



Daiwa House
Logistics Trust

(a real estate investment trust constituted on 2 November 2021
under the laws of the Republic of Singapore)
managed by
Daiwa House Asset Management Asia Pte. Ltd.

ACQUISITION OF A FREEHOLD LOGISTICS PROPERTY LOCATED IN JAPAN

Note: For illustrative purposes, unless otherwise indicated, in this announcement, JPY amounts have been translated into Singapore dollars based on the exchange rate of S\$1.00 : JPY 115.1627. Such translations should not be construed as representations that the JPY amounts referred to could have been, or could be, converted into Singapore dollars, as the case may be, at that or any other rate or at all and vice versa.

1. INTRODUCTION

Daiwa House Asset Management Asia Pte. Ltd., in its capacity as the manager of Daiwa House Logistics Trust (“**DHLT**”, and as the manager of DHLT, the “**Manager**”) is pleased to announce that DH-CRUX Japan TMK (“**DH TMK**” or the “**Purchaser**”), a *tokutei mokuteki kaisha* (“**TMK**”), being a special purpose company (“**SPC**”) indirectly wholly-owned by DHLT has today completed its acquisition (the “**Acquisition**”) from an unrelated third party (the “**Seller**”), the trust beneficial interest (“**TBI**”) in the freehold property known as DPL Gunma Fujioka (the “**Property**”, and the TBI in the Property, the “**TBI**”) for a purchase consideration of JPY 3,990.0 million (approximately S\$34.7 million) (the “**Purchase Consideration**”), pursuant to a trust beneficial interest sale and purchase agreement (“**TBI SPA**”) entered into today between DH TMK and the Seller.

2. THE ACQUISITION

2.1 Description of the Property

The Property is located in Fujioka-shi in Gunma Prefecture in Japan and comprises the underlying freehold land (the “**Land**”) and the single-floor warehouse erected thereon (the “**Building**”).

The tables below set out a summary of selected information on the Building and Land as at 21 March 2025.

Information on the Building

Date of completion	6 January 2022
Address	669-1, Mori-Shinden, Fujioka-shi, Gunma, Japan
Net lettable area (“NLA”)	22,514.23 square metres (“sqm”)
Property type	Multi-tenanted although it is currently leased to a single third-party end-tenant (the “Tenant”).
Occupancy	100.0%
Lease term	3 years from 1 April 2022, with a new lease term based on a new lease agreement for a further 6 years commencing from 1 April 2025 entered into between the Tenant and Daiwa House Property Management Co., Ltd. (as lessor), whose contractual status as lessor will be transferred to the New Master Lessee (as defined herein) immediately after the completion of the Acquisition (“Completion”), assuming the lease is not terminated by the Tenant on 31 March 2028 pursuant to its option to terminate under the new lease agreement.
End Tenant	The Tenant is a Japanese group company of one of the largest multinational consumer goods corporations globally.

Information on the Land

Location	Located in Fujioka-shi, Gunma Prefecture, Japan
Land title	Freehold
Land area	33,782.04 sqm

2.2 Details of the Acquisition

2.2.1 Structure of the Acquisition

The acquisition structure for the Acquisition is similar to the holding structure for the existing freehold properties of DHLT, where the Property has been entrusted to Sumitomo Mitsui Trust Bank, Limited, a licensed trust bank in Japan (the “**Property Trustee**”), pursuant to the terms

of a trust agreement for the management and disposition of real estate (the “**Trust Agreement**”).

Pursuant to the TBI SPA, DHLT has today, through its wholly-owned subsidiary, DH TMK, acquired the TBI from the Seller, and DH TMK has today succeeded the status of the Seller as a beneficiary and settlor of trust of the Property in accordance with the Trust Agreement.

A pass-through master lease agreement has been entered into today between DH-CRUX Japan Intermediate GK (the “**New Master Lessee**”) and the Property Trustee in respect of the Property and this agreement has taken effect upon Completion today. This is similar to the pass-through master lease arrangements in place for DHLT’s multi-tenanted properties even though the Property is currently 100% leased to the Tenant.

2.2.2 Principal Terms of the TBI SPA

The principal terms of the TBI SPA include, among others, the following:

- (i) on the date of completion of the Acquisition (the “**Completion Date**”), the Seller shall transfer the TBI to DH TMK;
- (ii) the Purchase Consideration for the Acquisition of JPY 3,990.0 million;
- (iii) the Seller is obligated to terminate the existing master lease and property management agreement entered into among the Property Trustee, Daiwa House Property Management Co., Ltd. and the Seller (“**Existing MLPM Agreement**”) by the Completion Date;
- (iv) completion under the TBI SPA is subject to the fulfilment of conditions precedent including, among others:
 - (a) the Purchaser deems it to be certain that the Seller will deliver the closing deliverables in accordance with the TBI SPA;
 - (b) all approvals and licenses, etc. required for the Seller for the transactions contemplated under the TBI SPA to be valid have been obtained from governmental and regulatory authorities of Japan and are in full force and effect;
 - (c) there are no grounds for default or grounds resulting from any notice, passage of time, or both, that will result in grounds for default, grounds for termination, grounds for revocation, or grounds for voiding the TBI SPA and the Trust Agreement in relation to the Seller, and the TBI SPA and the Trust Agreement are validly existing;
 - (d) the Property has been validly transferred in trust to the Property Trustee in accordance with the Trust Agreement and the application for registration of the change in the beneficiary of the trust is reasonably anticipated to be completed on the Completion Date¹;

¹ The Purchaser has, following Completion, been registered as the beneficiary of the trust.

- (e) the existing lease agreements (excluding the Existing MLPM Agreement) and the succession agreements in the form approved by the Purchaser are validly existing; and
 - (f) DH TMK has completed the fund procurement required for payment of the purchase consideration for the TBI;
- (v) rent, utilities charges, services charges and other profits arising from the Property, and expenses, taxes and other public charges and expenses incurred in connection with the Property attributable to the period prior to and excluding the Completion Date shall be for the benefit and responsibility of the Seller, while those profits and expenses attributable to the period on or after the Completion Date shall be for the benefit and responsibility of DH TMK. The fixed asset tax, city planning tax and depreciable asset tax up to the day prior to and excluding the Completion Date shall be borne by the Seller and the amount on or after the Completion Date shall be borne by DH TMK (the pro-rated amount of such taxes on or after the Completion Date which will be borne by DH TMK, the **“Seller Tax Refund”**); and
- (vi) the amounts due from the parties as set out in paragraph (v) above shall be settled on the Completion Date in a manner to be separately agreed between the Seller and DH TMK provided that, if the amount of the fixed asset tax, city planning tax and depreciable asset tax for the fiscal year ending 31 December 2025 (**“FY 2025”**) is not yet determined as of the Completion Date, the settlement shall be based on the amount from the previous fiscal year and subject to re-settlement once the amount for FY 2025 is confirmed, and any other amounts that cannot be determined and settled by the Completion Date shall be settled promptly after being finalised.

The Seller’s representations and warranties under the TBI SPA are in line with the industry practice in Japan including, but not limited to, warranties relating to title to the Property and the TBI and there being no encumbrances to third parties (excluding the leases under the existing lease agreements with the Tenant).

2.3 Purchase Consideration and Valuation

HSBC Institutional Trust Services (Singapore) Limited, in its capacity as the trustee of DHLT, has commissioned an independent valuer, JLL Morii Valuation & Advisory K.K. (**“JLL”** or the **“Independent Valuer”**), to value the Property. JLL has independently valued the Property at JPY 5,210.0 million (approximately S\$45.2 million) as at 31 January 2025 using the income approach value by the discounted cash flow method (the **“Independent Valuation”**).

The Purchase Consideration for the Acquisition of JPY 3,990.0 million (approximately S\$34.7 million) was negotiated on a willing-buyer and willing-seller basis, taking into consideration the Independent Valuation, and is at 23.4% discount to the Independent Valuation.

2.4 Total Acquisition Cost

The total cost of the Acquisition (the **“Total Acquisition Cost”**) is estimated to be approximately JPY 4,478.3 million (approximately S\$38.9 million), comprising:

- (i) JPY 3,990.0 million (approximately S\$34.7 million), being the Purchase Consideration;

- (ii) the acquisition fee² payable to the Manager pursuant to the trust deed dated 2 November 2021 constituting DHLT (the “**Trust Deed**”) for the Acquisition (the “**Acquisition Fee**”) of approximately JPY 39.9 million (approximately S\$0.3 million) (representing an acquisition fee at the rate of 1.0% of the Purchase Consideration);
- (iii) refundable consumption tax³ of approximately JPY 295.3 million (approximately S\$2.6 million); and
- (iv) debt-related costs⁴, the Seller Tax Refund, professional and other fees and expenses of approximately JPY 153.1 million (approximately S\$1.3 million) incurred or to be incurred by DHLT in connection with the Acquisition.

2.5 Method of Financing

The Total Acquisition Cost was financed entirely in cash through external debt financing (the “**Loan Facilities**”) and DHLT’s internal resources.

2.6 Property Manager of the Property

In connection with the initial public offering of DHLT, Daiwa House Property Management Co., Ltd. (the “**Property Manager**”) was appointed on 26 November 2021 as the property manager of DHLT’s properties acquired at the initial public offering as well as future properties to be acquired by DHLT from time to time pursuant to the master property management agreement entered into between DH TMK, the Japan Asset Manager and the Property Manager on 9 November 2021 regarding the property management agreements to be entered into among the Property Trustee, the New Master Lessee and the Property Manager from time to time (the “**Master Property Management Agreement**”).

In accordance with the terms of the Master Property Management Agreement, the Property Manager has today been appointed as property manager of the Property pursuant to an individual property management agreement entered into today in respect of the Property (the “**2025 Individual Property Management Agreement**”) among the Property Trustee, the New Master Lessee and the Property Manager to provide property management, lease management, project management and marketing services in respect of the Property.

The 2025 Individual Property Management Agreement has the same rates and bases of the fees as those set out in the Master Property Management Agreement. As the 2025 Individual Property Management Agreement is entered into pursuant to the Master Property Management Agreement which is deemed to have been specifically approved by unitholders of DHLT

² Pursuant to the asset management agreement entered into between DH TMK and Daiwa House Real Estate Investment Management Co., Ltd., as local asset manager of the Property in Japan (“**Japan Asset Manager**”), on 9 November 2021 in relation to post-initial public offering acquisitions, the Japan Asset Manager will receive the Japan Asset Manager’s acquisition fee of 0.3% of the purchase consideration (“**AM Acquisition Fee**”), out of the deposited property of DHLT in cash. The Trust Deed provides that where an AM Acquisition Fee is payable to the Japan Asset Manager, such fee shall reduce the acquisition fee payable to the Manager under the Trust Deed.

³ Refundable consumption tax is the consumption tax paid in relation to the acquisition of the Property, as well as consumption tax associated with relevant acquisition costs and financing-related cost for acquiring the Property, all of which is expected to be refunded to DH TMK.

⁴ Including cash reserves which are expected to be required by lending banks under the Loan Facilities (as defined herein) to be set aside for capital expenditure, property tax, cost to operate special purpose vehicles, interest expenses and insurance premium.

(“**Unitholders**”) upon purchase of the units in DHLT (“**Units**” and each a “**Unit**”) at the time of DHLT’s initial public offering, the entry into and the fees and charges payable by DHLT under the 2025 Individual Property Management Agreement are accordingly not subject to aggregation with the other interested person transactions of DHLT (each of a value equal to or greater than S\$100,000) entered or to be entered into in the current financial year ending 31 December 2025 for purposes of Chapter 9 of the listing manual of the SGX-ST (the “**Listing Manual**”).

2.7 Discloseable Transaction

Chapter 10 of the Listing Manual governs significant transactions by DHLT such as the acquisition or divestment of assets. Such transactions are classified into various categories depending on the size of the relative figures computed on the following bases of comparison (where applicable):

- (a) the net asset value (“**NAV**”) of the assets to be disposed of, compared with DHLT’s NAV pursuant to Rule 1006(a) of the Listing Manual;
- (b) the net profits attributable to the assets acquired or disposed of, compared with DHLT’s net profits pursuant to Rule 1006(b) of the Listing Manual;
- (c) the aggregate value of the consideration given or received, compared with DHLT’s market capitalisation based on the total number of issued Units excluding treasury Units pursuant to Rule 1006(c) of the Listing Manual; and
- (d) the number of Units issued by DHLT as consideration for the acquisition, compared with the number of Units previously in issue pursuant to Rule 1006(d) of the Listing Manual.

Rule 1006(a) of the Listing Manual is not applicable to the Acquisition as DHLT will not be disposing of any assets under the Acquisition. Rule 1006(d) of the Listing Manual is not applicable to the Acquisition as DHLT will not be issuing any Units as consideration for the Acquisition.

The relative figures computed on the bases set out in Rules 1006(b) and 1006(c) of the Listing Manual in respect of the Acquisition are as follows:

	Acquisition (S\$ million)	DHLT (S\$ million)	Relative figure (%)
<u>Rule 1006(b)</u> Net property income ⁽¹⁾ (“ NPI ”) attributable to the Property when compared with NPI of DHLT, in each case, for the period from 1 January 2024 to 31 December 2024	2.0 ⁽²⁾	43.9 ⁽³⁾	4.6%
<u>Rule 1006(c)</u> Aggregate value of the consideration and the Seller Tax Refund payable for the Acquisition, when compared with DHLT’s market capitalisation based on the total number of issued Units	34.9 ⁽⁴⁾	401.9 ⁽⁵⁾	8.7%

Notes:

- (1) In the case of a real estate investment trust, NPI is a close proxy to the net profits attributable to its assets. NPI of the Property for the financial year ended 31 December 2024 (“FY2024”) is on pro forma basis, assuming the Acquisition had been completed on 1 January 2024.
- (2) Based on the actual exchange rate of S\$1.00 : JPY113.29 used in the profit and loss statement of DHLT’s unaudited financial statements for FY2024.
- (3) Based on the NPI disclosed in the profit and loss statement of DHLT’s unaudited financial statements for FY2024.
- (4) Based on the illustrative exchange rate of S\$1.00 : JPY 115.1627.
- (5) Based on the number of Units in issue multiplied by the volume-weighted average trading price (“VWAP”) of S\$0.575 per Unit on 21 March 2025, being the Market Day immediately prior to the entry into the TBI SPA. “Market Day” means a day on which the SGX-ST is open for securities trading.

Where any of the relative figures computed on the bases set out above exceeds 5.0% but does not exceed 20.0%, the transaction would be classified as a discloseable transaction under Rule 1010 of the Listing Manual which would not be subject to the approval of Unitholders.

As the relative figure computed on the basis set out in Rule 1006(c) exceeds 5.0% but does not exceed 20.0%, the Acquisition is classified as a discloseable transaction and is not subject to the approval of Unitholders at an extraordinary general meeting under Chapter 10 of the Listing Manual.

3. RATIONALE FOR AND KEY BENEFITS OF THE ACQUISITION

As part of the Manager’s strategy to achieve portfolio growth through the acquisition of quality properties, and the Manager believes that the addition of DPL Gunma Fujioka will improve the overall quality of DHLT’s portfolio. Through the Acquisition, DHLT continues to expand its presence in the Japan logistics market where fundamentals are expected to remain healthy in the long term. The acquisition of the Property at an attractive price is also expected to be distribution per Unit (“DPU”) accretive to Unitholders, thereby enhancing DHLT’s returns to the Unitholders. With this Acquisition, DHLT’s portfolio (the “DHLT Portfolio”) grew to 19 properties (18 in Japan and one in Vietnam), with an increase in the aggregate valuation of the DHLT Portfolio from S\$835.9 million to S\$881.1 million⁵ and an increase in the total NLA of the DHLT Portfolio from 476,614 sqm to 499,128 sqm.

The Manager believes that the Acquisition will bring the following key benefits to Unitholders:

3.1 The Acquisition is expected to be DPU-accretive

The Acquisition is expected to be DPU accretive to Unitholders. For illustration purposes, on a pro forma basis and based on the method of financing, assuming that the Acquisition was completed on 1 January 2024, the DPU for DHLT in relation to FY2024 would increase by approximately 3.3% from 4.79 cents to 4.95 cents, and DHLT’s NAV per Unit as at 31 December 2024 would remain relatively unchanged. Further, while the aggregate leverage of DHLT, on a pro forma basis, would increase from approximately 38.5% as at 31 December 2024 to approximately 40.8% assuming Completion took place on 31 December 2024, this remains at a healthy level below the aggregate leverage limit in Appendix 6 of the Code on Collective Investment Schemes issued by the Monetary Authority of Singapore.

⁵ Based on the latest valuation of DHLT’s portfolio as at 31 December 2024 and the Independent Valuation for the Property of JPY 5,210.0 million (each converted to Singapore Dollars based on the illustrative exchange rates of (i) S\$1.00 : JPY 115.1627 for DHLT’s Japan properties (including the Property) and (ii) S\$1.00 : VND18,751.50 for D Project Tan Duc 2).

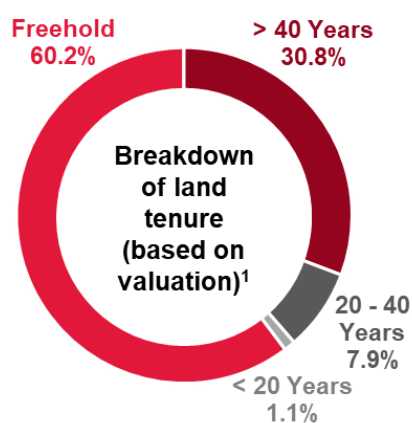
Please refer to paragraph 4 of this announcement for the pro forma financial effects of the Acquisition.

3.2 Addition of a high-quality property in Japan to DHLT's Portfolio

(a) The Property is a modern freehold property

DPL Gunma Fujioka is a multi-tenanted property logistics facility that was built with modern specifications, including a ceiling height of more than 8 metres, floor load of 2 tonnes per sqm and distance of at least 10 metres between columns. The Property was completed in January 2022, and had an age of around 3.0 years as at 31 December 2024 compared to the average age of the DHLT's portfolio as at 31 December 2024 of 6.9 years⁶. On a pro forma basis, the addition of DPL Gunma Fujioka would lower the average age of the DHLT Portfolio to 6.7 years as at 31 December 2024⁶. Given the young age of the Property, the required capital expenditure for the Property is expected to be minimal in the near term. The Property is fully occupied as at 31 December 2024 and on a pro forma basis, assuming the Acquisition was completed on 31 December 2024, the overall occupancy rate (weighted by NLA) for the DHLT Portfolio would increase from 97.6% to 97.7%.

Further, with the addition of the Property, 11 out of 19 properties in the DHLT Portfolio are freehold. On a pro forma basis, assuming the Acquisition was completed on 31 December 2024 and based on the valuation of the respective properties⁷, the proportion of properties in the DHLT Portfolio with freehold land tenure would be 60.2%, while the proportion of the properties with freehold land tenure and land tenure of more than 40 years would be 91.0%.



Note:

- (1) Based on the valuation of DHLT's portfolio as at 31 December 2024 and the Independent Valuation for the Property, each converted to Singapore Dollars based on the illustrative exchange rates of (i) S\$1.00 : JPY 115.1627 for DHLT's Japan properties (including the Property) and (ii) S\$1.00 : VND18,751.50 for D Project Tan Duc 2.

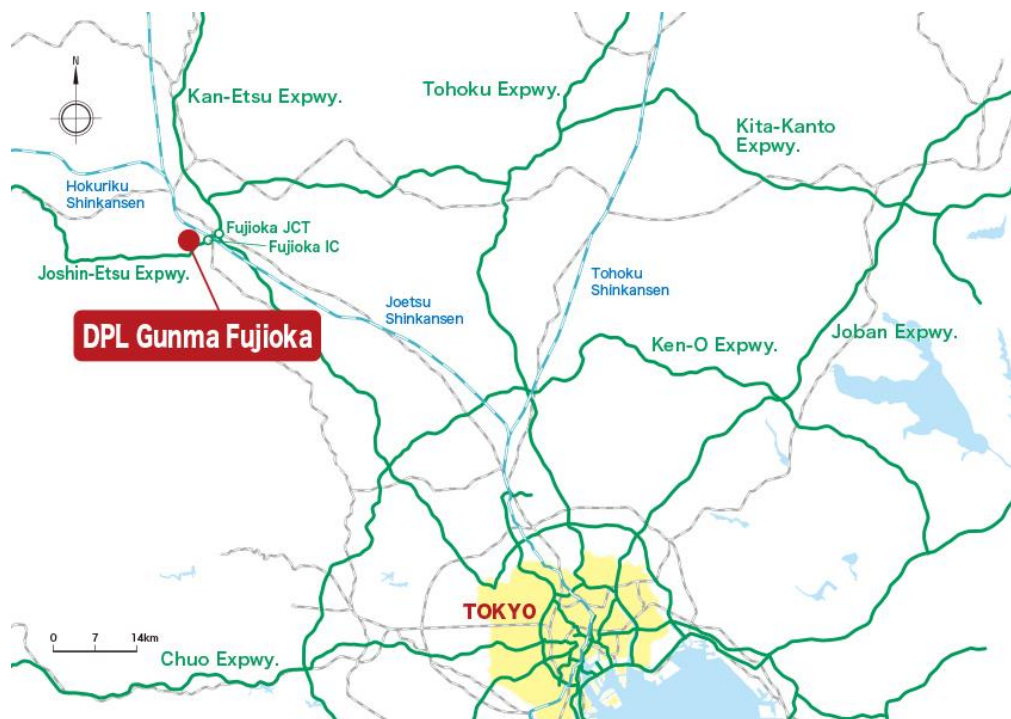
⁶ Weighted by NLA.

⁷ Based on the latest valuation of DHLT's portfolio as at 31 December 2024 and the Independent Valuation for the Property of JPY 5,210.0 million (each converted to Singapore Dollars based on the illustrative exchange rates of (i) S\$1.00 : JPY 115.1627 for DHLT's Japan properties (including the Property) and (ii) S\$1.00 : VND18,751.50 for D Project Tan Duc 2).

In general, the Manager will consider acquiring only Japanese properties with a PML⁸ of 15.0% or lower. The PML of DPL Gunma Fujioka was assessed to be only 1.7%, which is generally in line with the overall PML of DHLT's other Japanese properties of 1.5%.

(b) The Property is well-connected to strategic transportation networks

The Property is strategically located with good connections to transportation networks. Located near the Fujioka Interchange on the Joshin-Etsu Expressway as well as the Fujioka Junction which connects Kan-Etsu Expressway and the Joshin-Etsu Expressway, the location is suited to be used as a base for deliveries to the wider Kanto and Koshinetsu regions.



(c) Diversification of tenant base with the entry of a new tenant into the DHLT Portfolio

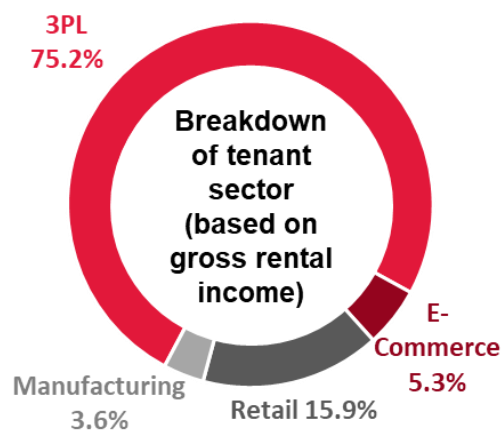
DPL Gunma Fujioka is entirely leased to the Tenant which is a Japanese group company of one of the largest multinational consumer goods corporations globally. The Tenant has had operations in Japan for more than 50 years and DPL Gunma Fujioka serves as the distribution centre for the Tenant's goods.

The Tenant has re-entered into a new lease of the Property for a further six years commencing from 1 April 2025. The rent for the first three years of the lease shall be a fixed rate and subsequently adjusted and fixed for the last three years of the lease commencing from 1 April 2028 based on the fluctuation rate of the announced consumer price index in Japan in April 2025 and in April 2027. Assuming the lease is not terminated by the Tenant on 31 March 2028 pursuant to its option to terminate

⁸ "PML" refers to probable maximum loss in relation to a major earthquake.

under the lease agreement, the Property will have a remaining lease of 6.3 years as at 31 December 2024 and accordingly, on a pro forma basis, assuming the Acquisition was completed on 31 December 2024, the weighted average lease expiry (“WALE”) of the DHLT Portfolio would remain relatively unchanged at 6.6 years⁹ as at 31 December 2024.

With the addition of the Tenant following the Acquisition, the tenant base of DHLT is further diversified and strengthened. On a pro forma basis, assuming the Acquisition had been completed on 1 January 2024, based on the existing monthly rent payable by the Tenant, the Tenant would contribute to approximately 4.4%¹⁰ of the NPI of the DHLT Portfolio in FY2024, making the Tenant one of the top five tenants of DHLT in FY2024. Further, on a pro forma basis assuming that the Property was acquired on 31 December 2024, the proportion of tenants of DHLT (by gross rental income¹¹) involved in the retail sector would increase from 11.9% to 15.9%.



(d) The Acquisition is in line with DHLT’s environmental commitments

DPL Gunma Fujioka is a certified green building by the Building Energy-efficiency Labelling System (“BELS”), with a rating of 5 stars, the highest star rating at the point of assessment¹². BELS is a third-party certification system in Japan that assesses the energy conservation performance of buildings, in line with the guidelines set by the Ministry of Land, Infrastructure, Transport and Tourism of Japan. With the addition of the Property, DHLT has 17 properties that are green-certified out of its portfolio of 19 assets.

⁹ Weighted by gross rental income which is computed based on the monthly rent of the Property and the other properties in the DHLT Portfolio as at 31 December 2024, and the remaining lease terms in the DHLT Portfolio as at 31 December 2024.

¹⁰ Based on DHLT’s NPI for FY2024 (including the Property) and the percentage of NPI was calculated and adjusted based on the NPI of each property in the DHLT Portfolio and allocated to the respective tenants by the proportion of NLA occupied by the tenants in the properties.

¹¹ Gross rental income is computed based on the monthly rent of the Property and the other properties in the DHLT Portfolio as at 31 December 2024.

¹² The new evaluation criteria that was effective from April 2024 had a star rating of up to 6 stars, which was not applicable to the Property at the time of assessment.

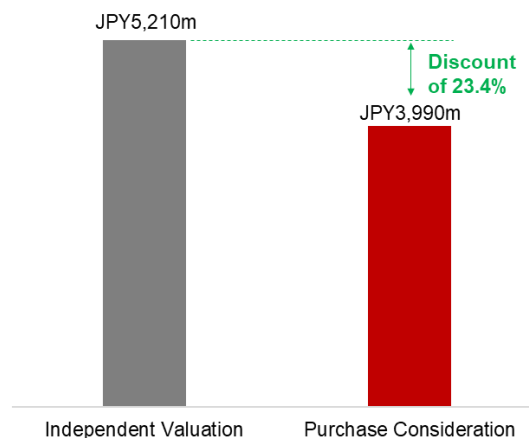
Solar panels have also been installed on the Property’s rooftop, which have an aggregate capacity of 2.5 megawatt peak (“MWp”). Following the Acquisition, the total solar energy capacity of the DHLT Portfolio is 18.6 MWp.

3.3 Fundamentals of the Japan logistics sector expected to remain healthy in long term

While the logistics sector in Japan faced near-term challenges from an increase in supply, in general, the fundamentals are expected to remain strong from a longer-term perspective. Demand is expected to be supported by the growing e-commerce sector and the expected moderation of new supply over the coming years¹³. The e-commerce sector in Japan continued to grow, increasing by 4.8% in 2023 to a market size of JPY 14.7 trillion¹⁴. However, the e-commerce penetration rate in Japan remained relatively low at 9.38% compared to other mature e-commerce markets such as China, United States and the United Kingdom¹⁴, which may indicate potential for further growth.

3.4 The Acquisition is at an attractive price

The Purchase Consideration of JPY 3,990 million (approximately S\$34.7 million) is at a substantial discount of 23.4% to the Independent Valuation of JPY 5,210 million (approximately S\$45.2 million).



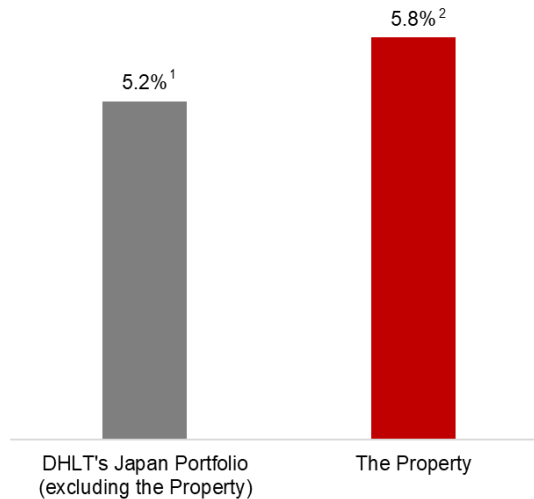
Based on the Purchase Consideration, the implied NPI yield of DPL Gunma Fujioka is 5.8%¹⁵. This is higher than the blended NPI yield of the other 17 Japan properties in the DHLT Portfolio, of 5.2%¹⁶.

¹³ Source: Savills Research – Japan: 2024 Review and 2025 Prospects (December 2024).

¹⁴ Source: Report by the Ministry of Economy, Trade and Industry on 2023 E-Commerce Market Survey (September 2024).

¹⁵ Based on the Purchase Consideration and the pro forma NPI of the Property for FY2024.

¹⁶ Based on the NPI for FY2024 (annualised for DPL Ibaraki Yuki which was acquired in March 2024) and the latest valuation of the Japan properties in DHLT’s portfolio as at 31 December 2024.



Notes:

- (1) Based on the NPI for FY2024 (annualised for DPL Ibaraki Yuki which was acquired in March 2024) and the latest valuation of the Japan properties in DHLT's portfolio as at 31 December 2024.
- (2) Based on the Purchase Consideration and pro forma NPI of the Property for FY2024.

4. PRO FORMA FINANCIAL EFFECTS

FOR ILLUSTRATIVE PURPOSES ONLY:

The pro forma financial effects of the Acquisition on the distribution per Unit (“**DPU**”), NAV per Unit and aggregate leverage presented below are strictly for illustrative purposes only and were prepared based on the unaudited financial statements for FY2024 announced on SGXNet on 28 February 2025, taking into account the Total Acquisition Cost and assuming:

- the Total Acquisition Cost is financed by Loan Facilities of JPY 3,990 million and cash reserves of JPY 488.3 million.
- unless otherwise stated, an exchange rate of S\$1.00 : JPY 115.1627 is applied for the conversion of Japanese yen into Singapore dollars; and
- the Property is assumed to be fully occupied for the entire FY2024, and the existing lease with the Tenant was in place since 1 January 2024 based on the existing monthly rent payable by the Tenant.

4.1 Pro Forma DPU

FOR ILLUSTRATIVE PURPOSES ONLY:

On the bases and assumptions set out above, the pro forma financial effects of the Acquisition on DHLT's DPU for FY2024 as if the Acquisition were completed on 1 January 2024 and DHLT held the Property through to 31 December 2024 are as follows:

	Actual FY2024 (Before the Acquisition)	Pro Forma FY2024 (After the Acquisition)
Net Property Income (S\$'000)	43,890	45,907 ⁽¹⁾
Distributable Income to Unitholders (S\$'000)	33,518	34,624 ⁽¹⁾
Units in issue / to be issued ('000)	698,920 ⁽²⁾	698,977 ⁽³⁾
DPU (cents)	4.79	4.95 ⁽¹⁾
DPU Accretion (%)	-	3.3

Notes:

- (1) For the purpose of converting JPY into S\$ for distributions arising from the Property only, an illustrative exchange rate of S\$1.00 : JPY 115.1627 was used.
- (2) Number of Units in issue and to be issued as at 31 December 2024.
- (3) The total number of Units in issue at the end of the period includes an assumed 56,503 new Units issued by DHLT to the Manager representing 50.0% of the management fee paid in Units for FY2024 (with the management fee computed based on the DHLT Portfolio).

4.2 Pro Forma NAV

FOR ILLUSTRATIVE PURPOSES ONLY:

The pro forma financial effects of the Acquisition on DHLT's NAV per Unit as at 31 December 2024, as if the Acquisition were completed on 31 December 2024, are as follows:

	Actual as at 31 December 2024 (Before the Acquisition)	Pro Forma as at 31 December 2024 (After the Acquisition)
NAV (S\$'000)	482,358	482,358 ⁽¹⁾
Units in issue / to be issued ⁽²⁾ ('000)	698,920	698,920
NAV per Unit attributable to Unitholders (S\$)	0.69	0.69 ⁽¹⁾
Adjusted ⁽³⁾ NAV per Unit attributable to Unitholders (S\$)	0.67	0.67 ⁽¹⁾

Notes:

- (1) For the purpose of converting JPY into S\$ for the Property only, an illustrative exchange rate of S\$1.00 : JPY 115.1627 was used.
- (2) Number of Units in issue and to be issued as at 31 December 2024 includes 50.0% of the management fee paid in Units to the Manager for FY2024 (with the management fee computed based on DHLT's portfolio (excluding the Property)).
- (3) Adjusting for the distributable income that is due to be paid at the end of FY2024 for the DHLT Portfolio.

4.3 Pro Forma Aggregate Leverage

FOR ILLUSTRATIVE PURPOSES ONLY:

The pro forma aggregate leverage of DHLT as at 31 December 2024, as if the Acquisition were completed on 31 December 2024, is as follows:

	Actual as at 31 December 2024 (Before the Acquisition)	Pro Forma as at 31 December 2024 (After the Acquisition)
Aggregate Leverage	38.5%	40.8%

Note: Based on an illustrative exchange rate of S\$1.00 : JPY 115.1627.

5. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDER OF THE MANAGER

As at the date of this announcement, certain Directors collectively hold, directly or indirectly, interests in the Units, collectively amounting to an aggregate of 580,000 Units. Daiwa House Industry Co., Ltd. (the “**Sponsor**”) is the sole shareholder and a controlling shareholder of the Manager. Further details of the interests of the Directors and the Sponsor in the Units are set out below.

Further, it should be noted that:

- (a) Mr Yoshiyuki Takagi, a Non-Independent Non-Executive Director of the Manager, holds directorships in several affiliated companies of the Sponsor;
- (b) Mr Eiichi Shibata, a Non-Independent Non-Executive Director of the Manager, is a Managing Executive Officer in the Business Development Department in the Tokyo Head Office of the Sponsor and was appointed to serve on the Boards of various entities within the Sponsor group; and
- (c) Mr Jun Yamamura is a Non-Independent Executive Director and the Chief Executive Officer of the Manager.

Based on the information available to the Manager as at the date of this announcement, the Sponsor has a direct interest in 26,556,860 Units and is deemed to be interested in 66,111,956 Units held by the Manager, which collectively comprises 13.3% of the total number of existing Units in issue. Save as disclosed in this Announcement, the Sponsor does not have any interest, direct or indirect, in the Acquisition.

Based on the Register of Directors’ Unitholdings maintained by the Manager, save as disclosed above and based on information available to the Manager as at the date of this announcement, none of the Directors has an interest, direct or indirect, in the Acquisition (otherwise than through their Units, if any).

6. DIRECTORS' SERVICE CONTRACTS

No person is proposed to be appointed as a Director in connection with the Acquisition or any other transactions contemplated in relation to the Acquisition.

7. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection¹⁷ during normal business hours at the registered office of the Manager located at 6 Shenton Way, #21-08 OUE Downtown 2, Singapore 068809, from the date of this announcement up to and including the date falling three months after the date of this announcement:

- (i) the TBI SPA entered into between DH TMK and the Seller; and
- (ii) the full valuation report issued by JLL containing the Independent Valuation in respect of the Property.

The Trust Deed will be available for inspection at the registered office of the Manager for so long as DHLT is in existence.

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)

Jun Yamamura

Director and Chief Executive Officer

24 March 2025

¹⁷ Prior appointment with the Manager is required. Please contact DHLT Investor Relations at email: ir@daiwahouse-lt.com or telephone: +65 6202 0486.

Important Notice

This announcement is for information purposes only and does not constitute or form part of an offer, solicitation or invitation of any offer, to buy or subscribe for any Units in Singapore or any other jurisdiction, nor should it or any part of it form the basis of, or be relied upon in connection with, any contract or commitment whatsoever.

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 announcement 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 announcement 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 DHLT 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.