistics sector is also expected to be positive, supported by economic expansion of the country, growth of e-commerce sector and further investments in infrastructure.⁵

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 Source: Independent market research reports by CBRE K.K. (for Japan market) and Savills Viet Nam Co., Ltd. (for Vietnam market) included in the Market Overview section of the Annual Report published on 2 April 2025.

The trade tariffs that were imposed by the United States have resulted in economic uncertainty globally, and the Manager will monitor the situation and be mindful of potential impact to DHLT's portfolio. Less than 10% of the tenants of the Japan portfolio (by GRI)⁶ are involved in exporting of goods including car manufacturing while the property in Vietnam is anchored on a long 20-year lease that expires in 2043. So far, there have been no requests from any tenants for any form of rental relief or abatements. Against the backdrop of economic uncertainties, the Manager will also continue to exercise prudence and discipline in capital management.

Mr Jun Yamamura, Chief Executive Officer of the Manager, said, "We are pleased to add another high-quality property in Japan, DPL Gunma Fujioka, to the growing portfolio of DHLT. DPL Gunma Fujioka is a relatively new logistics facility and strategically located close to a highway junction and ramp, therefore providing easy accessibility to the northern part of Greater Tokyo.

While there was a higher level of vacancy, we are encouraged by healthy rent uplift that was achieved for the vacated spaces that were re-leased. The Manager will continue to work closely with the property manager and third-party agents to fill up the remaining vacant spaces."

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⁶ Based on monthly rent as at 31 March 2025.

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 JPY3,256 billion (S\$29.2 billion) as of 31 March 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.