

**DAIWA HOUSE LOGISTICS TRUST**  
**Unaudited Condensed Interim Financial Statements and Distribution Announcement**  
**For the half year ended 30 June 2024**

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

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**DAIWA HOUSE LOGISTICS TRUST UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS  
AND DISTRIBUTION ANNOUNCEMENT FOR THE HALF YEAR ENDED 30 JUNE 2024**

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**TABLE OF CONTENTS**

<b>Page No</b>	<b>Description</b>
2	Introduction
2	Summary of Daiwa House Logistics Trust Group Results
3	Unaudited Condensed Interim Financial Statements
4	Condensed Interim Consolidated Statement of Comprehensive Income
5	Condensed Interim Statements of Financial Position
6	Condensed Interim Consolidated Distribution Statement
7	Condensed Interim Statements of Movements in Unitholders' Funds
8	Condensed Interim Consolidated Statement of Cash Flows
10	Statement of Portfolio
12	Notes to the Unaudited Condensed Interim Financial Statements
26	Other information

**DAIWA HOUSE LOGISTICS TRUST**  
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**For the half year ended 30 June 2024**

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**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. 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 DPU and net asset value per Unit, while maintaining an optimal capital structure and strengthening the portfolio in scale and quality.

In March 2024, DHLT acquired DPL Ibaraki Yuki, a freehold property in Japan, growing its portfolio to 17 logistics properties in Japan. As at 30 June 2024, the total NLA of its portfolio was 458,149 sqm.

**Summary of Daiwa House Logistics Trust Group Results**

	<b>Group</b>		
	<b>1 Jan 2024 to 30 Jun 2024 (1H 2024)</b>	<b>1 Jan 2023 to 30 Jun 2023 (1H 2023)</b>	<b>Change between 1H 2024 and 1H 2023</b>
	<b>S\$’000</b>	<b>S\$’000</b>	<b>%</b>
Gross Revenue	27,581	30,900	(10.7)
Net Property Income	21,233	23,132	(8.2)
Distributable income to Unitholders of DHLT	17,104	18,130	(5.7)
<b>Distribution per Unit ("DPU") (cents)</b>	<b>2.45</b>	<b>2.61</b>	<b>(6.1)</b>

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**UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS**  
**FOR THE HALF YEAR ENDED 30 JUNE 2024**

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**Unaudited Condensed Interim Financial Statements and Distribution Announcement**  
**For the half year ended 30 June 2024**

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**CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

		Group	
	Notes	1H 2024 S\$'000	1H 2023 S\$'000
Gross revenue	5	27,581	30,900
Property expenses	6	(6,348)	(7,768)
		<hr/>	<hr/>
<b>Net property income</b>		<b>21,233</b>	<b>23,132</b>
Manager's management fees	7	(1,214)	(1,320)
Japan asset management fees		(523)	(559)
Trustee's fee		(160)	(130)
Trust expense		(897)	(980)
Finance expenses	8	(3,043)	(3,316)
Other income		1,814	1,618
		<hr/>	<hr/>
<b>Net income before tax and fair value changes</b>		<b>17,210</b>	<b>18,445</b>
Fair value change in investment properties		(1,304)	(1,496)
Fair value change in derivatives		381	1,311
		<hr/>	<hr/>
<b>Net income before tax</b>		<b>16,287</b>	<b>18,260</b>
Tax expenses	9	(2,162)	(2,326)
		<hr/>	<hr/>
<b>Total return for the period</b>		<b>14,125</b>	<b>15,934</b>
		<hr/>	<hr/>
Attributable to:			
Unitholders		13,734	15,499
Perpetual securities holders		391	435
		<hr/>	<hr/>
<b>Total return for the period</b>		<b>14,125</b>	<b>15,934</b>
		<hr/> <hr/>	<hr/> <hr/>
<b><u>Distribution Statement</u></b>			
Total returns attributable to Unitholders of DHLT		13,734	15,499
Adjustments		3,370	2,631
		<hr/>	<hr/>
<b>Distributable income to Unitholders of DHLT</b>		<b>17,104</b>	<b>18,130</b>
		<hr/> <hr/>	<hr/> <hr/>

**DAIWA HOUSE LOGISTICS TRUST**  
**Unaudited Condensed Interim Financial Statements and Distribution Announcement**  
**For the half year ended 30 June 2024**

**CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION**

	Notes	Group		Trust	
		30 Jun 2024 S\$'000	31 Dec 2023 S\$'000	30 Jun 2024 S\$'000	31 Dec 2023 S\$'000
<b>Current assets:</b>					
Cash and cash equivalents		37,420	45,801	7,995	9,100
Restricted cash	10	38,871	42,363	–	–
Trade and other receivables	11	8,922	5,511	355,118	400,844
Derivative assets	12	2,118	1,779	2,118	1,779
<b>Total current assets</b>		<b>87,331</b>	<b>95,454</b>	<b>365,231</b>	<b>411,723</b>
<b>Non-current assets:</b>					
Investment properties	13	930,062	1,006,288	–	–
Investment in subsidiaries		–	–	1,847	1,532
<b>Total non-current assets</b>		<b>930,062</b>	<b>1,006,288</b>	<b>1,847</b>	<b>1,532</b>
<b>Total assets</b>		<b>1,017,393</b>	<b>1,101,742</b>	<b>367,078</b>	<b>413,255</b>
<b>Current liabilities:</b>					
Trade and other payables	14	11,757	9,799	2,333	999
Lease liabilities		2,865	2,662	–	–
Loans and borrowings	15	84,285	93,359	–	–
Derivative liabilities	12	1	–	1	–
End-tenants security deposits		4,399	3,721	–	–
Provision for taxation		60	54	52	45
<b>Total current liabilities</b>		<b>103,367</b>	<b>109,595</b>	<b>2,386</b>	<b>1,044</b>
<b>Non-current liabilities:</b>					
Trade and other payables	14	14,945	16,415	–	–
Lease liabilities		138,337	154,823	–	–
Loans and borrowings	15	220,371	220,861	(272)	–
Derivative liabilities	12	–	43	–	43
End-tenants security deposits		19,833	23,046	–	–
Deferred tax liabilities		23,107	23,479	–	–
<b>Total non-current liabilities</b>		<b>416,593</b>	<b>438,667</b>	<b>(272)</b>	<b>43</b>
<b>Total liabilities</b>		<b>519,960</b>	<b>548,262</b>	<b>2,114</b>	<b>1,087</b>
<b>Net assets</b>		<b>497,433</b>	<b>553,480</b>	<b>364,964</b>	<b>412,168</b>
<b>Represented by:</b>					
Unitholders' funds		461,668	517,703	329,199	376,391
Perpetual securities		35,765	35,777	35,765	35,777
<b>Total equity at end of the period</b>		<b>497,433</b>	<b>553,480</b>	<b>364,964</b>	<b>412,168</b>
<b>Units in issue and to be issued ('000)</b>		<b>697,504</b>	<b>696,066</b>	<b>697,504</b>	<b>696,066</b>
<b>Net asset value per Unit (S\$)</b>		<b>0.66</b>	<b>0.74</b>	<b>0.47</b>	<b>0.54</b>

**DAIWA HOUSE LOGISTICS TRUST**  
**Unaudited Condensed Interim Financial Statements and Distribution Announcement**  
**For the half year ended 30 June 2024**

**CONDENSED INTERIM CONSOLIDATED DISTRIBUTION STATEMENT**

	<b>Group</b>	
	<b>1H 2024</b>	<b>1H 2023</b>
	S\$'000	S\$'000
<b>Amount available for distribution to Unitholders at the beginning of the period</b>	<b>18,273</b>	<b>17,748</b>
Total returns for the period attributable to Unitholders	13,734	15,499
Distribution adjustments (Note A)	3,370	2,631
Income available for distribution to Unitholders for the period	17,104	18,130
<b>Amount available for distribution to Unitholders</b>	<b>35,377</b>	<b>35,878</b>
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 July 2023 to 31 December 2023	(18,167)	–
<b>Net amount available for distribution to Unitholders at the end of the period</b>	<b>17,210</b>	<b>18,153</b>
<b><u>Distribution per Unit (“DPU”) (cents):</u></b>		
- DPU	2.45	2.61
<b>Note A - Distribution Adjustments</b>		
Manager's management fees paid/payable in Units	607	660
Fair value change in investment properties	–	36
Fair value change in derivatives	(381)	(1,311)
Unrealised forex loss/(gain)	289	(144)
Amortisation of loan/bond upfront fee	765	824
Deferred tax expenses	2,007	2,201
Issue costs partly reimbursed from government grant	–	200
Others	83	165
<b>Total distribution adjustments</b>	<b>3,370</b>	<b>2,631</b>

**DAIWA HOUSE LOGISTICS TRUST**  
**Unaudited Condensed Interim Financial Statements and Distribution Announcement**  
**For the half year ended 30 June 2024**

**CONDENSED INTERIM STATEMENTS OF MOVEMENTS IN UNITHOLDERS' FUNDS**

	Group		Trust	
	30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023
	S\$'000	S\$'000	S\$'000	S\$'000
<b><u>Unitholders' funds</u></b>				
Balance at beginning of period	<b>657,720</b>	<b>553,211</b>	<b>376,391</b>	<b>427,016</b>
<b><u>Operations</u></b>				
Total return for the period attributable to Unitholders	14,125	15,934	(29,479)	(30,780)
Less: Amount reserved for distribution to perpetual securities holders	(391)	(435)	(391)	(435)
<b>Net increase/(decrease) in net assets resulting from operations</b>	<b>13,734</b>	<b>15,499</b>	<b>(29,870)</b>	<b>(31,215)</b>
<b><u>Unitholders transactions</u></b>				
Movement during the period				
- Manager's fee paid/payable in Units	845	660	845	660
Distribution to unitholders	(18,167)	(17,725)	(18,167)	(17,725)
Net change in unitholders' transactions	(17,322)	(17,065)	(17,322)	(17,065)
<b>Balance at end of the period</b>	<b>654,132</b>	<b>551,645</b>	<b>329,199</b>	<b>378,736</b>
<b><u>Foreign currency translation reserve</u></b>				
Balance at beginning of period	(140,017)	-	-	-
Net change in foreign currency transaction reserve	(52,447)	(41,737)	-	-
<b>Net assets attributable to Unitholders</b>	<b>461,668</b>	<b>509,908</b>	<b>329,199</b>	<b>378,736</b>
<b><u>Perpetual securities</u></b>				
Beginning balance of period	35,777	35,792	35,777	35,792
Amount reserved for distribution to perpetual securities holders	391	435	391	435
Distribution to perpetual securities holders	(403)	(438)	(403)	(438)
<b>Balance at end of the period</b>	<b>35,765</b>	<b>35,789</b>	<b>35,765</b>	<b>35,789</b>
<b>Total</b>	<b>497,433</b>	<b>545,697</b>	<b>364,964</b>	<b>414,525</b>

**DAIWA HOUSE LOGISTICS TRUST**  
**Unaudited Condensed Interim Financial Statements and Distribution Announcement**  
**For the half year ended 30 June 2024**

**CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS**

	Group	
	1 Jan 2024 to 30 Jun 2024 S\$'000	1 Jan 2023 to 30 Jun 2023 S\$'000
<b>Cash flows from operating activities:</b>		
Net income before tax but after fair value changes	16,287	18,260
<u>Adjustments for:</u>		
Amortisation of prepaid expenses	150	163
Amortisation and straight lining of rents	-	(36)
Amortisation of leasing commission	-	78
Fair value change in right-of-use assets/assets corresponding to assets-retirement obligations	1,357	1,494
Fair value change in derivatives	(381)	(1,311)
Manager's fee paid in Units	607	660
Manager's acquisition fee paid in Units	238	-
Finance expenses	2,278	2,491
Amortisation of financing costs	765	824
Interest income	(88)	(127)
<b>Operating income before working capital changes</b>	<b>21,213</b>	<b>22,496</b>
Changes in working capital:		
Trade and other receivables	(4,429)	(1,035)
Trade and other payables	3,097	1,662
Cash generated from operations	19,881	23,123
Taxes paid	(227)	-
<b>Net cash flows generated from operating activities</b>	<b>19,654</b>	<b>23,123</b>
<b>Cash flows from investing activities:</b>		
Acquisition of investment properties and related assets and liabilities	(23,649)	(44)
Capital expenditure on investment properties	(132)	-
<b>Cash flow used in investing activities</b>	<b>(23,781)</b>	<b>(44)</b>
<b>Cash flows from financing activities:</b>		
Repayment of lease liabilities	(1,026)	(1,087)
Payment of finance expenses	(2,158)	(2,303)
Proceeds from debt financing	22,535	-
Payment of deferred financing costs	(589)	-
Payment of perpetual securities distribution	(403)	(438)
Distributions paid to Unitholders	(18,167)	(17,725)
Receipt of interest	107	131
Change in restricted cash for financing activities	(674)	-
<b>Net cash used in financing activities</b>	<b>(375)</b>	<b>(21,422)</b>

**DAIWA HOUSE LOGISTICS TRUST**  
**Unaudited Condensed Interim Financial Statements and Distribution Announcement**  
**For the half year ended 30 June 2024**

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	<b>Group</b>	
	<b>1 Jan 2024 to 30 Jun 2024</b>	<b>1 Jan 2023 to 30 Jun 2023</b>
	S\$'000	S\$'000
<b>Net (decrease)/increase in cash and cash equivalents:</b>	(4,502)	1,657
Cash and cash equivalents at beginning of the period	45,801	48,938
Effect of exchange rate changes on cash and cash equivalents	(3,879)	(3,095)
<b>Cash and cash equivalents at end of the period</b>	<b>37,420</b>	<b>47,500</b>

**DAIWA HOUSE LOGISTICS TRUST**  
**Unaudited Condensed Interim Financial Statements and Distribution Announcement**  
**For the half year ended 30 June 2024**

**STATEMENT OF PORTFOLIO**

Property	Geographic Area	Date of Construction	Tenure of Land	As at 30 June 2024 S\$'000	% of Net Assets Attributable to Unitholders %	As at 31 December 2023 S\$'000	% of Net Assets Attributable to Unitholders %
DPL Sapporo Higashi Kariki	Hokkaido and Tohoku	1 Feb 2018	Freehold	107,934	23.4	119,499	23.1
DPL Sendai Port	Hokkaido and Tohoku	10 Mar 2017	Freehold	112,951	24.5	125,101	24.2
DPL Koriyama	Hokkaido and Tohoku	6 Sep 2019	Freehold	61,276	13.3	67,872	13.1
D Project Maebashi S	Greater Tokyo	5 Nov 2018	Freehold	31,101	6.7	34,449	6.7
D Project Kuki S	Greater Tokyo	1 Aug 2014	Leasehold	10,114	2.2	11,203	2.2
D Project Misato S	Greater Tokyo	15 Feb 2015	Leasehold	19,386	4.2	21,473	4.1
D Project Iruma S	Greater Tokyo	18 Dec 2017	Freehold	41,047	8.9	45,466	8.8
DPL Kawasaki Yako	Greater Tokyo	1 Jun 2017	Leasehold	177,065	38.4	196,055	37.9
D Project Nagano Suzaka S	Greater Tokyo	25 Sep 2018	Freehold	22,841	4.9	25,300	4.9
DPL Ibaraki Yuki	Greater Tokyo	1 Jan 2023	Freehold	22,740	4.9	—	—
DPL Shinfuji	Greater Nagoya	20 Sep 2017	Leasehold	31,776	6.9	35,196	6.8
D Project Kakegawa S	Greater Nagoya	1 May 2019	Freehold	37,423	8.1	41,451	8.0
DPL Okayama Hayashima	Chugoku	19 Sep 2017 / 30 Nov 2018	Leasehold	38,269	8.3	42,385	8.2
DPL Okayama Hayashima 2	Chugoku	30 Oct 2017	Leasehold <sup>(1)</sup>	21,324	4.6	23,620	4.6
D Project Fukuoka Tobaru S	Kyushu	21 Feb 2019	Leasehold	11,463	2.5	12,697	2.5
DPL Iwakuni 1 & 2	Chugoku	28 Sep 2018 / 19 Mar 2020	Freehold	19,217	4.2	21,286	4.1
D Project Matsuyama S	Shikoku	31 Oct 1994 / 31 Jul 2017	Freehold	7,990	1.7	8,850	1.7
				<b>773,917</b>	<b>167.7</b>	<b>831,903</b>	<b>160.9</b>

<sup>(1)</sup> 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.

**DAIWA HOUSE LOGISTICS TRUST**  
**Unaudited Condensed Interim Financial Statements and Distribution Announcement**  
**For the half year ended 30 June 2024**

	Carrying Value as at 30 June 2024	% of Net Assets Attributable to Unitholders	Carrying Value as at 31 December 2023	% of Net Assets Attributable to Unitholders
	S\$'000	%	S\$'000	%
<b>Investment properties</b>	773,917	167.6	831,903	160.7
Other assets and liabilities (net)	(276,484)	(59.9)	(278,423)	(53.8)
Net Assets of the Group	497,433	107.7	553,480	106.9
Perpetual securities	(35,765)	(7.7)	(35,777)	(6.9)
<b>Net assets attributable to Unitholders</b>	<b>461,668</b>	<b>100.0</b>	<b>517,703</b>	<b>100.0</b>

**As disclosed in the Statement of Financial Position**

	30 June 2024 S\$'000	31 December 2023 S\$'000
Investment properties	930,062	1,006,288
Less:		
Right-of-use	(141,200)	(157,969)
Asset Retirement Obligation	(14,945)	(16,416)
<b>Total investment properties, at valuation</b>	<b>773,917</b>	<b>831,903</b>

**DAIWA HOUSE LOGISTICS TRUST**  
**Unaudited Condensed Interim Financial Statements and Distribution Announcement**  
**For the half year ended 30 June 2024**

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**NOTES TO THE UNAUDITED CONDENSED INTERIM 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” in the consolidated financial statements.

The registered office and principal place of the Manager is located at 6 Shenton Way, #21-08 OUE Downtown, Singapore 068809.

The principal activity of the Trust is investment holding. The principal activities of the Trust’s subsidiaries are to invest, directly or indirectly, 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 30 June 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 year 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.

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.

As at 30 June 2024, the Group’s current liabilities exceed its current assets by S\$16.0 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.

**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 year 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.

**DAIWA HOUSE LOGISTICS TRUST**  
**Unaudited Condensed Interim Financial Statements and Distribution Announcement**  
**For the half year ended 30 June 2024**

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**2. Basis of Preparation (cont'd)**

**2.2 Use of estimates and judgements (cont'd)**

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively. 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:

<b>Area of estimation:</b>	<b>Note</b>
Valuation of investment properties	13

**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 Group 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 DHLT Group's other components. DHLT's investment properties are primarily logistics and industrial properties located in Japan. Therefore, the directors consider that DHLT operates within a single business segment and within a single geographical segment in Japan. Accordingly, no segment information has been presented in this financial information.

**5. Gross revenue**

	<b>1H 2024</b>	<b>1H 2023</b>
	S\$ '000	S\$ '000
Rental income	24,512	27,043
Recoverable and other income	3,069	3,857
<b>Gross revenue</b>	<b>27,581</b>	<b>30,900</b>

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**

	<b>1H 2024</b>	<b>1H 2023</b>
	S\$ '000	S\$ '000
Property taxes	2,548	2,798
Utilities expenses	1,649	2,575
Property management fees and expense	530	501
Building management expenses	963	1,048
Other operating expenses	658	846
<b>Total property operating expenses</b>	<b>6,348</b>	<b>7,768</b>

**DAIWA HOUSE LOGISTICS TRUST**  
**Unaudited Condensed Interim Financial Statements and Distribution Announcement**  
**For the half year ended 30 June 2024**

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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 and 50% in cash.

**8. Finance expenses**

	<b>1H 2024</b>	<b>1H 2023</b>
	S\$ '000	S\$ '000
Interest expense	833	854
Amortisation of debt related expenses	765	824
Commitment and financing fees	40	40
Finance cost on lease liabilities and other liabilities	1,405	1,598
<b>Total finance expenses</b>	<b>3,043</b>	<b>3,316</b>

**9. Tax expenses**

Tax expense comprises current tax, withholding tax on distributions from Japan subsidiaries and deferred tax expense relating to origination and reversal of temporary differences.

	<b>1H 2024</b>	<b>1H 2023</b>
	S\$ '000	S\$ '000
Current income tax	164	125
Adjustments in respect of current income tax of previous year	(8)	–
Deferred tax	2,006	2,201
<b>Tax expenses</b>	<b>2,162</b>	<b>2,326</b>

**10. Restricted cash**

Restricted cash comprises cash reserves as required by the lenders for capital expenditure, interest expenses, property tax expenses, special purpose vehicle costs, security deposit for ground rent payable to Superior Landlords 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.

**DAIWA HOUSE LOGISTICS TRUST**  
**Unaudited Condensed Interim Financial Statements and Distribution Announcement**  
**For the half year ended 30 June 2024**

**11. Trade and other receivables comprise:**

	<b>Group</b>		<b>Trust</b>	
	<b>30 Jun 2024</b>	<b>31 Dec 2023</b>	<b>30 Jun 2024</b>	<b>31 Dec 2023</b>
	<b>S\$ '000</b>	<b>S\$ '000</b>	<b>S\$ '000</b>	<b>S\$ '000</b>
Trade receivables	720	667	–	–
Prepayments	1,262	1,050	547	129
Refundable deposits	2,747	3,237	2	2
Refundable consumption tax	3,805	34	–	–
Refundable tax paid	373	488	–	–
Others	15	35	14	33
Amount due from subsidiaries	–	–	354,555	400,680
	<b>8,922</b>	<b>5,511</b>	<b>355,118</b>	<b>400,844</b>

**12. Derivative financial instruments**

	<b>Group</b>		<b>Trust</b>	
	<b>30 Jun 2024</b>	<b>31 Dec 2023</b>	<b>30 Jun 2024</b>	<b>31 Dec 2023</b>
	<b>S\$ '000</b>	<b>S\$ '000</b>	<b>S\$ '000</b>	<b>S\$ '000</b>
Derivative assets	2,118	1,779	2,118	1,779
Derivative liabilities	(1)	(43)	(1)	(43)
Total derivative financial instruments	<b>2,117</b>	<b>1,736</b>	<b>2,117</b>	<b>1,736</b>
Percentage of derivative financial instruments to net assets	<b>0.43%</b>	<b>0.31%</b>	<b>0.58%</b>	<b>0.42%</b>

**13. Investment properties**

	<b>Group</b>	
	<b>30 Jun 2024</b>	<b>31 Dec 2023</b>
	<b>S\$ '000</b>	<b>S\$ '000</b>
<b>Consolidated Statement of Financial Position</b>		
At the beginning of the period	831,903	883,961
Acquisition of investment properties	24,320	–
Capital expenditure capitalised	132	236
Fair value changes in investment properties	–	14,309
Foreign exchange rate changes	(82,438)	(66,603)
<b>Investment properties value at the end of the period</b>	<b>773,917</b>	<b>831,903</b>
Add: Right-of-use assets and assets corresponding to asset-retirement-obligation	156,145	174,385
<b>Carrying value of investment properties at the end of the period</b>	<b>930,062</b>	<b>1,006,288</b>

**DAIWA HOUSE LOGISTICS TRUST**  
**Unaudited Condensed Interim Financial Statements and Distribution Announcement**  
**For the half year ended 30 June 2024**

**13. Investment properties (cont'd)**

	<b>Group</b>	
	<b>30 Jun 2024</b>	<b>31 Dec 2023</b>
	<b>S\$ '000</b>	<b>S\$ '000</b>
<b>Consolidated Statement of Comprehensive Income</b>		
Fair value changes in investment properties	–	14,309
Right-of-use assets and assets corresponding to asset-retirement-obligation	(1,357)	(2,896)
Amortisation and straight lining	53	163
<b>Net fair value change in investment properties</b>	<b>(1,304)</b>	<b>11,576</b>

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 transactions, and fair value thereafter.

In March 2024, the Group, through its subsidiary DH-CRUX Japan TMK, has acquired a freehold property located in Ibaraki, Japan, known as DPL Ibaraki Yuki through the purchase of the Trust Beneficial Interest under the Sale and Purchase Agreement with Daiwa House Industry Co., Ltd. The purchase consideration is JPY 2.64 billion (approximately S\$24.3 million).

On 29 December 2023, the Group entered into a Conditional Capital Contribution Purchase Agreement (as supplemented) ("CCPA") with DH Asia Investment Peony Pte. Ltd. to acquire a cold storage logistics 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 "Sale Capital Contribution"), which holds the entire legal and beneficial interest in the Property (the "Target Company" and the acquisition of the Target Company, the "Acquisition"), and such Acquisition was completed on 5 July 2024. The purchase consideration for the Acquisition, which was negotiated on a willing-buyer and willing-seller basis and is based on the adjusted net asset value of the Target Company, took into account, among others, the agreed property value of the Property of VND 483.0 billion (approximately S\$25.6 million based on the exchange rate determination mechanism provided in the CCPA), subject to post-completion adjustments in accordance with the CCPA, and was mainly funded through external debt financing. For the purposes of the Acquisition, a wholly-owned subsidiary of DHLT, DH-CRUX3 PTE. LTD., was incorporated in January 2024 with an issued and paid-up share capital of S\$1.00 to acquire part of the Sale Capital Contribution. Please refer to the DHLT's announcements dated 29 December 2023, 28 June 2024 and 5 July 2024 for further information on the Acquisition, and DHLT's announcement dated 12 August 2024 for further information on the incorporation of DH-CRUX3 PTE. LTD.

**Measurement of fair value**

The Group's investment properties are measured at fair value based on valuations performed by independent professional valuers at least once a year. As at 31 December 2023, the carrying value of the Group's investment properties was based on the independent valuations as at 31 December 2023. 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.

**DAIWA HOUSE LOGISTICS TRUST**  
**Unaudited Condensed Interim Financial Statements and Distribution Announcement**  
**For the half year ended 30 June 2024**

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**13. Investment properties (cont'd)**

**Measurement of fair value (cont'd)**

The carrying values of the investment properties as of 30 June 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 Interim Statements of Financial Position against that of 31 December 2023 adjusted for capital expenditure capitalised from 1 January 2024 to 30 June 2024.

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.

**DAIWA HOUSE LOGISTICS TRUST**  
**Unaudited Condensed Interim Financial Statements and Distribution Announcement**  
**For the half year ended 30 June 2024**

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**13. Investment properties (cont'd)**

**Valuation techniques and significant unobservable inputs**

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

<b>Valuation technique</b>	<b>Key unobservable inputs</b>	<b>Relationship between key unobservable inputs and fair value measurement</b>
Discounted cash flow approach	Discount rate as of 30/6/2024 and 31/12/2023: 3.30% – 4.80%  Terminal capitalisation/terminal discount rate as of 30/6/2024 and 31/12/2023: 3.40% – 5.20%	Lower/(Higher) discount rate or terminal capitalisation rate would result in a higher/ (lower) fair value
Direct capitalisation method	Capitalisation rate as of 30/6/2024 and 31/12/2023: 3.40% – 5.10%	Lower/(Higher) capitalisation rate would result in a higher/(lower) fair value

**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.

**DAIWA HOUSE LOGISTICS TRUST**  
**Unaudited Condensed Interim Financial Statements and Distribution Announcement**  
**For the half year ended 30 June 2024**

**14. Trade and other payables**

	Group		Trust	
	30 Jun 2024	31 Dec 2023	30 Jun 2024	31 Dec 2023
	\$'000	\$'000	\$'000	\$'000
<b>Current</b>				
Trade and other creditors	4,110	1,853	36	194
Accrued expenses	3,251	3,112	1,234	805
Interest payable	669	679	–	–
Deferred revenue <sup>(1)</sup>	3,727	4,155	–	–
Amount due to subsidiaries	–	–	1,063	–
	<u>11,757</u>	<u>9,799</u>	<u>2,333</u>	<u>999</u>
<b>Non-current</b>				
Asset retirement obligation <sup>(2)</sup>	14,945	16,415	–	–

**15. Loans and Borrowings**

Loans and borrowings comprise loans and bonds that were drawn down by and issued to 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.

	Group		Trust	
	30 Jun 2024	31 Dec 2023	30 Jun 2024	31 Dec 2023
	S\$ '000	S\$ '000	S\$ '000	S\$ '000
<b>Current</b>				
Secured bank loans	84,285	93,359	–	–
	<u>84,285</u>	<u>93,359</u>	<u>–</u>	<u>–</u>
<b>Non-current</b>				
Secured bank loans	214,928	214,726	–	–
Secured fixed rate bonds	8,429	9,336	–	–
Less: Unamortised upfront debt-related transaction costs <sup>(3)</sup>	(2,986)	(3,201)	(272)	–
	<u>220,371</u>	<u>220,861</u>	<u>(272)</u>	<u>–</u>

<sup>(1)</sup> Deferred revenue comprises mainly advance rental and recoveries received in advance

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

<sup>(3)</sup> Unamortised upfront debt-related transaction costs for the Trust comprise the transaction costs for the new loan facility entered on 26 June 2024, which was undrawn as at 30 June 2024.

**DAIWA HOUSE LOGISTICS TRUST**  
**Unaudited Condensed Interim Financial Statements and Distribution Announcement**  
**For the half year ended 30 June 2024**

**15. Loans and Borrowings (cont'd)**

	Group		Trust	
	30 Jun 2024 S\$ '000	31 Dec 2023 S\$ '000	30 Jun 2024 S\$ '000	31 Dec 2023 S\$ '000
<b>Total secured loans and borrowings</b>	<b>304,656</b>	<b>314,220</b>	<b>(272)</b>	<b>–</b>
<b>Percentage of borrowings to net assets</b>	<b>61.2%</b>	<b>56.8%</b>	<b>*n/m</b>	<b>0.0%</b>

\*n/m: not meaningful

Secured Debt Facilities

DHLT, through DH TMK, has the following debt facilities:

- (1) 3 secured loans amounting to JPY 35.5 billion (31 December 2023: JPY 33.0 billion) from a syndicate of lenders, including the new 5 year loan drawn in March 2024. The Loan Facilities comprise various tranches between three to five year tenors with loan maturities between end November 2024 to 2029.
- (2) JPY 1.0 billion specified bonds issued to Sumitomo Mitsui Trust Bank Limited with a maturity in 2026.

DH-CRUX Japan TMK (“**DH TMK**”) is 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, while TK Operator (GK2) holds the TBIs of the special fixed-term land lease properties under a TK-GK structure.

**Security Interests in connection with the Loan Facilities**

The following security interests was created to secure the obligations of DH TMK as the borrower under the Loan Facilities:

- (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).

**Security Interests in connection with the Specified Bonds**

A general security lien (*ippan tanpo*) was also created to secure the obligations of DH TMK as the issuer of the Specified Bonds. The subject of such general security lien (*ippan tanpo*) is the assets of DH TMK, which are, in substance, TBIs and TK interests in GKs. The Asset Liquidation Act grants to 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 is subordinated to the above security interests (i) to (iii) and (v) held by DH TMK’s lenders but takes preference over other unsecured creditors. Unless otherwise provided in the asset liquidation plan, that general security lien is automatically created by operation of law.

**DAIWA HOUSE LOGISTICS TRUST**  
**Unaudited Condensed Interim Financial Statements and Distribution Announcement**  
**For the half year ended 30 June 2024**

**15. Loans and Borrowings (cont'd)**

Unsecured Loan Facilities

In June 2024, DHLT has obtained a new 4-year unsecured JPY term loan facility amounting to JPY3.03 billion. The total amount of DHLT's unsecured facilities and available facilities balance has increased to approximately S\$75.5 million as at 30 June 2024 (31 December 2023: S\$50.0 million).

**16. Movements in Units**

	<b>Group and Trust</b>	
	<b>1 Jan 2024 to 30 Jun 2024 No. of Units</b>	<b>1 Jan 2023 to 30 Jun 2023 No. of Units</b>
Units in issue at beginning of period	695,503,052	693,774,412
Units issued during the period:		
- Acquisition fees paid in units	393,853	-
- Manager's base fee paid in units	1,141,912	580,874
<b>Units issued at end of period</b>	<b>697,038,817</b>	<b>694,355,286</b>
<b>Units to be issued</b>		
- Manager's base fee payable in units	464,799	550,271
	<b>464,799</b>	<b>550,271</b>
<b>Total Units issued and to be issued at end of the period</b>	<b>697,503,616</b>	<b>694,905,557</b>

There are no treasury Units in issue as at 30 June 2024 and 30 June 2023.

**17. Net Asset Value ("NAV") Per Unit**

	<b>Group</b>		<b>Trust</b>	
	<b>30 Jun 2024</b>	<b>31 Dec 2023</b>	<b>30 Jun 2024</b>	<b>31 Dec 2023</b>
Number of units in issue and to be issued ('000)	697,504	696,066	697,504	696,066
Net asset attributable to unitholders (S\$'000)	461,668	517,703	329,199	376,391
NAV and NTA per unit attributable to unitholders (S\$)	0.66	0.74	0.47	0.54

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.

**DAIWA HOUSE LOGISTICS TRUST**  
**Unaudited Condensed Interim Financial Statements and Distribution Announcement**  
**For the half year ended 30 June 2024**

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

	<b>Group</b>	
	<b>1H 2024</b>	<b>1H 2023</b>
<b>EPU</b>		
Weighted average number of Units in issue	692,390,908	693,877,678
Net income for the period (S\$'000)	14,125	15,934
Basic and diluted EPU (cents)	2.04	2.30
<b>DPU</b>		
Number of units in issue at end of period	697,038,817	694,355,286
Distributable income to be paid to Unitholders (S\$'000)	17,104	18,130
DPU (cents)	2.45	2.61

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.

**DAIWA HOUSE LOGISTICS TRUST**  
**Unaudited Condensed Interim Financial Statements and Distribution Announcement**  
**For the half year ended 30 June 2024**

**19. Fair value measurement (cont'd)**

The following table shows an analysis of each class of assets and liabilities of the Group measured at fair value at the end of the reporting period:

Group	Note	Carrying amount				Fair value			
		Financial assets at amortised cost S\$'000	Financial liabilities at amortised cost S\$'000	FVTPL S\$'000	Total carrying amount S\$'000	Level 1 S\$'000	Level 2 S\$'000	Level 3 S\$'000	Total S\$'000
<b>30 June 2024</b>									
<b>Financial assets measured at fair value</b>									
Derivative assets	12	–	–	2,118	2,118	–	2,118	–	2,118
<b>Financial liabilities not measured at fair value</b>									
Loans and borrowings	15	–	304,656	–	304,656	–	–	282,568	282,568
<b>Financial liabilities measured at fair value</b>									
Derivative liabilities	12	–	–	1	1	–	1	–	1
<b>31 December 2023</b>									
<b>Financial assets measured at fair value</b>									
Derivative assets	12	–	–	1,779	1,779	–	1,779	–	1,779
<b>Financial liabilities not measured at fair value</b>									
Loans and borrowings	15	–	314,220	–	314,220	–	–	314,123	314,123
<b>Financial liabilities measured at fair value</b>									
Derivative liabilities	12	–	–	43	43	–	43	–	43

**DAIWA HOUSE LOGISTICS TRUST**  
**Unaudited Condensed Interim Financial Statements and Distribution Announcement**  
**For the half year ended 30 June 2024**

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**19. Fair value measurement (cont'd)**

**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 of the fair value hierarchy:

*Derivatives*

The fair value of forward contracts is 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:

	<b>1H 2024</b>	<b>1H 2023</b>
	S\$ '000	S\$ '000
Trustee fee paid and payable to the Trustee	72	72
Rental from rooftop for solar panel from Sponsor or its subsidiaries	62	78
Japan asset management fees	523	559
Property management fees	387	423
Building management fees	949	1,034
Construction management fees	29	–
Lease contract administration fees	162	6
Ground rent paid to Sponsor	2,761	3,091
Electricity paid/payable to a subsidiary of Sponsor	853	1,507
Repair cost/capex paid/payable to Sponsor or its subsidiaries	488	97
Acquisition of property from Sponsor	23,797	–
Management fees paid/payable to the Manager	1,214	1,320
Distribution made to perpetual securities holder	391	435
Acquisition fees paid to the Manager	238	–
Miscellaneous fees/expenses paid/payable to subsidiaries of Sponsor	46	–

**DAIWA HOUSE LOGISTICS TRUST**  
**Unaudited Condensed Interim Financial Statements and Distribution Announcement**  
**For the half year ended 30 June 2024**

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**21. Financial ratios**

	<b>Group</b>	
	<b>30 Jun 2024</b>	<b>30 Jun 2023</b>
Ratio of expenses to weighted average net assets <sup>(1)</sup>		
Including performance component of the Manager's management fees	1.09%	0.96%
Excluding performance component of the Manager's management fees	1.09%	0.96%
Portfolio turnover ratio <sup>(2)</sup>	–	–
Aggregate leverage	36.8%	35.7%
Interest coverage ratio	11.7x	11.7x

<sup>(1)</sup> 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 the expenses of DHLT, excluding property expenses, finance expenses, net foreign exchange differences and income tax expense for the trailing 12 months.

<sup>(2)</sup> 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 5 July 2024, DHLT completed the acquisition of the logistic asset in Vietnam known as D Project Tan Duc 2, through the purchase of the entire charter capital of DH Logistics Management Vietnam Co., Ltd.

Following completion, the acquisition fee of approximately S\$0.26 million is payable in units to the Manager for the acquisition.

On 12 August 2024, the Manager announced a distribution of 2.45 Singapore cents per Unit to DHLT Unitholders for the period from 1 January 2024 to 30 June 2024.

**DAIWA HOUSE LOGISTICS TRUST**  
**Unaudited Condensed Interim Financial Statements and Distribution Announcement**  
**For the half year ended 30 June 2024**

**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 results is performed between 1H2024 and 1H2023.

	<b>GROUP</b>		
	<b>1H 2024</b>	<b>1H 2023</b>	<b>Change</b>
	<b>S\$ '000</b>	<b>S\$ '000</b>	<b>%</b>
Gross revenue	27,581	30,900	(10.7)
- Rental Income	24,512	27,043	(9.4)
- Recoverable and other income	3,069	3,857	(20.4)
Property expenses	(6,348)	(7,768)	(18.3)
- Property taxes	(2,548)	(2,798)	(8.9)
- Utilities expenses	(1,649)	(2,575)	(36.0)
-Property management fees and expenses	(529)	(501)	5.7
-Building management expenses	(963)	(1,048)	(8.1)
-Other operating expenses	(659)	(846)	(22.1)
<b>Net property income</b>	<b>21,233</b>	<b>23,132</b>	<b>(8.2)</b>
Manager's management fee	(1,214)	(1,320)	(8.0)
Japan asset management fees	(523)	(559)	(0.3)
Trustee's fee	(160)	(130)	23.2
Trust expense	(897)	(980)	(11.9)
Finance expenses	(3,043)	(3,316)	(8.2)
Other income	1,814	1,618	12.2
<b>Net income before tax and fair value change in investment properties</b>	<b>17,210</b>	<b>18,445</b>	<b>(6.7)</b>
Fair value change in investment properties	(1,304)	(1,496)	(12.8)
Fair value change in derivatives	381	1,311	(70.9)
Tax expenses	(2,162)	(2,326)	(7.0)
<b>Total returns</b>	<b>14,125</b>	<b>15,934</b>	<b>(11.3)</b>

**DAIWA HOUSE LOGISTICS TRUST**  
**Unaudited Condensed Interim Financial Statements and Distribution Announcement**  
**For the half year ended 30 June 2024**

**Attributable to:**

Unitholders	13,734	15,499	(11.4)
Perpetual Securities Holders	391	435	(10.2)
<b>Total returns</b>	<b>14,125</b>	<b>15,934</b>	<b>(11.3)</b>

**Distribution Statement**

Total returns attributable to Unitholders of DHLT	13,734	15,499	(11.4)
Adjustments	3,370	2,631	28.1
<b>Distributable income to Unitholders of DHLT</b>	<b>17,104</b>	<b>18,130</b>	<b>(5.7)</b>

**Review of actual performance for 1H 2024 vs 1H 2023**

1H 2024 gross revenue was S\$27.6 million, a decrease of S\$3.3 million or 10.7% from 1H 2023, weighed down by the weaker JPY. Gross revenue in JPY terms amounted to JPY 3,112 million which was slightly lower than 1H 2023 by 0.1%, resulting from lower rental given the lower occupancy and lower utilities recoverable income but partially offset by rental income contributed by the new acquisition, DPL Ibaraki Yuki.

Property expenses for 1H 2024 was S\$6.3 million, a decrease of S\$1.5 million or 18.3% from 1H 2023 of S\$7.8 million, mainly due to the lower utilities expenses offset by higher leasing commissions incurred for the leasing activity in 1H2024. In JPY terms, the properties expenses for 1H 2024 of JPY 715 million were lower than that of 1H 2023 by JPY67.4 million or 8.6%, due to lower utilities expenses.

Net property income was S\$21.2 million for 1H 2024, a decrease of S\$1.9 million or 8.2% from S\$23.1 million in 1H 2023 undermined by the weaker JPY. The 1H2024 NPI in JPY terms has actually increased by 2.8% to JPY2.4 billion (1H 2023: JPY2.3 billion) largely contributed by the acquisition completed in March 2024.

Finance expenses of S\$3.0 million for 1H 2024, a decrease of S\$0.3 million or 8.2% from S\$3.3 million in 1H 2023 due to the weaker JPY.

Trust expenses of S\$0.8 million was S\$0.1 million lower than 1H 2023 due to weaker JPY and lower indirect tax expenses recorded in 1H 2024.

Other income comprises largely the net exchange gain and interest income from the fixed deposits (1H 2024 / 1H 2023: S\$0.1 million) including the realised exchange gain of \$2.0 million (1H 2023: S\$1.5 million) mainly due to settlement of the income hedges.

Fair value on financial derivatives resulted in a gain of S\$0.4 million (1H 2023 : S\$1.3 million) due to the more favourable forward rates locked in vs the market rates. This is a non-cash item and therefore does not affect income available for distribution to Unitholders.

The income available for distribution to Unitholders for 1H 2024 was S\$17.1 million, 5.7% lower compared to S\$18.1 million for 1H 2023.

**DAIWA HOUSE LOGISTICS TRUST**  
**Unaudited Condensed Interim Financial Statements and Distribution Announcement**  
**For the half year ended 30 June 2024**

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**3. 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**

While new supply in the Japan logistics sector is expected to remain at high level, demand for logistics facilities is expected to remain healthy, supported by factors such as (i) growth in Japan e-commerce and third-party logistics (3PL) markets (ii) modern logistics facilities remained limited (iii) reshoring of manufacturing facilities, and (iv) restrictions on truck drivers' overtime which may drive demand for transition locations. Based on a survey conducted in March 2024 on approximately 200 logistics operators and consignor firms, 51% of respondents planned to expand floor area while 35% intended to expand number of sites<sup>1</sup>. As of March 2022, proportion of modern logistics facilities was relatively low at 16% of the total stock of logistics space while 54% were built more than 30 years ago<sup>2</sup>.

Demand for logistics facilities in Vietnam is expected to be driven by factors such as (i) growth of e-commerce, and (ii) growing middle class. While e-commerce has recorded strong growth in recent years, it accounted for only 8.5% of total retail sales of consumer goods and services, and with more than 70 million internet users in the country, there is potential for further growth<sup>3</sup>. Vietnam's economy grew by approximately 5% in 2023 and is forecasted to be one of the fastest growing economies in Asia over the next 2 years<sup>4</sup>. Demand for cold storage facilities are also expected to grow as demand for fresh products increases, which resulted in increasing number of supermarkets, driving Vietnam's cold chain market<sup>5</sup>.

1. Source: Japan - 2024 Logistics Occupier Survey (CBRE, June 2024).
2. Source: Capturing the Logistics Opportunity in Japan, Australia and South Korea (CBRE, May 2024).
3. Source: The Development of e-Commerce in Vietnam (Savills, March 2024).
4. Source: World Economic Outlook (International Monetary Fund, April 2024).
5. Source: Cold Storage Warehouse For Lease In Vietnam - The Rising Demand in 2024 (Savills, April 2024).

**4. Distributions**

**(a) Current financial period**

Any distributions declared for the current financial period?      Yes

Name of distribution      : 5<sup>th</sup> 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

**DAIWA HOUSE LOGISTICS TRUST**  
**Unaudited Condensed Interim Financial Statements and Distribution Announcement**  
**For the half year ended 30 June 2024**

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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

**b) Corresponding period of the immediately preceding financial year**

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

Name of distribution : 4<sup>th</sup> 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 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

**DAIWA HOUSE LOGISTICS TRUST**  
**Unaudited Condensed Interim Financial Statements and Distribution Announcement**  
**For the half year ended 30 June 2024**

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

Not applicable.

**6. Interested Person Transactions**

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

**7. Confirmation Pursuant to Rule 705(5) of the Listing Manual**

On behalf of the Board of the Manager, Mr Tan Jeh Wuan (Independent Non-Executive Chairman and Director) and Mr Jun Yamamura (Director and CEO) confirmed that to the best of their knowledge, nothing has come to their attention which may render these interim financial results to be false or misleading in any material aspect.

**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**

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

Jun Yamamura  
Director and Chief Executive Officer

12 August 2024