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Daiwa House Logistics Trust

Strategic asset recycling by Daiwa House Logistics Trust to enhance Unitholders' value

- ***DHLT to divest DPL Sendai Port at JPY13.5 billion to Sponsor and to acquire DPL Hiroshima Itsukaichi Port in DPU-accretive[1] transactions***
- ***Divestment consideration at 2.7% above Average Value***
- ***The Proposed Transactions are expected to improve FY2025 and 1H FY2026 DPU by 5.5% and 11.0%, respectively, on a pro forma basis[2]***

SINGAPORE, 30 October 2026 – Daiwa House Asset Management Asia Pte. Ltd., in its capacity as manager of Daiwa House Logistics Trust ("**DHLT**", and as manager of DHLT, the "**Manager**"), is pleased to announce the strategic recycling plan via the proposed divestment of DPL Sendai Port ("**Proposed Divestment**" and DPL Sendai Port, "**Divestment Property**") to Daiwa House Industry Co., Ltd. ("**Sponsor**") and the proposed acquisition of DPL Hiroshima Itsukaichi Port from an independent third party ("**Proposed Acquisition**", together with the Proposed Divestment, "**Proposed Transactions**" and DPL Hiroshima Itsukaichi Port, "**Target Property**").

The divestment consideration for the Divestment Property is JPY13,500 million ("**Divestment Consideration**"), representing a premium of 2.7% above the average of the two independent valuations of JPY13,150 million as at 30 September 2026 ("**Average Value**"). The proceeds from the Proposed Divestment are intended to be partially utilised for the Proposed Acquisition**.** The acquisition consideration for the Target Property is JPY8,244.5 million ("**Acquisition Consideration**"), which

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1 On a pro forma basis. For illustration only, assuming that the Proposed Transactions were completed on 1 January 2025 and based on DHLT's distribution per unit ("**DPU**") for the financial year ended 31 December 2024 ("**FY2025**"), or assuming that the Proposed Transactions were completed on 1 January 2026 and based on DHLT's DPU for the half year ended 30 June 2026 ("**1H FY2026**"). Please refer to paragraph 5 of DHLT's announcement on the Proposed Transactions dated 30 October 2026 (the "**Announcement**") for the pro forma financial effects of the Proposed Transactions, including the relevant assumptions.

2 Please refer to footnote 1 above.

represents a discount of 16.7% from the independent valuation of JPY9,900 million as at 30 September 2026. The remaining net proceeds are intended to be used for repayment of borrowings and general corporate and working capital requirements.

Rationale and Benefits of the Proposed Transactions

The Manager believes that the Proposed Transactions will bring the following key benefits to DHLT and its unitholders ("**Unitholders**"):

1. **The Proposed Transactions are DPU-accretive on a pro forma basis**

   Upon the completion of the Proposed Transactions, on a pro forma basis only, the net property income ("**NPI**") for DHLT in relation to FY2025 and 1H FY2026 would increase by approximately 4.0% and 7.9%, respectively, and the DPU of DHLT would improve by 5.5% and 11.0%, for FY2025 and 1H FY2026, respectively[3].

2. **Divestment of DPL Sendai which is facing challenges**

   The occupancy rate of the Divestment Property has declined from 100% as at 31 December 2024 to 31.9% as at 30 September 2026. The Manager has sought to improve the occupancy rate of the Divestment Property while concurrently exploring other options, including asset enhancement initiatives ("**AEI**") and asset recycling.

   To improve the marketability of the Divestment Property via AEI, large capital expenditure would be required, with an extended downtime expected from materials procurement to completion. Accordingly, the Manager considered the divestment of the Divestment Property as an option. The Manager has conducted an exercise to determine market interest for the Divestment Property, and did not receive any other offers aside from the offer from the Sponsor.

[3] On a pro forma basis. For illustration only, assuming that the Proposed Transactions were completed on 1 January 2025 and based on DHLT's DPU for FY2025, or assuming that the Proposed Transactions were completed on 1 January 2026 and based on DHLT's DPU for 1H FY2026. Please refer to paragraph 5 of the Announcement for the pro forma financial effects of the Proposed Transactions, including the relevant assumptions.

3. Opportunity to acquire high-quality asset

(a) Modern property occupied by blue-chip tenants to enhance portfolio quality

The Target Property is a freehold logistics facility that was built with modern specifications. It also has a ramp which vehicles can use to access the second floor, enhancing the cargo handling efficiency and provides flexibility in floor operations. The Target Property is a green-certified property, awarded a 3-star rating by CASBEE (Hiroshima City)[4] with solar panels installed on its rooftop, with an aggregate capacity of 1.7 megawatts peak. As at 30 September 2026, the Target Property is fully occupied by two large third-party logistics companies, which improve overall DHT Portfolio occupancy from 88.5% to 96.9% as at 30 September 2026, on a pro forma basis[5].

(b) Strategically located in a supply scarce region[6]

The Target Property is located in the Itsukaichi district of Hiroshima Port, which is approximately 10 km from the centre of Hiroshima City, the largest city in the Chugoku and Shikoku regions in Japan. Supply of large multi-tenanted logistics facilities is tight in the Hiroshima market, with market-wide vacancy rate maintained at 0% since the fourth quarter ended 31 December 2023. The Target Property is strategically located in a well-developed port industrial district which makes it suitable for 24-hour operations. In addition, being near to central Hiroshima makes the area suitable to serve consumption centres as well as offering proximity to labour force, which is an important factor for tenants.

(c) Attractive pricing of the Target Property

The Acquisition Consideration is at an attractive discount of 16.7% to the valuation of the Target Property Independent Valuation. Based on the Acquisition Consideration, the implied NPI yield of the Target Property is 5.7%[7],

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4 "**CASBEE**" refers to Comprehensive Assessment System for Bulit Environment Efficiency, a method for evaluating and rating the environmental performance of buildings and the built environment under the oversight of the Ministry of Land, Infrastructure, Transport and Tourism

5 On a pro forma basis and weighted by net lettable area. For illustration only, assuming that the Proposed Transactions were completed on 30 September 2026. Please refer to paragraph 4.3.1 of the Announcement for further details and the relevant assumptions.

6 Source: Market Report for DPL Hiroshima Itsukaichiko Port, prepared by CBRE K.K. (September 2026).

7 Based on the Acquisition Consideration and pro forma NPI of the Target Property for FY2025.

which is higher than (i) the weighted average implied NPI yield of all of DHLT's assets in Japan (excluding the Divestment Property) of 5.4%[8]; and (ii) the weighted average implied NPI yield of all DHLT's freehold properties in Japan (excluding the Divestment Property) of 4.2%[9].

4. Demonstrating the Sponsor's Commitment

The Divestment Consideration represents a premium of 2.7% to the Average Value. The Divestment Consideration also represents a premium of 16.6% to the purchase consideration of JPY11,580 million at which DHLT acquired the Divestment Property as part of its initial portfolio at the time of the initial public offering ("**IPO**") of DHLT. Based on the Divestment Consideration, the implied NPI yield of DPL Sendai Port is 1.8%[10], considerably lower than the average implied NPI yield of 3.8% of the comparable transactions[11].

5. Strengthen balance sheet for future growth

On a pro forma basis, aggregate leverage as at 30 June 2026 is expected to improve from 40.1% to 38.3% following the Proposed Transactions. With a debt headroom of up to approximately S$190 million[12] on a pro forma basis, this would provide DHLT with financial flexibility to pursue further accretive acquisitions.

Mr Jun Yamamura, Chief Executive Officer of the Manager, said, "We are pleased to announce the Proposed Transactions, which we believe would strengthen the resilience of the DHLT portfolio and enhance long-term value for the Unitholders. While the Manager has worked closely with the property manager in Japan to improve the occupancy of DPL Sendai Port, it is also been actively exploring options such as

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8 Based on the NPI of the respective properties in Japan for FY2025, (annualised for DPL Gunma Fujioka which was acquired in March 2025) and the latest valuation of such properties in Japan as at 31 December 2025. The Divestment Property is excluded from the computation.

9 Based on the NPI of the respective freehold properties in Japan for FY2025, (annualised for DPL Gunma Fujioka which was acquired in March 2025) and the latest valuation of such freehold properties in Japan as at 31 December 2025. The Divestment Property is excluded from the computation.

10 Based on the Divestment Consideration and NPI of the Divestment Property for FY2025.

11 Based on the estimated capitalisation rates of the comparable sales transactions that occurred between 2024 and 2026 that were set out in the independent valuation reports issued by the Independent Valuers relating to the Divestment Property and also provided to the Manager as part of the market interest exercise.

12 Based on the pro forma aggregate leverage of 38.3% as at 30 June 2026 and the aggregate leverage limit of 50%

potential AEI and recycling of assets. On balance, based on the Manager's assessment and market interest exercise, we are of the view that the divestment of Sendai Port to the Sponsor is beneficial to DHLT and its Unitholders.

The Proposed Divestment reinforces the strong commitment from Sponsor to continue supporting the development of DHLT. The Divestment Consideration represents a 2.7% premium to the Average Value and is also 16.6% higher than the price at which DHLT acquired the property for its IPO in November 2021. The Proposed Divestment would provide DHLT with the opportunity to acquire DPL Hiroshima Itsukaichi Port at an attractive price. On a pro forma basis, the Proposed Transactions is expected to be DPU accretive, and will also strengthen the balance sheet while providing DHLT with financing flexibility to pursue further growth in future.

We believe that in the current circumstances, the Proposed Transactions offer an optimal solution to the challenges faced by DPL Sendai Port. We look forward to the continual support from Unitholders."

The Proposed Divestment will constitute an "interested person transaction" under Chapter 9 of the Listing Manual and an "interested party transaction" under the Property Funds Appendix, in respect of which the approval of Unitholders is required. A Unitholders' circular will be issued and an extraordinary general meeting of DHLT will be held in due course.

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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 of approximately 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 2,898 billion (S$23.5 billion) as of 30 September 2026.

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.

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The value of Units and the income derived from them may fall as well as rise. The Units are not obligations of, deposits in, or guaranteed by, the Manager or any of its affiliates.

An investment in 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 their Units while the Units are listed on the SGX-ST. It is intended that Unitholders may only deal in their Units through trading on the SGX-ST. Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.

This media release is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for Units.

The past performance of DHLT is not necessarily indicative of the future performance of DHLT.

This media release may contain forward-looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. 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. Predictions, projections or forecasts of the economy or economic trends of the markets are not necessarily indicative of the future or likely performance of DHLT. The forecast financial performance of Daiwa House Logistics Trust is not guaranteed. A potential investor is cautioned not to place undue reliance on these forward-looking statements, which are based on the Manager's current view of future events.

The information in this media release is qualified in its entirety by, and should be viewed in conjunction with, the full text of the Announcement. In the event of any inconsistency or conflict between, on the one hand, the Announcement and the information contained in this media release, the Announcement shall prevail.