

**First Real Estate Investment Trust**

**(Constituted in the Republic of Singapore pursuant to  
a trust deed dated 19 October 2006 (as amended))**

Condensed Interim Financial Statements  
Six-month period and full year ended 31 December 2023

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## **Introduction**

First Real Estate Investment Trust (“First REIT” or the “Trust”) is a real estate investment trust constituted by the Trust Deed entered into on 19 October 2006 between First REIT Management Limited (the “Manager”) as the Manager and HSBC Institutional Trust Services (Singapore) Limited as the trustee. First REIT was listed on the Singapore Exchange Securities Trading Limited on 11 December 2006. On 1 March 2018, HSBC Institutional Trust Services (Singapore) Limited retired as the trustee of First REIT in favour of Perpetual (Asia) Limited (the “Trustee”).

First REIT is Singapore’s first healthcare real estate investment trust that aims to invest in a diversified portfolio of income-producing real estate and/or real estate-related assets in Asia that are primarily used for healthcare and/or healthcare-related purposes.

Managed by First REIT Management Limited, First REIT has a portfolio of 32 properties with 11 hospitals, two integrated hospital & malls, one integrated hospital & hotel and one hotel & country club, located in Indonesia, three nursing homes in Singapore and 14 nursing homes in Japan.

Its hospital assets in Indonesia are operated by PT Siloam International Hospitals Tbk, a subsidiary of PT Lippo Karawaci Tbk, a strong brand name in the Indonesian healthcare industry supported by a team of international healthcare professionals whereas The Imperial Aryaduta Hotel & Country Club and Hotel Aryaduta Manado are operated by The Aryaduta Hotel and Resort Group. The Lippo Plaza Kupang and Lippo Plaza Baubau (formerly known as Lippo Plaza Buton) are managed by PT Lippo Malls Indonesia. In Singapore, the nursing homes at Bukit Merah and Bukit Panjang are operated by Pacific Healthcare Nursing Home Pte. Ltd. and Pacific Eldercare and Nursing Pte. Ltd., respectively. The Lantor Residence is operated by The Lantor Residence Pte. Ltd. In Japan, seven nursing homes are operated by Hikari Heights Varus Co., Ltd, two nursing homes are operated by Safety Life Co., Ltd, three nursing homes are operated by Orchard Care Co., Ltd, one nursing home is operated by Benesse Style Care Co. Ltd and one nursing home is operated by Social Welfare Research Institute Co. Ltd.

Through First REIT, investors can participate in an asset class that has a focus towards Asia’s growing healthcare sector, which is boosted by an increase in life expectancy in Indonesia, Japan, Singapore and the rest of Asia.

## Summary of Results

	Note	Group			Group		
		Six-month period ended			Full Year		
		31 Dec 2023	31 Dec 2022	Change	31 Dec 2023	31 Dec 2022	Change
		\$'000	\$'000	%	\$'000	\$'000	%
<b>Rental and other income</b>	1	54,579	57,488	(5.1%)	108,568	111,275	(2.4%)
<b>Net property and other income</b>	2	52,905	55,835	(5.2%)	105,334	108,559	(3.0%)
Distributable amount	3	25,912	27,146	(4.5%)	51,423	52,400	(1.9%)
Total issued and issuable units (millions)	4	2,081.5	2,063.6	0.9%	2,081.5	2,063.6	0.9%
<b>Distribution per unit (cts) ("DPU")</b>	5	1.24	1.32	(6.1%)	2.48	2.64	(6.1%)

Note:

- Rental and other income for FY 2023 decreased by 2.4% to \$108.6 million was mainly due to depreciation of Indonesian Rupiah and Japanese Yen against Singapore Dollars, partly offset by the full year contribution from Japan properties which were acquired in March and September 2022. Excluding FRS 116 adjustment on rental straight-lining, rental and other income increased by 1.6% to \$93.4 million in FY 2023 from \$91.9 million in FY 2022.
- Net property and other income for FY 2023 decreased by 3.0% to \$105.3 million mainly due to full year property expenses incurred for Japan properties. Excluding FRS 116 adjustment on rental straight-lining, net property and other income increased by 1.1% to \$90.1 million in FY 2023 from \$89.2 million in FY 2022.
- Distributable income for FY 2023 decreased by 1.9% to \$51.4 million was mainly due to higher finance costs and depreciation of Indonesian Rupiah and Japanese Yen against Singapore Dollars, partly offset by the full year contribution from Japan properties which were acquired in March and September 2022.
- In addition to above, the decline in FY 2023 DPU to 2.48 cents was due to enlarged unit base arising from the issuance of 431.1 million units in March 2022 to partially fund the acquisition of 12 Japan nursing homes.
- DPU included 1Q 2023 DPU of 0.62 cents which was paid on 26 June 2023, 2Q 2023 DPU of 0.62 cents which was paid on 25 September 2023 and 3Q 2023 DPU of 0.62 cents which was paid on 22 December 2023. The 4Q 2023 DPU is 0.62 cents, to be paid on 28 March 2024.

## Distribution Details

<b>Distribution</b>	1 October 2023 to 31 December 2023
<b>Distribution type</b>	(a) Taxable income (b) Tax-exempt income (c) Capital distribution
<b>Distribution rate</b>	Total: 0.62 cents per unit (a) Taxable income: 0.03 cents per unit (b) Tax-exempt income: 0.25 cents per unit (c) Capital distribution: 0.34 cents per unit
<b>Ex-distribution date</b>	27 February 2024 at 9.00 am
<b>Book closure date</b>	28 February 2024 at 5.00 pm
<b>Payment date</b>	28 March 2024

**Condensed Statements of Financial Position**  
**As at 31 December 2023**

	Note	Group		Trust	
		2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
<b>Non-current assets</b>					
Plant and equipment		1	14	–	–
Investment properties	3, a	1,139,468	1,145,343	31,700	32,500
Investments in subsidiaries	4	–	–	766,703	764,149
Loan to subsidiaries		–	–	21,705	19,600
Derivative financial instruments		–	1,248	–	1,248
		<u>1,139,469</u>	<u>1,146,605</u>	<u>820,108</u>	<u>817,497</u>
<b>Current assets</b>					
Trade and other receivables	5	6,249	5,027	11,688	11,048
Loan to subsidiaries		–	–	4,190	12,970
Other assets		787	890	402	400
Derivative financial instruments		560	–	560	–
Cash and cash equivalents		40,266	46,103	16,837	20,259
		<u>47,862</u>	<u>52,020</u>	<u>33,677</u>	<u>44,677</u>
<b>Total assets</b>		<u><u>1,187,331</u></u>	<u><u>1,198,625</u></u>	<u><u>853,785</u></u>	<u><u>862,174</u></u>
<b>Non-current liabilities</b>					
Deferred tax liabilities		49,732	50,755	–	–
Borrowings	6, b	448,926	449,613	326,926	326,313
Loan from a subsidiary		–	–	5,161	5,870
Other liabilities		10,557	11,704	2,079	2,038
Derivative financial instruments		259	–	259	–
		<u>509,474</u>	<u>512,072</u>	<u>334,425</u>	<u>334,221</u>
<b>Current liabilities</b>					
Borrowings	6, b	920	1,453	–	–
Income tax payable		1,229	1,065	5	6
Other liabilities		3,113	3,186	113	106
Loan from a subsidiary		–	–	25,512	–
Trade and other payables		12,402	14,994	47,878	64,151
Derivative financial instruments		27	493	27	493
		<u>17,691</u>	<u>21,191</u>	<u>73,535</u>	<u>64,756</u>
<b>Total liabilities</b>		<u><u>527,165</u></u>	<u><u>533,263</u></u>	<u><u>407,960</u></u>	<u><u>398,977</u></u>

**Condensed Statements of Financial Position (cont'd)**  
**As at 31 December 2023**

	Note	Group		Trust	
		2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Represented by:					
<b>Net assets</b>					
<b>attributable to unitholders</b>					
	8	626,884	632,080	412,543	429,915
Perpetual securities	7	33,282	33,282	33,282	33,282
<b>Total net assets</b>		<u>660,166</u>	<u>665,362</u>	<u>445,825</u>	<u>463,197</u>
<b>Units in issue ('000)</b>	8	<u>2,076,925</u>	<u>2,058,581</u>	<u>2,076,925</u>	<u>2,058,581</u>
<b>Net asset value per unit in cents attributable to unitholders</b>					
	8	<u>30.18</u>	<u>30.70</u>	<u>19.86</u>	<u>20.88</u>

**Explanatory Notes**

a. Investment properties

The decrease from \$1,145.3 million to \$1,139.5 million was mainly due to weakening of Indonesian Rupiah and Japanese Yen against Singapore Dollars, partly offset by the increase in fair value of Indonesia properties.

b. Borrowings – current and non-current

The decrease from \$451.1 million to \$449.8 million is mainly due to weakening of Japanese Yen against Singapore Dollars and repayment of loan in October 2023.

**Condensed Statements of Total Return**  
**Six-month period and full year ended 31 December 2023**

	Note	Group			
		Six-month period ended 31/12/2023 \$'000	Six-month period ended 31/12/2022 \$'000	12-month period ended 31/12/2023 \$'000	12-month period ended 31/12/2022 \$'000
<b>Rental and other income</b>		54,579	57,488	108,568	111,275
Property operating expenses	9	(1,674)	(1,653)	(3,234)	(2,716)
<b>Net property and other income</b>		52,905	55,835	105,334	108,559
Finance income	9	268	156	507	277
Manager's management fees	9	(4,505)	(4,751)	(8,979)	(9,469)
Asset management fees		(543)	(552)	(1,105)	(908)
Trustee fees		(180)	(195)	(361)	(378)
Finance costs	9	(11,478)	(11,037)	(22,698)	(19,434)
Other expenses	9	(236)	(777)	(1,470)	(1,717)
<b>Net income before the undernoted</b>		36,231	38,679	71,228	76,930
Net fair value gains/(losses) on investment properties	3	18,380	(12,905)	10,834	(22,651)
Loss on disposal of a subsidiary	15	–	(713)	–	(713)
Net fair value losses of derivative financial instruments		(1,062)	(1,093)	(477)	(420)
Net foreign exchange losses		(2,660)	(494)	(3,369)	(1,192)
<b>Total return for the period/year before income tax</b>		50,889	23,474	78,216	51,954
Income tax expenses		(7,007)	(9,551)	(14,877)	(18,369)
<b>Total return for the period/year after income tax</b>		43,882	13,923	63,339	33,585

**Condensed Statements of Total Return (cont'd)**  
**Six-month period and full year ended 31 December 2023**

	Note	Group			
		Six-month period ended 31/12/2023 \$'000	Six-month period ended 31/12/2022 \$'000	12-month period ended 31/12/2023 \$'000	12-month period ended 31/12/2022 \$'000
<b>Other comprehensive income:</b>					
<b>Items that may be reclassified subsequently to profit or loss:</b>					
Foreign operations:					
- Currency translation differences		(34,201)	(57,930)	(19,531)	(84,141)
- Currency translation differences reclassified to profit or loss on disposal		—	44	—	44
<b>Total comprehensive return/(loss) for the period/year</b>		<u>9,681</u>	<u>(43,963)</u>	<u>43,808</u>	<u>(50,512)</u>
<b>Total return attributable to:</b>					
Unitholders of the Trust		43,048	12,829	61,683	31,009
Perpetual securities holders		834	1,094	1,656	2,576
		<u>43,882</u>	<u>13,923</u>	<u>63,339</u>	<u>33,585</u>
<b>Total comprehensive return/(loss) attributable to:</b>					
Unitholders of the Trust		8,847	(45,057)	42,152	(53,088)
Perpetual securities holders		834	1,094	1,656	2,576
		<u>9,681</u>	<u>(43,963)</u>	<u>43,808</u>	<u>(50,512)</u>
<b>Earnings per unit in cents</b>					
Basic and diluted	10	<u>2.08</u>	<u>0.73</u>	<u>2.98</u>	<u>1.56</u>



**Statement of Distribution**  
**Six-month period and full year ended 31 December 2023**

	Note	Group			
		Six-month period ended 31/12/2023 \$'000	Six-month period ended 31/12/2022 \$'000	12-month period ended 31/12/2023 \$'000	12-month period ended 31/12/2022 \$'000
<b>Amount available for distribution to unitholders at beginning of the period/year</b>		12,792	13,506	13,593	10,732
Total return for the period/year after income tax		43,882	13,923	63,339	33,585
Adjustments for tax purposes (Note A)		(18,072)	13,303	(11,890)	18,765
<b>Amount available for distribution to unitholders</b>		38,602	40,732	65,042	63,082
Total distribution paid to unitholders		(25,696)	(27,139)	(52,136)	(49,489)
<b>Amount available for distribution to unitholders at end of the period/year</b>		12,906	13,593	12,906	13,593
<b>Distribution per unit (cents)</b>		1.24	1.32	2.48	2.64

**Statement of Distribution (cont'd)**  
**Six-month period and full year ended 31 December 2023**

Note A - Adjustments for tax purposes:

Note	Group			
	Six-month period ended 31/12/2023 \$'000	Six-month period ended 31/12/2022 \$'000	12-month period ended 31/12/2023 \$'000	12-month period ended 31/12/2022 \$'000
Manager's management fees settled in units	2,244	2,450	4,470	4,712
Change in fair values on investment properties, net of deferred tax	(17,503)	14,403	(8,263)	26,209
Adjustment on rental straight lining	(7,585)	(9,916)	(15,189)	(19,387)
Loss on disposal of a subsidiary	–	713	–	713
Net fair value loss of derivative financial instruments	1,062	1,093	477	420
Amount reserved for distribution to perpetual securities holders	(834)	(1,094)	(1,656)	(2,576)
Foreign exchange adjustment losses/(gains)	1,990	(1,115)	2,598	(924)
Other non-tax deductible items and adjustments	2,554	6,769	5,673	9,598
	<u>(18,072)</u>	<u>13,303</u>	<u>(11,890)</u>	<u>18,765</u>

**Condensed Statements of Movements in Unitholders' Funds**  
**As at 31 December 2023**

Group	Note	← Unitholders' funds →			Subtotal \$'000	Perpetual securities \$'000	Total \$'000
		Issued equity \$'000	Retained earnings \$'000	Foreign exchange reserve \$'000			
<b>Operations</b>							
<b>At 1 January 2023</b>		586,783	124,573	(79,276)	632,080	33,282	665,362
Total return for the year		–	63,339	–	63,339	–	63,339
Less: Amount reserved for distribution to perpetual securities holders		–	(1,656)	–	(1,656)	1,656	–
<b>Net increase in net assets resulting from operations</b>		–	61,683	–	61,683	1,656	63,339
<b>Foreign exchange reserve</b>							
Foreign operations:							
- Currency translation differences		–	–	(19,531)	(19,531)	–	(19,531)
<b>Total comprehensive return/(loss)</b>		–	61,683	(19,531)	42,152	1,656	43,808
<b>Transactions with unitholders and perpetual securities holders</b>							
Manager's management fees settled in units		4,788	–	–	4,788	–	4,788
Change in net assets resulting from creation of units		4,788	–	–	4,788	–	4,788
Distributions to unitholders		(26,485)	(25,651)	–	(52,136)	–	(52,136)
Distributions to perpetual securities holders		–	–	–	–	(1,656)	(1,656)
<b>Net decrease in net assets resulting from transactions with unitholders and perpetual securities holders</b>		(21,697)	(25,651)	–	(47,348)	(1,656)	(49,004)
<b>At 31 December 2023</b>		565,086	160,605	(98,807)	626,884	33,282	660,166

**Condensed Statements of Movements in Unitholders' Funds (cont'd)**  
**As at 31 December 2023**

Group	Note	← Unitholders' funds →			Subtotal \$'000	Perpetual securities \$'000	Total \$'000
		Issued equity \$'000	Retained earnings \$'000	Foreign exchange reserve \$'000			
<b>Operations</b>							
<b>At 1 January 2022</b>							
Total return for the year		481,450	104,874	4,821	591,145	60,675	651,820
Less: Amount reserved for distribution to perpetual securities holders		–	33,585	–	33,585	–	33,585
<b>Net increase in net assets resulting from operations</b>		–	(2,576)	–	(2,576)	2,576	–
		–	31,009	–	31,009	2,576	33,585
<b>Foreign exchange reserve</b>							
Foreign operations:							
- Currency translation differences		–	–	(84,141)	(84,141)	–	(84,141)
- Currency translation differences reclassified to profit or loss on disposal		–	–	44	44	–	44
<b>Total comprehensive return/(loss)</b>		–	31,009	(84,097)	(53,088)	2,576	(50,512)
<b>Transactions with unitholders and perpetual securities holders</b>							
Partial consideration for acquisition of subsidiaries paid in units	14	131,500	–	–	131,500	–	131,500
Manager's management fees settled in units		3,952	–	–	3,952	–	3,952
Manager's divestment fees settled in units		202	–	–	202	–	202
Perpetual securities redemption, distribution and gain on redemption, net of transaction costs		–	7,858	–	7,858	(26,980)	(19,122)
Change in net assets resulting from creation of units and perpetual securities redemption		135,654	7,858	–	143,512	(26,980)	116,532
Distributions to unitholders		(30,321)	(19,168)	–	(49,489)	–	(49,489)
Distributions to perpetual securities holders		–	–	–	–	(2,989)	(2,989)
<b>Net increase/(decrease) in net assets resulting from transactions with unitholders and perpetual securities holders</b>		105,333	(11,310)	–	94,023	(29,969)	64,054
<b>At 31 December 2022</b>		586,783	124,573	(79,276)	632,080	33,282	665,362

**Condensed Statements of Movements in Unitholders' Funds (cont'd)**  
**As at 31 December 2023**

	Note	← Unitholders' funds →			Perpetual securities \$'000	Total \$'000
		Issued equity \$'000	Accumulated losses \$'000	Subtotal \$'000		
<b>Trust</b>						
<b>Operations</b>						
<b>At 1 January 2023</b>		586,783	(156,868)	429,915	33,282	463,197
Total return for the year		–	31,632	31,632	–	31,632
Less: Amount reserved for distribution to perpetual securities holders		–	(1,656)	(1,656)	1,656	–
<b>Net increase in net assets resulting from operations/Total comprehensive return</b>		–	29,976	29,976	1,656	31,632
<b>Transactions with unitholders and perpetual securities holders</b>						
Manager's management fees settled in units		4,788	–	4,788	–	4,788
Change in net assets resulting from creation of units		4,788	–	4,788	–	4,788
Distributions to unitholders		(26,485)	(25,651)	(52,136)	–	(52,136)
Distributions to perpetual securities holders		–	–	–	(1,656)	(1,656)
<b>Net decrease in net assets resulting from transactions with unitholders and perpetual securities holders</b>		(21,697)	(25,651)	(47,348)	(1,656)	(49,004)
<b>At 31 December 2023</b>		<b>565,086</b>	<b>(152,543)</b>	<b>412,543</b>	<b>33,282</b>	<b>445,825</b>

**Condensed Statements of Movements in Unitholders' Funds (cont'd)**  
**As at 31 December 2023**

	Note	← Unitholders' funds →			Perpetual securities \$'000	Total \$'000
		Issued equity \$'000	Accumulated losses \$'000	Subtotal \$'000		
<b>Trust</b>						
<b>Operations</b>						
<b>At 1 January 2022</b>		481,450	(140,056)	341,394	60,675	402,069
Total loss for the year		–	(2,926)	(2,926)	–	(2,926)
Less: Amount reserved for distribution to perpetual securities holders		–	(2,576)	(2,576)	2,576	–
<b>Net (decrease)/increase in net assets resulting from operations/Total comprehensive (loss)/return</b>		–	(5,502)	(5,502)	2,576	(2,926)
<b>Transactions with unitholders and perpetual securities holders</b>						
Partial consideration for acquisition of subsidiaries paid in units	14	131,500	–	131,500	–	131,500
Manager's management fees settled in units		3,952	–	3,952	–	3,952
Manager's divestment fees settled in units		202	–	202	–	202
Perpetual securities redemption, distribution and gain on redemption, net of transaction costs		–	7,858	7,858	(26,980)	(19,122)
Change in net assets resulting from creation of units and perpetual securities redemption		135,654	7,858	143,512	(26,980)	116,532
Distributions to unitholders		(30,321)	(19,168)	(49,489)	–	(49,489)
Distributions to perpetual securities holders		–	–	–	(2,989)	(2,989)
<b>Net increase/(decrease) in net assets resulting from transactions with unitholders and perpetual securities holders</b>		105,333	(11,310)	94,023	(29,969)	64,054
<b>At 31 December 2022</b>		586,783	(156,868)	429,915	33,282	463,197

**Condensed Statements of Cash Flows**  
**As at 31 December 2023**

	Note	<b>Group</b>	
		<b>12 months ended 31/12/2023 \$'000</b>	<b>12 months ended 31/12/2022 \$'000</b>
<b>Cash flows from operating activities</b>			
Total return for the year after income tax		63,339	33,585
Adjustments for:			
Finance income		(507)	(277)
Interest expense		18,023	14,073
Amortisation of transaction costs		4,675	5,361
Depreciation expense		13	14
Unrealised foreign exchange losses/(gains)		2,598	(924)
Losses on disposal of quoted shares		7	30
Loss on disposal of a subsidiary		–	713
Net fair value (gains)/losses on investment properties		(10,834)	22,651
Adjustment on rental straight lining		(15,189)	(19,387)
Net fair value loss of derivatives financial instruments		477	420
Manager's management fees settled in units		4,470	4,712
Income tax expenses		14,877	18,369
Operating cash flows before changes in working capital		81,949	79,340
Trade and other receivables		(15,422)	14,341
Other assets		86	2,613
Trade and other payables		7,065	(562)
Other liabilities		(339)	2,671
Cash generated from operations		73,339	98,403
Income taxes paid		(3,384)	(5,323)
<b>Net cash flows from operating activities</b>		<b>69,955</b>	<b>93,080</b>
<b>Cash flows from investing activities</b>			
Capital expenditures on investment properties	4	(4,923)	(4,306)
Acquisition of investment properties	4	–	(31,061)
Disposal of a subsidiary, net of cash disposed	15	–	37,954
Acquisition of subsidiaries, net of cash acquired	14	–	5,284
Interest received		307	277
Investments in quoted shares		(117)	(522)
Disposals of quoted shares		110	492
<b>Net cash flows (used in)/from investing activities</b>		<b>(4,623)</b>	<b>8,118</b>

**Condensed Statements of Cash Flows (cont'd)**  
**As at 31 December 2023**

	<b>Group</b>	
	<b>12 months ended 31/12/2023 \$'000</b>	<b>12 months ended 31/12/2022 \$'000</b>
<b>Cash flows from financing activities</b>		
Distribution to unitholders	(52,136)	(49,489)
Distribution to perpetual securities holders	(1,656)	(2,989)
Proceeds from borrowings	122,000	379,271
Repayment of borrowings	(115,857)	(381,534)
Payment of transaction costs related to borrowings	(3,778)	(12,269)
Proceeds from settlement of derivative financial instruments	4	–
Interest paid	(17,837)	(14,672)
Perpetual securities redemption, distribution and gain on redemption, net transaction cost	–	(19,122)
Premium paid for interest rate caps	–	(1,847)
<b>Net cash flows used in financing activities</b>	<b>(69,260)</b>	<b>(102,651)</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(3,928)</b>	<b>(1,453)</b>
Cash and cash equivalents at beginning of the year	46,103	51,203
Effect of exchange rate fluctuations on cash and cash equivalents held	(1,909)	(3,647)
<b>Cash and cash equivalents at 31 December</b>	<b>40,266</b>	<b>46,103</b>

**Significant non-cash transactions**

**Group**

During the year, there were the following significant non-cash transactions:

- For the period from 1 January 2023 to 31 December 2023, 7,439,255 Units, amounting to approximately \$1,835,000 were issued to the Manager as satisfaction of the base management fee paid to the Manager. The performance management fees for the period from 1 January 2023 to 31 December 2023 amounting to approximately \$2,635,000 will be issued to the Manager in financial year 2024 based on 10 days volume weighted average price as at 31 December 2023.
- For the period from 1 January 2022 to 31 December 2022, 7,218,563 Units, amounting to approximately \$1,998,000 were issued to the Manager as satisfaction of the base management fee paid to the Manager. The performance management fees for the period from 1 January 2022 to 31 December 2022 amounting to approximately \$2,714,000 will be issued to the Manager in financial year 2023 based on 10 days volume weighted average price as at 31 December 2022.
- On 1 March 2022, 431,147,541 Units, amounting to approximately \$131,500,000 were issued to OUE Healthcare Limited (formerly known as OUE Lippo Healthcare Limited) (“OUEH”), a related party as partial consideration paid pursuant to the acquisition of subsidiaries (note 14).
- On 1 March 2022, intercompany loans and balances payable by OUEH, amounting to \$19,934,000 were novated from OUEH to the Group to set off from the purchase consideration payable pursuant to the acquisition of subsidiaries (note 14).
- On 22 December 2022, 791,394 Units, amounting to approximately \$202,000 were issued to the Manager as divestment fees for the divestment of an indirect subsidiary that held Siloam Hospitals Surabaya (note 15).



**Statements of Portfolio**  
**As at 31 December 2023**

	<b>Carrying value as at 31/12/2023 \$'000</b>	<b>Percentage of net assets attributable to unitholders as at 31/12/2023 %</b>	<b>Carrying value as at 31/12/2022 \$'000</b>	<b>Percentage of net assets attributable to unitholders as at 31/12/2022 %</b>
<b>Group</b>				
Investment properties in Singapore	31,700	5.06	32,500	5.14
Investment properties in Indonesia	849,055	135.44	825,580	130.61
Investment property in Japan	258,713	41.27	287,263	45.45
Portfolio of investment properties at valuation – total	1,139,468	181.77	1,145,343	181.20
Other net liabilities	(479,302)	(76.46)	(479,981)	(75.94)
Net assets attributable to holders	660,166	105.31	665,362	105.26
Perpetual securities holders	(33,282)	(5.31)	(33,282)	(5.26)
Net assets attributable to unitholders	626,884	100.00	632,080	100.00
<b>Trust</b>				
Investment properties in Singapore	31,700	7.68	32,500	7.56
Portfolio of investment properties at valuation – total	31,700	7.68	32,500	7.56
Investments in subsidiaries	766,703	185.85	764,149	177.74
Other net liabilities	(352,578)	(85.46)	(333,452)	(77.56)
Net assets attributable to holders	445,825	108.07	463,197	107.74
Perpetual securities holders	(33,282)	(8.07)	(33,282)	(7.74)
Net assets attributable to unitholders	412,543	100.00	429,915	100.00

**Statements of Portfolio (cont'd)**  
**As at 31 December 2023**

**By Geographical Area**

Description of property / Location / Acquisition date/ Type of property / Land title type / Term of lease <sup>(a)</sup> / Remaining term of lease <sup>(b)</sup>	Gross floor area in square meters	Carrying value as at 31/12/2023 \$'000	Percentage of net assets attributable to unitholders as at 31/12/2023 %	Carrying value as at 31/12/2022 \$'000	Percentage of net assets attributable to unitholders as at 31/12/2022 %
<b><u>Singapore</u></b>					
Pacific Healthcare Nursing Home @ Bukit Merah 6 Lengkok Bahru, Singapore 159051 11 April 2007, Nursing Home 30 years leasehold from 2002 10+10 years/ 3.3 years	3,593	8,100	1.30	8,500	1.34
Pacific Healthcare Nursing Home II @ Bukit Panjang 21 Senja Road, Singapore 677736 11 April 2007, Nursing Home 30 years leasehold from 2003 10+10 years/ 3.3 years	3,563	8,600	1.37	8,900	1.41
The Lentor Residence 51 Lentor Avenue, Singapore 786876 8 June 2007, Nursing Home 99 years leasehold from 1938 10+10 years/ 13.4 years	4,005	15,000	2.39	15,100	2.39
Portfolio of investment properties held by the Trust at valuation – Sub-total		31,700	5.06	32,500	5.14

**Statements of Portfolio (cont'd)**  
**As at 31 December 2023**

**By Geographical Area**

Description of property / Location / Acquisition date/ Type of property / Land title type / Term of lease <sup>(a)</sup> / Remaining term of lease <sup>(b)</sup>	Gross floor area in square meters	Percentage of net assets attributable to		Percentage of net assets attributable to	
		Carrying value as at 31/12/2023 \$'000	unitholders as at 31/12/2023 %	Carrying value as at 31/12/2022 \$'000	unitholders as at 31/12/2022 %
<b><u>Indonesia</u></b>					
Siloam Hospitals Lippo Village Jalan Siloam No. 6 Lippo Karawaci 1600, Tangerang, Banten, Indonesia 11 December 2006, Hospital Hak Guna Bangunan (“HGB”) 15+15 years/ 27 years	32,696	167,889	26.78	162,185	25.65
Siloam Hospitals Kebon Jeruk Jalan Raya Perjuangan Kav. 8 Kebon Jeruk, West Jakarta 11530, Indonesia 11 December 2006, Hospital HGB 15+15 years/ 27 years	20,268	70,863	11.30	70,843	11.21
Imperial Aryaduta Hotel & Country Club Jalan Boulevard Jendral Sudirman, Kav. 401, Lippo Village 1300, Tangerang, Banten, Indonesia 11 December 2006, Hotel & Country Club HGB 1+1 year/ 2 years	17,926	28,567	4.56	27,550	4.36

**Statements of Portfolio (cont'd)**  
**As at 31 December 2023**

**By Geographical Area**

Description of property / Location / Acquisition date / Type of property / Land title type / Term of lease <sup>(a)</sup> / Remaining term of lease <sup>(b)</sup>	Gross floor area in square meters	Percentage of net assets attributable to		Percentage of net assets attributable to	
		Carrying value as at 31/12/2023 \$'000	unitholders as at 31/12/2023 %	Carrying value as at 31/12/2022 \$'000	unitholders as at 31/12/2022 %
<b><u>Indonesia (cont'd)</u></b>					
Mochtar Riady Comprehensive Cancer Centre Jalan Garnisun Dalam No. 2- 3, Semanggi, Central Jakarta 12930, Indonesia 30 December 2010, Hospital HGB 15+15 years/ 27 years	37,933	128,576	20.51	124,445	19.69
Siloam Hospitals Lippo Cikarang Jalan Mohammad Husni Thamrin Kav. 105, Lippo Cikarang, Bekasi, Indonesia 17550 31 December 2010, Hospital HGB 15+15 years/ 17 years	13,256	53,100	8.47	50,440	7.98
Siloam Hospitals Manado & Hotel Aryaduta Manado Jalan Sam Ratulangi No. 22, Komplek Boulevard Center and Jalan Piere Tendean No. 1, Manado, North Sulawesi Indonesia 95111  Siloam Hospitals Manado 30 November 2012, Hospital HGB 15+15 years/ 27 years	36,051	78,237	12.48	77,703	12.29
Hotel Aryaduta Manado 30 November 2012, Hotel HGB 15+15 years/ 19 years					

**Statements of Portfolio (cont'd)**  
**As at 31 December 2023**

**By Geographical Area**

Description of property / Location / Acquisition date / Type of property / Land title type / Term of lease <sup>(a)</sup> / Remaining term of lease <sup>(b)</sup>	Gross floor area in square meters	Percentage of net assets attributable to		Percentage of net assets attributable to	
		Carrying value as at 31/12/2023 \$'000	unitholders as at 31/12/2023 %	Carrying value as at 31/12/2022 \$'000	unitholders as at 31/12/2022 %
<b><u>Indonesia (cont'd)</u></b>					
Siloam Hospitals Makassar Jalan Metro Tanjung Bunga Kav 3-5, Makassar City, South Sulawesi, Indonesia 30 November 2012, Hospital HGB 15+15 years/ 27 years	14,307	68,340	10.90	65,407	10.35
Siloam Hospitals Bali Jalan Sunset Road No. 818, Kuta, Badung, Bali, Indonesia 13 May 2013, Hospital HGB 15+15 years/ 27 years	20,958	64,280	10.25	61,710	9.76
Siloam Hospitals TB Simatupang Jalan Letjend. TB Simatupang, Jalan R.A. Kartini No. 8, Cilandak, South Jakarta, Indonesia 22 May 2013, Hospital HGB 15+15 years/ 27 years	18,605	42,720	6.82	41,119	6.51
Siloam Hospitals Purwakarta Jalan Raya Bungursari No. 1, Purwakarta, West Java, Indonesia 28 May 2014, Hospital HGB 15+15 years/ 27 years	8,254	22,210	3.54	21,550	3.41

**Statements of Portfolio (cont'd)**  
**As at 31 December 2023**

**By Geographical Area**

Description of property / Location / Acquisition date / Type of property / Land title type / Term of lease <sup>(a)</sup> / Remaining term of lease <sup>(b)</sup>	Gross floor area in square meters	Percentage of net assets attributable to		Percentage of net assets attributable to	
		Carrying value as at 31/12/2023 \$'000	unitholders as at 31/12/2023 %	Carrying value as at 31/12/2022 \$'000	unitholders as at 31/12/2022 %
<b><u>Indonesia (cont'd)</u></b>					
Siloam Sriwijaya Jalan POM IX, Komplek Palembang Square, Palembang, South Sumatra, Indonesia 29 December 2014, Hospital Strata Title on Build, Operate and Transfer scheme 15+15 years/ 27 years	15,709	21,561	3.44	22,805	3.61
Siloam Hospitals Kupang & Lippo Plaza Kupang Jalan Veteran, No. 4, Arena Pameran Fatululi, Kupang, East Nusa Tenggara, Indonesia	55,368	49,742	7.94	48,528	7.68
Siloam Hospitals Kupang 14 December 2015, Hospital Build, Operate and Transfer ("BOT") scheme 15+15 years/ 27 years					
Lippo Plaza Kupang 14 December 2015, Mall BOT scheme 15+15 years/ 22 years					
Siloam Hospitals Labuan Bajo Jalan Gabriel Gampur, Labuan Bajo, East Nusa Tenggara, Indonesia 30 December 2016, Hospital HGB 15+15 years/ 27 years	7,604	9,966	1.59	9,952	1.57

**Statements of Portfolio (cont'd)**  
**As at 31 December 2023**

**By Geographical Area**

Description of property / Location / Acquisition date / Type of property / Land title type / Term of lease <sup>(a)</sup> / Remaining term of lease <sup>(b)</sup>	Gross floor area in square meters	Percentage of net assets attributable to		Percentage of net assets attributable to	
		Carrying value as at 31/12/2023 \$'000	unitholders as at 31/12/2023 %	Carrying value as at 31/12/2022 \$'000	unitholders as at 31/12/2022 %
<b><u>Indonesia (cont'd)</u></b>					
Siloam Hospitals Baubau & Lippo Plaza Baubau <sup>(1)</sup> Jalan Sultan Hasanuddin No. 50, 52, 54 and 58 Baubau, Sulawesi Tenggara, Indonesia	21,934	23,542	3.76	22,480	3.56
Siloam Hospitals Baubau <sup>(1)</sup> 10 October 2017, Hospital Build, Operate and Transfer ("BOT") scheme 15+15 years/ 27 years					
Lippo Plaza Baubau <sup>(1)</sup> 10 October 2017, Mall BOT Scheme 15+15 years/ 24 years					
Siloam Hospitals Yogyakarta Jalan Laksda Adi Sucipto No. 32-34 Yogyakarta, Indonesia 22 December 2017, Hospital HGB 15+15 years/ 27 years	12,474	19,462	3.10	18,863	2.98

<sup>(1)</sup> Formerly known as Siloam Hospitals Buton & Lippo Plaza Buton

**Statements of Portfolio (cont'd)**  
**As at 31 December 2023**

**By Geographical Area**

Description of Property/ Location/Acquisition Date/ Type of Property/Land Title Type/Term of Lease <sup>(a)</sup> / Remaining Term of Lease <sup>(b)</sup>	Gross floor area in square meters	Percentage of net assets attributable to		Percentage of net assets attributable to	
		Carrying value as at 31/12/2023 \$'000	unitholders as at 31/12/2023 %	Carrying value as at 31/12/2022 \$'000	unitholders as at 31/12/2022 %
<b><u>Japan</u></b>					
Hikari Heights Varus Ishiyama Ishiyama 1-jo 3-3-33 Minami-ku, Sapporo, Hokkaido 01 March 2022, Nursing Home Freehold 30+5 years/ 24.3 years	8,747	7,195	1.14	8,639	1.37
Hikari Heights Varus Tsukisamu Koen Misono 9-jo 8-5-1, Toyohira-ku Sapporo, Hokkaido 01 March 2022, Nursing Home Freehold 30+5 years/ 24.3 years	4,362	6,311	1.01	6,753	1.07
Hikari Heights Varus Fujino Fujino 3-jo 11-10-11, Minami-ku Sapporo, Hokkaido 01 March 2022, Nursing Home Freehold 30+5 years/ 24.3 years	9,782	15,456	2.47	17,238	2.73
Hikari Heights Varus Kotoni Nijuyonken 4-jo 1-3-1, Nishi-ku, Sapporo, Hokkaido 01 March 2022, Nursing Home Freehold 30+5 years/ 24.3 years	20,756	60,996	9.73	67,728	10.72
Varus Cuore Yamanote Yamanote 6-jo 2-1-1, Nishi-ku Sapporo, Hokkaido 01 March 2022, Nursing Home Freehold 30+5 years/ 24.3 years	2,808	10,488	1.67	11,526	1.82



**Statements of Portfolio (cont'd)**  
**As at 31 December 2023**

**By Geographical Area**

Description of Property/ Location/Acquisition Date/ Type of Property/Land Title Type/Term of Lease <sup>(a)</sup> / Remaining Term of Lease <sup>(b)</sup>	Gross floor area in square meters	Percentage of net assets attributable to		Percentage of net assets attributable to	
		Carrying value as at 31/12/2023 \$'000	unitholders as at 31/12/2023 %	Carrying value as at 31/12/2022 \$'000	unitholders as at 31/12/2022 %
<b><u>Japan (cont'd)</u></b>					
Hikari Heights Varus Makomanai Koen Makomanai Midoricho 1-1-1 Minami-ku, Sapporo, Hokkaido 01 March 2022, Nursing Home Freehold 30+5 years/ 24.3 years	13,301	44,344	7.07	48,858	7.73
Varus Cuore Sapporo Kita/ Annex Tonden 8-jo 9-3-7, Kita-ku Sapporo, Hokkaido 01 March 2022, Nursing Home Freehold 30+5 years/ 24.3 years	7,637	27,508	4.39	30,702	4.86
ElySION Gakuenmae Nakatomioka 1-1994-6, Nara-shi, Nara 01 March 2022, Nursing Home Freehold 30+5 years/ 24.3 years	3,790	15,272	2.44	16,932	2.68
ElySION Mamigaoka/ Mamigaoka Annex Umami-minami 4-1-19, Koryocho Kitakatsuragi-gun, Nara 01 March 2022, Nursing Home Freehold 30+5 years/ 24.3 years	10,259	20,884	3.33	24,480	3.87
Orchard Amanohashidate Aza Mannen Koaza Akaiwa 1060-1, Miyazu, Kyoto 01 March 2022, Nursing Home Freehold 30+5 years/ 24.3 years	2,927	8,206	1.31	9,180	1.45

**Statements of Portfolio (cont'd)**  
**As at 31 December 2023**

**By Geographical Area**

Description of Property/ Location/Acquisition Date/ Type of Property/Land Title Type/Term of Lease <sup>(a)</sup> / Remaining Term of Lease <sup>(b)</sup>	Gross floor area in square meters	Percentage of net assets attributable to		Percentage of net assets attributable to	
		Carrying value as at 31/12/2023 \$'000	unitholders as at 31/12/2023 %	Carrying value as at 31/12/2022 \$'000	unitholders as at 31/12/2022 %
<b><u>Japan (cont'd)</u></b>					
Orchard Kaichi North Kaichi 2-3-50, Matsumoto, Nagano 01 March 2022, Nursing Home Freehold 30+5 years/ 24.3 years	5,058	12,420	1.98	13,668	2.16
Orchard Kaichi West Kaichi 2-3-50, Matsumoto, Nagano 01 March 2022, Nursing Home Freehold 30+5 years/ 24.3 years	1,561	4,333	0.69	4,325	0.68
Medical Rehabilitation Home Bon Séjour Komaki 3-chōme-1 Shiroyama, Komaki, Aichi 485-0812, Japan 27 September 2022, Nursing Home Freehold 20+5 years/ 8.4 years	8,858	14,720	2.35	15,606	2.47
Loyal Residence Ayase 4695-1, 7- chōme, Fukaya, Ayase city, Kanagawa 29 September 2022, Nursing Home Freehold 30 years/ 19.7 years	3,387	10,580	1.69	11,628	1.84
Portfolio of investment properties held by the Group at valuation – Total		1,139,468	181.77	1,145,343	181.20

**Statements of Portfolio (cont'd)**  
**As at 31 December 2023**

Notes:

- (a): This refers to the entire tenure of the master lease terms on the basis that the underlying HGB Titles of each of the properties can be extended and renewed, except for Siloam Sriwijaya which is held on a strata title basis under a Build, Operate and Transfer (“BOT”) scheme, and Siloam Hospitals Kupang & Lippo Plaza Kupang and Siloam Hospitals Baubau & Lippo Plaza Baubau (formerly known as Siloam Hospital Buton & Lippo Plaza Buton) which are under BOT schemes.
- (b): This refers to the remaining tenure of the master lease terms as at 31 December 2023 on the basis that the underlying HGB Titles of each of the properties can be extended and renewed, except for Siloam Sriwijaya which is held on a strata title basis under BOT scheme, and Siloam Hospitals Kupang & Lippo Plaza Kupang and Siloam Hospitals Baubau & Lippo Plaza Baubau (formerly known as Siloam Hospital Buton & Lippo Plaza Buton) which are under BOT schemes.

The types of property titles held by the Group are as follows:

**(a) Hak Guna Bangunan (“HGB”) Title**

This title gives the right to construct and own buildings on a plot of land. The right is transferable and may be encumbered. Technically, HGB is a leasehold title which the State retains “ownership”. For practical purposes, there is little difference from a freehold title. HGB title is granted for an initial period of up to 30 years and is extendable for a subsequent 20-year period and another 30-year period. Upon the expiration of such extensions, new HGB title may be granted on the same land. The cost of extension is determined based on a certain formula as stipulated by the National Land Office (Badan Pertanahan Nasional) in Indonesia.

**(b) Build, Operate and Transfer Scheme (“BOT Scheme”)**

This scheme is a structure in Indonesia for the construction of commercial buildings where Indonesia government owns the relevant land (“BOT land”). Under the BOT scheme, the Indonesia government which owns BOT land (“BOT grantor”) agrees to grant certain rights over the BOT land to another party (“BOT grantee”).

The BOT grantee can develop the site, subject to the relevant approvals and then operate the buildings constructed on the BOT land for a particular period of time as stipulated in the BOT agreement, including obtaining Strata title certificates on the BOT land. A BOT scheme is granted for an initial period of 20 to 30 years and is extendable upon agreement of both the grantor and grantee. Upon expiration of the term of the BOT agreement, the BOT grantee must return the land, together with any buildings and fixtures on top of the land, without either party providing any form of compensation to the other.

**(c) Strata Title**

This title gives the party who holds the property the ownership of common areas, common property and common land proportionately with other Strata title owners.

## **Notes to the Condensed Interim Financial Statements**

These notes form an integral part of the financial statements.

### **1 General**

First Real Estate Investment Trust (the “Trust”) is a Singapore-domiciled unit trust constituted pursuant to the trust deed dated 19 October 2006 (subsequently amended by a First Supplemental Deed dated 6 September 2007, a second Supplemental Deed dated 19 April 2010, a third Supplemental Deed dated 26 April 2011, a fourth Supplemental Deed dated 1 April 2013, a first Amending and Restating Deed dated 23 March 2016, a supplemental Deed of Retirement and Appointment of Trustee dated 1 November 2017, a fifth Supplemental Deed dated 22 May 2018, a sixth Supplemental Deed dated 30 April 2019, a seventh Supplemental Deed dated 7 April 2020) and an eighth supplemental deed dated 25 February 2022) (the “Trust Deed”) between First REIT Management Limited (the “Manager”) and Perpetual (Asia) Limited (the “Trustee”), governed by the laws of Singapore.

The Trust is listed on the Singapore Exchange Securities Trading Limited (“SGX-ST”).

The principal activity of the Trust and its subsidiaries (the “Group”) is to invest in a portfolio of income producing real estate properties, which are primarily used for healthcare and healthcare related purposes. The primary objective is to deliver regular and stable distributions to unitholders and to achieve long-term growth in the net asset value per unit.

The consolidated condensed interim financial statements (“Financial Statements”) relate to the Trust and its subsidiaries (the “Group”).

The Group is regarded as a subsidiary of OUE Healthcare Limited for financial reporting purposes. Accordingly, the ultimate holding company of the Trust is Lippo ASM Property Limited, a company incorporated in the Cayman Islands.

The registered office of the Manager is 333 Orchard Road #33-02 Hilton Singapore Orchard, Singapore 238867.

### **2 Basis of preparation**

The financial statements have been prepared in accordance with the recommendations of the Statement of Recommended Accounting Practice 7 “Reporting Framework for Investment Funds” (“RAP 7”) issued by the Institute of Singapore Chartered Accountants and the applicable requirements of the Code on Collective Investment Schemes issued by the Monetary Authority of Singapore (“MAS”) and the provisions of the Trust Deed. RAP 7 requires that the accounting policies should generally comply with the principles relating to recognition and measurement of the Financial Reporting Standards (“FRSs”) issued by the Singapore Accounting Standards Council.

The financial statements do not contain all of the information required for full annual financial statements.

## **2 Basis of preparation (cont'd)**

The financial statements are prepared on a going concern basis under the historical cost convention except where a FRS requires an alternative treatment (such as fair values) as disclosed where appropriate in these financial statements.

The financial statements are presented in Singapore dollars, which is the Trust's functional currency. All financial information presented in Singapore dollars has been rounded to the nearest thousand, unless otherwise stated.

The preparation of financial statements in conformity with RAP 7 requires the management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results could differ from those estimates.

Estimates and assumptions are reviewed on an ongoing basis. Apart from those involving estimations, management has made judgements in the process of applying the entity's accounting policies. The areas requiring management's most difficult, subjective or complex judgements, or areas where assumptions and estimates are significant to the financial statements, are disclosed at the end of this footnote, where applicable.

In preparing this financial statements, significant judgements made by the management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the six-month period and full year ended 31 December 2023 and 31 December 2022.

The accounting policies applied by the Group in this financial statements are the same as those applied by the Group in its financial statements as at and for the year ended 31 December 2022, except for adoption of the revised version of RAP 7 and new and revised standards that are effective for annual periods beginning on 1 January 2023. The adoption of these new and revised standards did not have a material impact on the Group's financial statements.

A number of new standards, interpretations and amendments to standards are effective for annual periods beginning after 1 January 2023 and earlier application is permitted; however, the Group has not early adopted the new or amended standards and interpretations in preparing this financial statements.

### **2.1 Seasonal operations**

The business of the Group is not affected significantly by seasonal or cyclical factors during the financial period/year.

### 3 Investment properties

	Note	Group		Trust	
		2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
At 1 January		1,145,343	962,447	32,500	33,200
Acquisition of subsidiaries	14	–	296,741	–	–
Acquisition of investment properties <sup>(a)</sup>		–	31,061	–	–
Capital expenditures		4,923	4,306	192	226
Disposal of a subsidiary	15	–	(40,438)	–	–
Adjustment on rental straight-lining		15,189	19,387	(86)	(8)
<b>Gains/(Losses) for the year</b>					
Net fair value gains/(losses) recognised in profit or loss		10,834	(22,651)	(906)	(918)
<b>Losses recognised in other comprehensive income (“OCI”)</b>					
Effects of movement in exchange rates		(36,821)	(105,510)	–	–
At 31 December		<u>1,139,468</u>	<u>1,145,343</u>	<u>31,700</u>	<u>32,500</u>

<sup>(a)</sup> In 2022, the Group acquired two Japan nursing homes, Medical Rehabilitation Home Bon Sejour Komaki and Loyal Residence Ayase, for a total consideration of Japanese Yen (“JPY”) 2,580,000,000 (equivalent to approximately \$27,606,000), with a total acquisition cost capitalised amounting to \$3,455,000.

As at 31 December 2023, investment properties of the Group with carrying amounts of \$832,726,000 (2022: \$811,667,000) were pledged as security for related borrowings (see note 6).

The fair value of investment properties were determined by external valuers, having appropriate recognised professional qualifications and recent experience in the location and category of property being valued. External valuers appraise the fair value of the Group’s investment property portfolio every year.

### 3 Investment properties (cont'd)

The fair values are based on open market values, being the estimated amount for which a property could be exchanged on the date of the valuation between a willing buyer and a willing seller in an arm's length transaction wherein the parties had each acted knowledgeably and without compulsion. In determining the fair value as at the reporting date, the external valuers have adopted a combination of valuation methods, including discounted cash flow and direct comparison method (2022: discounted cash flow, income capitalisation and direct comparison method). The valuation methods involve certain estimates including those relating to market-corroborated discount rate, terminal capitalisation rate, and price per square metre (2022: discount rate, terminal capitalisation rate, capitalisation rate, and price per square metre). The specific risks inherent in each of the properties are taken into consideration in arriving at the valuations.

### 4 Investments in subsidiaries

	<b>Trust</b>	
	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
Movements during the year, at cost:		
At 1 January	764,149	669,173
Acquisition of subsidiaries	–	169,022
Incorporation of subsidiaries	35	–
Investment in redeemable preference shares	–	14,042
Redemption of redeemable preference shares by subsidiaries	(22,137)	(42,617)
Reversal/(Allowance) for impairment losses	24,656	(45,471)
At 31 December	766,703	764,149
Total cost comprising:		
Unquoted equity shares at cost	583,859	583,824
Redeemable preference shares at cost	252,477	274,614
Allowance for impairment losses	(69,633)	(94,289)
Total at cost	766,703	764,149

The redeemable preference shares are redeemable at the option of the Singapore subsidiaries.

#### **Allowance for impairment loss on investments in subsidiaries**

At each reporting date, the Trust carries out impairment assessment of its investments in subsidiaries to assess whether there is any indication of impairment. The Trust evaluates, amongst other factors, the future profitability of the subsidiaries, including factors such as industry performance, operational and financing cash flows. The recoverable amounts were estimated based on the net assets value of the subsidiaries which comprised predominantly investment properties measured at fair value determined by external valuers and categorised as Level 3 on the fair value hierarchy.

The recoverable amount of the investments could change significantly as a result of the changes in market conditions and the assumptions used in determining the recoverable amount. Based on this assessment, the Trust recognised a reversal for impairment loss of \$24,656,000 (2022: allowance for impairment loss of \$45,471,000) on its investments in subsidiaries during the year.

## 5 Trade and other receivables

	Group		Trust	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Trade receivables:				
- Third parties <sup>(a)</sup>	4,224	3,014	224	218
- Related parties	1,433	1,418	8	8
	5,657	4,432	232	226
Other receivables:				
- Third parties	592	595	482	531
- Subsidiaries	–	–	10,974	10,291
	592	595	11,456	10,822
Total trade and other receivables	6,249	5,027	11,688	11,048

- (a) The rents under the PT Metropolis Propertindo Utama (“PT MPU”) master lease agreements are payable quarterly in advance. As at 31 December 2023, the rental outstanding from PT MPU in the sum of approximately IDR 37,387,588,000 (approximately \$3,969,000), while the security deposit received from PT MPU amounted to IDR26,269,130,000 (approximately \$2,259,000).

The management will continue to engage closely with PT MPU on the repayment of the rental in arrears.

The other receivables from third parties are mainly net GST receivables from the tax authorities.

## 6 Borrowings

		Group		Trust	
		2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Guaranteed bonds	(a)	100,000	100,000	100,000	100,000
Social term loan A	(b)	233,713	235,713	233,713	235,713
Social term loan B	(c)	15,272	16,932	–	–
Secured Tokutei Mokuteki Kaisha (“TMK”) bonds A	(d)	–	108,553	–	–
Secured TMK bonds B and Term loan C	(e)	109,940	–	–	–
Less: Unamortised transaction costs		(9,079)	(10,132)	(6,787)	(9,400)
		449,846	451,066	326,926	326,313



## 6 Borrowings (cont'd)

	Group		Trust	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Current	920	1,453	–	–
Non-current	448,926	449,613	326,926	326,313
	<u>449,846</u>	<u>451,066</u>	<u>326,926</u>	<u>326,313</u>

The borrowings comprise the following:

### (a) Guaranteed bonds

On 7 April 2022, \$100 million guaranteed bonds at a coupon rate of 3.25% due in April 2027 were issued by Trust to refinance \$100 million syndicated secured loan, matured in May 2022. The guaranteed bonds amounting to \$100 million are unconditionally and irrevocably guaranteed by the Credit Guarantee and Investment Facility, a trust fund of the Asian Development Bank. The interest of the bonds is payable half-yearly in arrears. The bonds are listed on the Singapore Exchange Securities Trading Limited.

### (b) Social term loan A

On 25 November 2022, the Trustee entered into a facility agreement with two of the existing lenders, Oversea-Chinese Banking Corporation Limited (“OCBC”) and Commerce International Merchant Banks (“CIMB”) in respect of a \$300 million social term loan and revolving credit facilities agreement (the “Facilities”) to refinance the \$260 million syndicated secured loan matured on 1 March 2023. As at 31 December 2023, the Trust drew down social term loan A amounting to \$234 million (2022: \$235 million) under this Facilities which is repayable in May 2026.

### (c) Social term loan B

On 29 September 2022, the Trust’s indirect subsidiary, First REIT Japan Two GK, secured a JPY1.66 billion (equivalent to approximately \$15.3 million) non-recourse social loan from Shinsei Trust Bank Limited which is due on 27 September 2026. The proceeds from social term loan B were utilised to partially fund the acquisition of two nursing homes, Loyal Residence Ayase and Medical Rehabilitation Homes Bon Sejour Komaki which are located in Japan in 2022.

### (d) Secured TMK bonds A

TMK is an investment vehicle incorporated under the Asset Liquidation Law of Japan to acquire real estate and obtain debt financing in real estate finance transactions in Japan. A TMK may issue TMK bonds, which are generally issued to qualified institutional investors. The TMK grants to holders of TMK bonds the right to receive all payments due in relation to such TMK bonds out of the assets of the TMK prior to any payments to other unsecured creditors. This statutory right is generally referred to as a general security interest. Unless otherwise provided in the Asset Liquidation plan, such general security is automatically created by operation of law.

## 6 Borrowings (cont'd)

### (d) Secured TMK bonds A (cont'd)

The secured TMK bonds A pertain to a 5 year bonds issued by the Trust's indirect subsidiary, OUELH Japan First TMK, for JPY10.6 billion (equivalent to approximately S\$97.5 million) due in May 2025 to Shinsei Bank Limited. The secured TMK bonds A were fully repaid on 23 June 2023 financed by a new secured TMK bonds of JPY2 billion and a secured term loan of JPY10 billion (note 6e).

### (e) Secured TMK bonds B and Term Loan C

On 23 June 2023, OUELH Japan First TMK, a subsidiary of the Group, issued a 7 year bonds amounting to JPY2 billion (equivalent to approximately \$18.4 million) to Kiraboshi Bank Ltd and obtained a term loan of JPY10 billion (equivalent to approximately \$92.0 million) ("Term loan C") from Kiraboshi Bank Ltd. The outstanding balance for the secured TMK bond B and Term loan C as at 31 December 2023 amounts to JPY2 billion and JPY9.95 billion (equivalent to approximately \$18.4 million and \$91.5 million) respectively. Both facilities will be due in June 2030.

The Trust entered into interest rate swaps and interest rate cap arrangements to manage the interest rate risk exposure arising from the bank loans with floating rates.

The carrying amount of the current and non-current borrowings, which are at floating variable market rates, approximate their fair values at reporting date.

### Terms and debts repayment schedule

Terms and conditions of outstanding borrowings are as follows:

2023	Currency	Nominal interest rate	Year of maturity	Face value \$'000	Carrying amount \$'000
<b>Group</b>					
Guaranteed bonds	SGD	3.25 % (2022: 3.25%)	2027	100,000	96,778
Social term loan A	SGD	5.12% to 6.02% (2022: 5.12% - 5.56%)	2026	233,713	230,148
Social term loan B	JPY	1.00% to 1.31% (2022: 1.00%)	2026	15,272	15,071
Secured TMK bonds B and Term loan C	JPY	1.50% (2022: Not applicable)	2030	109,940	107,849
				458,925	449,846
<b>Trust</b>					
Guaranteed bonds	SGD	3.25% (2022: 3.25%)	2027	100,000	96,778
Social term loan A	SGD	5.12% - 6.02% (2022: 5.12% - 5.56%)	2026	233,713	230,148
				333,713	326,926

## 6 Borrowings (cont'd)

### Terms and debts repayment schedule (cont'd)

2022	Currency	Nominal interest rate	Year of maturity	Face value \$'000	Carrying amount \$'000
<b>Group</b>					
Guaranteed bonds	SGD	3.25% (2021: Not applicable)	2027	100,000	95,571
Social term loan A	SGD	5.12% - 5.56% (2021: Not applicable)	2026	235,713	230,742
Social term loan B	JPY	1.00% (2021: Not applicable)	2026	16,932	16,629
Secured TMK bonds A	JPY	1.00% (2021: Not applicable)	2025	108,553	108,124
				461,198	451,066
<b>Trust</b>					
Guaranteed bonds	SGD	3.25% (2021: Not applicable)	2027	100,000	95,571
Social term loan A	SGD	5.12% - 5.56% (2021: Not applicable)	2026	235,713	230,742
				335,713	326,313

The social term loan A and guaranteed bonds agreements provide among other matters for the following:

- 1) Legal mortgage over the properties in Singapore and Indonesia of the Group except for Imperial Aryaduta Hotel and Country Club and Siloam Hospitals Yogyakarta (2022: the properties in Singapore and Indonesia of the Group except for Imperial Aryaduta Hotel and Country Club and Siloam Hospitals Yogyakarta).
- 2) Assignment to the banks of all of the Group's rights, titles, interests and benefits under any leases, tenancies, sales proceeds and cash flows in respect of the Indonesia properties and the Singapore properties except for Imperial Aryaduta Hotel and Country Club and Siloam Hospitals Yogyakarta (2022: Indonesia properties and the Singapore properties except for Imperial Aryaduta Hotel and Country Club and Siloam Hospitals Yogyakarta).
- 3) Assignment to the banks of all of the Group's rights, titles and interests under the insurance policies in respect of the Indonesia properties and the Singapore properties, with the bank named as a "loss payee" except for Imperial Aryaduta Hotel and Country Club Siloam Hospitals Yogyakarta (2022: Imperial Aryaduta Hotel and Country Club Siloam Hospitals Yogyakarta).

## **6 Borrowings (cont'd)**

### **Terms and debts repayment schedule (cont'd)**

- 4) A debenture containing first fixed and floating charges over all assets and undertakings of the Trust's Singapore subsidiaries and subsidiaries of Trust's Singapore subsidiaries except for Lovage International Pte. Ltd., IAHCC Investment Pte. Ltd., Kalmore Investments Pte. Ltd., and Icon1 Holdings Pte. Ltd (2022: Lovage International Pte. Ltd., IAHCC Investment Pte. Ltd., Kalmore Investments Pte. Ltd., and Icon1 Holdings Pte. Ltd).
- 5) Charge of all of the Trust's shares in the Singapore subsidiaries and subsidiaries of Trust's Singapore subsidiaries except for Lovage International Pte. Ltd., IAHCC Investment Pte. Ltd., Kalmore Investments Pte. Ltd., and Icon1 Holdings Pte. Ltd (2022: Lovage International Pte. Ltd., IAHCC Investment Pte. Ltd., Kalmore Investments Pte. Ltd., and Icon1 Holdings Pte. Ltd).
- 6) Charge of all of the Singapore subsidiaries' shares in the Indonesia subsidiaries except for the Joint-operation company, PT Yogya Central Terpadu (2022: Joint-operation company, PT Yogya Central Terpadu).
- 7) A debenture by the Group covering first fixed and floating charges over all assets and undertakings in respect of the Singapore properties.
- 8) OUE Limited's interest held in the Trust directly and indirectly is at least at 20% (2022: 20%).
- 9) OUE Healthcare Limited (formerly known as OUE Lippo Healthcare Limited)'s interest held in the Trust directly and indirectly is at least at 20% (2022: 20%).
- 10) OUE Limited's interest in First REIT Management Limited directly and indirectly is at least at 51% (2022: 51%).
- 11) Compliance with all financial covenants.

The secured social term loan B agreement provides amongst other matters for the followings:

- 1) Negative pledge against the total assets of the Trust's indirect subsidiary, First REIT Japan Two GK, which mainly comprises investment properties in Japan and cash and cash equivalents.
- 2) A corporate guarantee from the Trust.

The secured TMK bonds A, secured TMK bonds B and Term loan C agreement provides amongst others matters for the following:

- 1) Negative pledge against the total assets of the Trust's indirect subsidiary, OUELH Japan First TMK, which mainly comprises investment properties in Japan and cash and cash equivalents.
- 2) A corporate guarantee from the Trust.

## 7 Perpetual securities

In 2016, the Trust issued \$60 million of subordinated perpetual securities at a fixed rate of 5.68% per annum, with the first distribution rate reset on 8 July 2021 and subsequent resets occurring every five years thereafter. The perpetual securities have no fixed redemption date and redemption is at the option of the Trust in accordance with the terms and conditions of the securities. The distribution will be payable semi-annually at the discretion of the Trust and will be non-cumulative. The distribution rate applicable to the perpetual securities in respect of the period from the First Reset Date (being 8 July 2021) to the immediately following reset date (being 8 July 2026) shall be 4.9817%, being the prevailing five-year swap offer rate of 1.0567% per annum with respect to the relevant reset date plus the initial spread of 3.925%, in accordance with the terms and conditions of the perpetual securities.

In terms of distribution payments or in the event of winding-up of the Trust:

- These perpetual securities rank *pari passu* with holders of preferred units (if any) and rank ahead of the unitholders of Trust but junior to the claims of all present and future creditors of the Trust.
- The Trust shall not declare or pay any distributions to the unitholders, or make redemption, unless the Trust declares or pays any distributions to the perpetual securities.

These perpetual securities are classified as equity. An amount of \$1,656,000 and \$2,576,000 were reserved for distribution to perpetual securities holders for each of the reporting years ended 31 December 2023 and 31 December 2022 respectively. Management has taken the view that as there is no contractual obligation to repay the principal or to pay any distributions, the perpetual securities do not meet the definition for classification as a financial liability under FRS 32 *Financial Instruments: Disclosure and Presentation*. The perpetual securities are presented within equity, and the distributions treated as dividends.

On 22 August 2022, there was a partial redemption of perpetual securities at purchase price of 70% of the principal amount of the securities, amounting to \$26,750,000. The principal amount together with the distribution to perpetual securities holders arising from the partial redemption, totalled \$26,980,000.

As at 31 December 2023, \$33,282,000 (2022: \$33,282,000) presented in the statement of financial position represents the carrying value of the remaining perpetual securities and the total return attributable to the perpetual securities holders from the last distribution date.

## 8 Units in issue and net assets value attributable to unitholders

	Note	Group and Trust	
		2023 '000	2022 '000
At 1 January		2,058,581	1,613,028
Issuance of new units for acquisition of subsidiaries	(a)	–	431,148
Issuance of new units for divestment of a subsidiary	(b)	–	791
Issuance of new units as settlement of the Manager's management fees	(c)	18,344	13,614
At 31 December		<u>2,076,925</u>	<u>2,058,581</u>

- (a) In 2022, a total of 431,147,541 new units at an issue price of \$0.305 per unit were issued to OUE Healthcare Limited (formerly known as OUE Lippo Healthcare Limited), a related party as partial consideration of \$131,500,000 paid pursuant to the acquisition of subsidiaries on 1 March 2022 (note 14).
- (b) In 2022, a total of 791,394 new units at an issue price of \$0.2549 per unit were issued to the Manager as divestment fee of \$202,000 in relation to the divestment of an indirect subsidiary, PT Tata Prima Indah (“PT TPI”) completed on 27 September 2022 (note 15).
- (c) A total of 18,343,811 (2022: 13,613,833) new units at an issue price range from \$0.2204 to \$0.2985 (2022: \$0.2705 to \$0.3003) per unit were issued in respect of the settlement for the Manager's management fees to the Manager of \$4,788,000 (2022: \$3,952,000).

At the end of the reporting year, 4,578,992 (2022: 5,021,113) units were issuable as settlement for the Manager's management fees for the last quarter of the reporting year.

The issue price for determining the number of units issued and issuable as Manager's management fees is calculated based on the volume weighted average traded price (“VWAP”) for all trades done on SGX-ST in the ordinary course of trading for 10 business days immediately preceding the respective last business day of the respective quarter end date.

The Trust does not hold any treasury units and there is no subsidiary holding as at the end of the current financial period and as at the end of the corresponding period of the immediately preceding financial year.

Under the Trust Deed, every unit carries the same voting rights. Each unit represents an equal and undivided beneficial interest in the assets of the Trust. Units have no conversion, retraction, redemption or pre-emptive rights. The rights and interests of unitholders are contained in the Trust Deed and include the right to:

- Receive income and other distributions attributable to the units held;
- Receive audited financial statements and the annual report of the Trust; and
- Participate in the termination of the Trust by receiving a share of all net cash proceeds derived from the realisation of the assets of the Trust less any liabilities, in accordance with their proportionate interests in the Trust.

No unitholder has a right to require that any assets of the Trust be transferred to him.

## 8 Units in issue and net assets value attributable to unitholders (cont'd)

Further, unitholders cannot give directions to the Trustee or the Manager (whether at a meeting of unitholders duly convened and held in accordance with the provisions of the Trust Deed or otherwise) if it would require the Trustee or the Manager to do or omit doing anything which may result in:

- The Trust ceasing to comply with applicable laws and regulations; or
- The exercise of any discretion expressly conferred on the Trustee or the Manager by the Trust Deed or the determination of any matter which, under the Trust Deed, requires the agreement of either or both of the Trustee and the Manager.

The Trust Deed contains provisions that are designed to limit the liability of a unitholder to the amount paid or payable for any unit. The provisions seek to ensure that if the issue price of the units held by a unitholder has been fully paid, no such unitholder, by reason alone of being a unitholder, will be personally liable to indemnify the Trustee or any creditor of the Trust in the event that the liabilities of the Trust exceeds its assets.

	<b>Group</b>		<b>Trust</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Net assets value attributable to unitholders	626,884	632,080	412,543	429,915
Net assets value per unit (in cents) attributable to unitholders	30.18	30.70	19.86	20.88

## 9 Total return for the period/year before income tax

	Group			
	Six-month period ended 31/12/2023 \$'000	Six-month period ended 31/12/2022 \$'000	12-month period ended 31/12/2023 \$'000	12-month period ended 31/12/2022 \$'000
Bank interest income / <b>Finance income</b>	268	156	507	277
Property tax expense	749	740	1,521	1,280
Valuation expenses	84	166	183	267
Professional fees	607	493	1,069	854
Repairs and maintenance	65	153	155	153
Others	169	101	306	162
<b>Property operating expenses</b>	<b>1,674</b>	<b>1,653</b>	<b>3,234</b>	<b>2,716</b>
Base fees	1,860	1,959	3,713	4,041
Performance fees	2,645	2,792	5,266	5,428
<b>Manager's management fees</b>	<b>4,505</b>	<b>4,751</b>	<b>8,979</b>	<b>9,469</b>
Interest expense				
- Borrowings	9,046	8,263	18,023	14,073
Amortisation of transaction costs:				
- Borrowings	1,902	2,180	3,626	4,469
- Guarantee fees	505	505	1,010	758
- Letter of credit fees	25	89	39	134
	<b>2,432</b>	<b>2,774</b>	<b>4,675</b>	<b>5,361</b>
<b>Finance costs</b>	<b>11,478</b>	<b>11,037</b>	<b>22,698</b>	<b>19,434</b>
Depreciation	6	7	13	14
Handling and processing fees	133	204	268	365
Professional fees	364	370	730	694
Project expenses	(399)	97	195	388
Loss on disposal of quoted shares	-	26	7	30
Others	132	73	257	226
<b>Total other expenses</b>	<b>236</b>	<b>777</b>	<b>1,470</b>	<b>1,717</b>



## 10 Earnings per unit

The following table illustrates the numerators and denominators used to calculate basic and diluted earnings per unit which has no par value:

	<b>Group</b>			
	<b>Six-month period ended 31/12/2023 \$'000</b>	<b>Six-month period ended 31/12/2022 \$'000</b>	<b>12-month period ended 31/12/2023 \$'000</b>	<b>12-month period ended 31/12/2022 \$'000</b>
Denominator: Weighted average number of units outstanding during the period/year (*000)	2,068,161	1,769,000	2,067,938	1,981,551
Numerator: Total return attributable to unitholders during the period/year (\$'000)	43,048	12,829	61,683	31,009
<b>Earnings per unit (in cents)</b>				
Basic and diluted	2.08	0.73	2.98	1.56

There were no potential dilutive units for the years ended 31 December 2023 and 31 December 2022. As such, the total return attributable to unitholders and the weighted average number of units used in the calculation of diluted earnings per unit are the same as those used in the calculation of basic earnings per unit.

## 11 Financial ratios

	<b>Group</b>			
	<b>Six-month period ended 31/12/2023</b>	<b>Six-month period ended 31/12/2022</b>	<b>12-month period ended 31/12/2023</b>	<b>12-month period ended 31/12/2022</b>
Expenses to average net assets attributable to unitholders ratio - excluding performance related fees <sup>(1)</sup>	0.44%	0.53%	1.06%	1.15%
Expenses to average net assets attributable to unitholders ratio - including performance related fees <sup>(1)</sup>	0.86%	0.95%	1.89%	2.04%
Portfolio turnover ratio <sup>(2)</sup>	N/A	30.68%	N/A	15.30%
Total operating expenses (\$'000) <sup>(3)</sup>	14,145	17,479	30,026	33,557
Total operating expenses to net asset value ratio <sup>(3)</sup>	2.26%	2.77%	4.79%	5.31%

## 11 Financial ratios (cont'd)

- (1) The annualised ratios are computed in accordance with the guidelines of the Investment Management Association of Singapore dated 25 May 2005. The expenses used in the computation relate to expenses excluding any property related expenses, interest expenses, foreign exchange losses, tax deducted at source and costs associated with the purchase of investments.
- (2) Turnover ratio means the number of times per period/year that a dollar of assets is reinvested. It is calculated based on the lesser of purchases or sales of underlying investments of a scheme expressed as a percentage of daily average net asset value.
- (3) The revised CIS Code dated 23 May 2023 requires disclosure of the total operating expenses of the property fund, including all fees and charges paid to the Manager and interested parties (in both absolute terms, and as a percentage of the property fund's net asset value as at the end of the financial period/year) and taxation incurred in relation to the property fund's real estate assets.

Note: N/A – Not applicable

## 12 Operating segments

### Information about reportable segment profit or loss and assets

The Group is engaged in a single business of investing in investment properties in the healthcare and/or healthcare related sector. As at 31 December 2023, the Group had three reportable segments: Singapore operations, Indonesia operations, and Japan operations (31 December 2022: three reportable operating segment: Singapore operations, Indonesia operations, and Japan operations). For management purposes the Group is organised into one major strategic operating segment that offers all the investment properties for healthcare and/or healthcare related purposes.

The geographical segment represents the Group's distinguishable components which provide products or services within a particular economic environment (location) and this component contains risks and returns that are different from those components which operate in other economic environments (locations). The liabilities are not analysed as the largest amount, namely the borrowings, are centrally managed.

There are no significant inter-segment transactions.

The management reporting system evaluates performance based on a number of factors. However the primary financial performance measurement is to evaluate the properties based on their returns and yields.

## 12 Operating segments (cont'd)

### Information about reportable segment profit or loss and assets (cont'd)

	Singapore \$'000	Indonesia \$'000	Japan \$'000	Total \$'000
<b>1 January 2023 to 31 December 2023</b>				
<b>Total return reconciliation</b>				
Rental and other income	4,228	89,489	14,851	108,568
Net property <i>income</i> and other income	3,750	88,781	12,803	105,334
Finance income	437	70	—	507
Manager's management fees				(8,979)
Asset management fees				(1,105)
Trustee fees				(361)
Finance costs	(20,352)	—	(2,346)	(22,698)
Other expenses				(1,470)
Net income				71,228
Net fair value (losses)/gains on investment properties	(906)	14,106	(2,366)	10,834
Net fair value losses of derivative financial instruments				(477)
Net foreign exchange losses				(3,369)
Total return before income tax				78,216
Income tax expense	—	(12,879)	(1,998)	(14,877)
Total return after income tax				63,339
<b>31 December 2023</b>				
<b>Assets</b>				
Segment assets including investment properties	50,274	860,919	276,138	1,187,331
Total assets				1,187,331

## 12 Operating segments (cont'd)

	Singapore \$'000	Indonesia \$'000	Japan <sup>1</sup> \$'000	Total \$'000
<b>1 January 2022 to 31 December 2022</b>				
<b>Total return reconciliation</b>				
Rental and other income	4,226	94,364	12,685	111,275
Net property income and other income	3,773	93,743	11,043	108,559
Finance income	101	176	–	277
Manager's management fees				(9,469)
Asset management fees				(908)
Trustee fees				(378)
Finance costs	(18,174)	–	(1,260)	(19,434)
Other expenses				(1,717)
Net income				76,930
Net fair value losses on investment properties	(917)	(21,278)	(456)	(22,651)
Loss on disposal of a subsidiary	–	(713)	–	(713)
Net fair value losses of derivative financial instruments				(420)
Net foreign exchange losses				(1,192)
Total return before income tax				51,954
Income tax expense	–	(14,007)	(4,362)	(18,369)
Total return after income tax				33,585
<b>31 December 2022</b>				
<b>Assets</b>				
Segment assets including investment properties	55,269	836,982	306,374	1,198,625
Total assets				1,198,625

<sup>1</sup> Pertain to subsidiaries acquired in March 2022 and subsidiaries set-up in September 2022, included amounts for the period 1 March 2022 to 31 December 2022.

Income are attributed to countries on the basis of the location of the investment properties. The non-current assets comprises of mainly investment properties which are analysed by the geographical area in which the assets are located (see the statements of portfolio for the carrying value of these assets).

Income from the Group's top one and top two customers are from Indonesia. In aggregate such revenue amounted to \$39,497,000 and \$83,504,000 (2022: \$50,412,000 and \$88,064,000) and contributed 36.4% and 76.9% (2022: 45.3% and 79.1%) of the Group's revenue respectively during the years ended 31 December 2023 and 31 December 2022.

## 13 Financial assets and financial liabilities

### Accounting classifications and fair values

The carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy are as follows. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

Group	Mandatorily at fair value through profit or loss ("FVTPL") \$'000	Financial assets at amortised cost \$'000	Other financial liabilities \$'000	Total carrying amount \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
<b>31 December 2023</b>								
<b>Financial assets measured at fair value</b>								
Derivative financial instruments								
– interest rate caps (net-settled)	411	–	–	411	–	411	–	411
– forward exchange contracts (net-settled)	149	–	–	149	–	149	–	149
	560	–	–	560				
<b>Financial liabilities measured at fair value</b>								
Derivative financial instruments								
– interest rate swaps (net-settled)	(272)	–	–	(272)	–	(272)	–	(272)
– forward exchange contracts (net-settled)	(14)	–	–	(14)	–	(14)	–	(14)
	(286)	–	–	(286)				

## 13 Financial assets and financial liabilities (cont'd)

### Accounting classifications and fair values (cont'd)

Group	Mandatorily at FVTPL \$'000	Financial assets at amortised cost \$'000	Other financial liabilities \$'000	Total carrying amount \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
<b>31 December 2023</b>								
<b>Financial liabilities not measured at fair value</b>								
Security deposits	–	–	(10,557)	(10,557)	–	–	(8,347)	(8,347)
Guaranteed bonds	–	–	(96,778)	(96,778)	–	(97,789)	–	(97,789)
Social term loan A			(230,148)	(230,148)	–	–	–	–
Social term loan B			(15,071)	(15,071)	–	–	(14,748)	(14,748)
Secured TMK bonds B and Term loan C	–	–	(107,849)	(107,849)	–	–	(101,084)	(101,084)
	–	–	(460,403)	(460,403)				
<b>31 December 2022</b>								
<b>Financial assets measured at fair value</b>								
Derivative financial instruments								
– interest rate swaps (net-settled)	176	–	–	176	–	176	–	176
– interest rate caps (net-settled)	1,072	–	–	1,072	–	1,072	–	1,072
	1,248	–	–	1,248				

## 13 Financial assets and financial liabilities (cont'd)

### Accounting classifications and fair values (cont'd)

	Mandatorily at FVTPL \$'000	Financial assets at amortised cost \$'000	Other financial liabilities \$'000	Total carrying amount \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
<b>Group</b>								
<b>31 December 2022</b>								
<b>Financial liabilities measured at fair value</b>								
Forward exchange contracts (net-settled)	(493)	–	–	(493)	–	(493)	–	(493)
<b>Financial liabilities not measured at fair value</b>								
Security deposits	–	–	(11,704)	(11,704)	–	–	(9,001)	(9,001)
Guaranteed bonds	–	–	(95,571)	(95,571)	–	(95,356)	–	(95,356)
Social term loan A			(230,742)	(230,742)	–	–	–	–
Social term loan B			(16,629)	(16,629)	–	–	–	–
Secured TMK bonds A			(108,124)	(108,124)	–	–	–	–
	–	–	(462,770)	(462,770)				
<b>Trust</b>								
<b>31 December 2023</b>								
<b>Financial assets measured at fair value</b>								
Derivative financial instruments								
– interest rate caps (net-settled)	411	–	–	411	–	411	–	411
– forward exchange contracts (net-settled)	149	–	–	149	–	149	–	149
	560	–	–	560				

## 13 Financial assets and financial liabilities (cont'd)

### Accounting classifications and fair values (cont'd)

	Mandatorily at FVTPL \$'000	Financial assets at amortised cost \$'000	Other financial liabilities \$'000	Total carrying amount \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
<b>Trust</b>								
<b>31 December 2023</b>								
<b>Financial assets not measured at fair value</b>								
Loan to subsidiaries	–	25,895	–	25,895	–	–	25,678	25,678
<b>Financial liabilities measured at fair value</b>								
Derivative financial instruments								
– interest rate swaps (net-settled)	(272)	–	–	(272)	–	(272)	–	(272)
– forward exchange contracts (net-settled)	(14)	–	–	(14)	–	(14)	–	(14)
	(286)	–	–	(286)				
<b>Financial liabilities not measured at fair value</b>								
Security deposits	–	–	(2,079)	(2,079)	–	–	(1,847)	(1,847)
Guaranteed bonds	–	–	(96,778)	(96,778)	–	(97,789)	–	(97,789)
Social term loan A	–	–	(230,148)	(230,148)				
Loan from subsidiaries	–	–	(30,673)	(30,673)				
	–	–	(359,678)	(359,678)				



## 13 Financial assets and financial liabilities (cont'd)

### Accounting classifications and fair values (cont'd)

	Mandatorily at FVTPL \$'000	Financial assets at amortised cost \$'000	Other financial liabilities \$'000	Total carrying amount \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
<b>Trust</b>								
<b>31 December 2022</b>								
<b>Financial assets measured at fair value</b>								
Derivative financial instruments								
– interest rate swaps (net-settled)	176	–	–	176	–	176	–	176
– interest rate caps (net-settled)	1,072	–	–	1,072	–	1,072	–	1,072
	<u>1,248</u>	<u>–</u>	<u>–</u>	<u>1,248</u>				
<b>Financial assets not measured at fair value</b>								
Loan to subsidiaries	–	32,570	–	32,570	–	–	32,522	32,522
<b>Financial liabilities measured at fair value</b>								
Forward exchange contracts (net-settled)	(493)	–	–	(493)	–	(493)	–	(493)
<b>Financial liabilities not measured at fair value</b>								
Security deposits	–	–	(2,038)	(2,038)	–	–	(1,746)	(1,746)
Guaranteed bonds	–	–	(95,571)	(95,571)	–	(95,356)	–	(95,356)
Social term loan A	–	–	(230,742)	(230,742)				
Loan from a subsidiary	–	–	(5,870)	(5,870)				
	<u>–</u>	<u>–</u>	<u>(334,221)</u>	<u>(334,221)</u>				

## 14 Acquisition of subsidiaries

The Group acquires subsidiaries that own investment properties in the healthcare and/or healthcare related sector, and the primary reason for the Group's acquisitions is to expand its portfolio of investment properties in different geographical locations. At the time of acquisition, the Group considers whether each acquisition represents the acquisition of a business or the acquisition of an asset. The Group accounts for an acquisition as a business combination where an integrated set of activities is acquired in addition to the property. Typically, the Group assesses the acquisition as a purchase of business when the strategic management function and the associated processes were purchased along with the underlying properties.

On 1 March 2022, the Trust completed its acquisition of 100.0% of the issued and paid-up share capital of OUELH Japan Medical Facilities Pte. Ltd. ("JMF") and 100.0% of the issued and paid-up share capital of OUELH Japan Medical Assets Pte. Ltd. ("JMA") (collectively known as the "Japan Subsidiaries"), from a related party, OUEH.

In the absence of the strategic management function and the associated processes that were acquired along with the investment properties, the acquisition of the Japan Subsidiaries was accounted for as an asset acquisition.

The fair value of identifiable assets and liabilities of the Subsidiaries as at 1 March 2022 (the date of acquisition) and the cashflow effect of the acquisition were:

	<b>\$'000</b>
Investment properties	296,741
Trade and other receivables	41,801
Cash and cash equivalents	22,008
Borrowings	(126,574)
Trade and other payables	(24,759)
Other liabilities	(7,323)
Deferred tax liabilities	(32,861)
Income tax payable	(11)
Total identifiable net assets at fair value	169,022
Purchase consideration	(165,947)
Acquisition costs	(3,075)
<b>Purchase consideration (including acquisition costs*)</b>	<b>(169,022)</b>
 <b>Effect of the acquisition on cash flows</b>	
Purchase consideration (including acquisition costs)	(169,022)
 Add:	
- Cash at bank of subsidiaries acquired	22,008
- Considerations paid in units	131,500
- Accrued acquisition costs	864
- Novation of intercompany loans and balances	19,934
Net cash inflow on acquisition of subsidiaries, net of cash acquired	<b>5,284</b>

\* Acquisition costs amounted to \$3,075,000. Included in the acquisition costs are the audit fees paid to the auditors of the Trust, amounted to \$45,000.

## 14 Acquisition of subsidiaries (cont'd)

For 10 months ended, 31 December 2022, the Japan Subsidiaries contributed revenue of \$12,685,000 and profit of \$15,232,000 to the Group's result. If the acquisition had occurred on 1 January 2022, management estimated the consolidated revenue would have been \$15,515,000, and consolidated profit for the year would have been \$16,949,000. In determining these amounts, management has assumed that the fair value adjustments, determined provisionally, that arose on the date of acquisition would have been the same if the acquisition had occurred on 1 January 2022.

## 15 Disposal of a subsidiary

On 27 September 2022, the Group has through its indirect wholly-owned subsidiaries, Primerich Investments Pte. Ltd. and Surabaya Hospitals Investment Pte. Ltd., completed the disposal of 100% of issued and paid-up share capital of PT TPI for a total sales consideration of IDR430,000,000,000 (equivalent to approximately \$40,345,000).

PT TPI previously contributed net profit of \$2,146,000 from 1 January 2022 to the date of disposal.

### Effect of the disposal

The cash flow and net assets of PT TPI were as follows:

	<b>\$'000</b>
Investment properties	40,438
Cash and cash equivalents	_*
Other payables	_*
Net assets disposed	40,438
Realisation of foreign exchange reserve	44
Tax expense relating to the disposal	(2,017)
	38,465
Loss on disposal of a subsidiary (including transaction costs <sup>1</sup> )	(713)
	37,752
Less: Cash and cash equivalents disposed	_*
Add: Transaction costs – Manager's divestment fees paid in units	202
Net cash inflow on disposal of a subsidiary, net of cash disposed	37,954

\*Amount less than \$1,000

<sup>1</sup> Included in the transaction costs are the audit fees paid to the auditors of the Trust, amounted to \$37,000.

**Other Information Required by Listing Rule Appendix 7.2**

**Explanatory Notes**

**A. Statement of Total Return**

		<b>Group</b>		
		<b>Full Year</b>		
<b>Note</b>	<b>31 Dec 2023</b>	<b>31 Dec 2022</b>	<b>Change</b>	
	<b>S\$'000</b>	<b>S\$'000</b>	<b>%</b>	
<b>Rental and other income</b>	<b>108,568</b>	<b>111,275</b>	<b>(2.4%)</b>	
Property operating expenses	(3,234)	(2,716)	19.1%	
<b>Net property and other income</b>	<b>105,334</b>	<b>108,559</b>	<b>(3.0%)</b>	
Finance income	507	277	83.0%	
Manager's management fees	(8,979)	(9,469)	(5.2%)	
Asset management fees	(1,105)	(908)	21.7%	
Trustee fees	(361)	(378)	(4.5%)	
Finance costs	(22,698)	(19,434)	16.8%	
Other expenses	(1,470)	(1,717)	(14.4%)	
<b>Net income</b>	<b>71,228</b>	<b>76,930</b>	<b>(7.4%)</b>	
Net fair value gains/(losses) on investment properties	10,834	(22,651)	NM	
Loss on disposal of a subsidiary	–	(713)	NM	
Net fair value losses of derivative financial instruments	(477)	(420)	13.6%	
Net foreign exchange losses	(3,369)	(1,192)	NM	
<b>Total return for the year before income tax</b>	<b>78,216</b>	<b>51,954</b>	<b>50.5%</b>	
Income tax expense	(14,877)	(18,369)	(19.0%)	
<b>Total return for the year after income tax</b>	<b>63,339</b>	<b>33,585</b>	<b>88.6%</b>	
<b>Other comprehensive income: Items that may be reclassified subsequently to profit or loss:</b>				
Exchange differences on translating foreign operations, net of tax	(19,531)	(84,141)	(76.8%)	
Currency translation differences reclassified to profit or loss on disposal	–	44	NM	
<b>Total comprehensive return/(loss) for the year</b>	<b>43,808</b>	<b>(50,512)</b>	<b>NM</b>	
<b>Total comprehensive return/(loss) attributable to:</b>				
Unitholders of the Trust	42,152	(53,088)	NM	
Perpetual securities holders	1,656	2,576	(35.7%)	
	<b>43,808</b>	<b>(50,512)</b>	<b>NM</b>	

Note: NM – Not meaningful

## **Other Information Required by Listing Rule Appendix 7.2 (cont'd)**

### **Explanatory Notes**

#### **B. Statement of Total Return**

1. Rental and other income for FY 2023 decreased by 2.4% to \$108.6 million compared to FY 2022 mainly due to weakening of Indonesia Rupiah and Japanese Yen against Singapore Dollars, partly offset by the full year contribution from Japan properties which were acquired in March and September 2022 and higher rental income from Indonesia's properties.
2. Property operating expenses for FY 2023 increased by 19.1% to \$3.2 million compared to FY 2022 mainly due to higher property expenses of Japan properties which were acquired in March and September 2022.
3. Manager's management fees for FY 2023 decreased by 5.2% to \$9.0 million compared to FY 2022 was mainly due to lower total assets and net property income resulting from weakening of Indonesia Rupiah and Japanese Yen against Singapore Dollars. The Manager's management fee was derived after deducting the asset management fee charged by the Japan asset management company.
4. Asset management fee was charged by Japan asset management company for managing the Japan properties.
5. Finance costs for FY 2023 increased by 16.8% to \$22.7 million compared to FY 2022 mainly due to additional loans obtained from the acquisition of Japan properties in September 2022, coupled with higher interest rates.
6. Other expense for FY 2023 decreased by 14.4% to \$1.5 million mainly due to the write-back of professional fee accrued in FY2022.
7. Net fair value gains of investment properties relate to net revaluation gains on investment properties during the year and the recognition of FRS 116 rental straight lining adjustments for the Indonesia hospital properties and Singapore properties.
8. Loss on disposal of a subsidiary for FY 2022 relates to divestment of Indonesia subsidiary, PT Tata Prima Indah which held Siloam Hospitals Surabaya in September 2022.
9. Net fair value losses of derivative financial instruments for FY 2023 relates to the revaluation of interest rate swap and interest rate caps contracts, as well as currency hedging contracts.
10. Income tax expense for FY 2023 decreased by 19.0% to \$14.9 million mainly due to absence of sales tax on divestment of the Indonesia subsidiary which held Siloam Hospitals Surabaya incurred in FY2022.

**Other Information Required by Listing Rule Appendix 7.2 (Cont'd)**

**C. Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice**

The figures have not been audited or reviewed by our auditors.

**D. Where the figures have been audited or reviewed, the auditor's report (including any qualifications or emphasis of matter)**

Not applicable.

**E. Variance between the forecast or prospectus statement (if disclosed previously) and the actual results**

First REIT has not disclosed any forecast to the market.

## **Other Information Required by Listing Rule Appendix 7.2 (Cont'd)**

### **G. Commentary on the competitive conditions of the industry**

According to economists surveyed by the World Economic Forum, economic conditions may be volatile in the coming months due to geopolitics, but positive shifts such as a slowdown in interest rate rises and drops in inflation could appear<sup>1</sup>. In the real estate industry, healthcare real estate continues to be a resilient asset class with robust demand fundamentals. Its long-term growth prospects are underpinned by demographic and structural factors.

By 2050, the population in Japan aged 75 or older is expected to surpass 20% in all 47 prefectures excluding Tokyo, while the population aged 65 or older is expected to exceed 40% in 25 prefectures<sup>2</sup>. In Singapore, due to rising life expectancy and falling birth rates, the ratio of working-age people relative to the elderly has declined from 7.4 in 2020 to 3.7% in 2023<sup>3</sup>. In Indonesia, a lack of access to healthcare had resulted in around 2 million Indonesians seeking health services abroad but structural demand could improve as the government ramps up public-private partnership initiatives<sup>4</sup>.

In order to ride on the opportunities amidst a volatile macroeconomic environment, First REIT will continue to actively execute its 2.0 Growth Strategy. First REIT seeks to diversify into developed markets with a target of more than 50% of AUM in developed markets by FY2027; reshape portfolio for capital efficient growth through the divestment of non-core, non-healthcare, or mature assets; strengthen capital structure including by utilising derivative financial instruments to reduce the impact of interest rate and currency risk; and ride on megatrends such as sustainability.

First REIT will continue to seek opportunities by tapping on a strong network from its sponsor group, comprising OUE Limited and OUE Healthcare Limited, in addition to evaluating opportunities from third parties. With strong sponsor support and 2.0 Growth Strategy, First REIT is well-placed to ride the tailwinds in the healthcare sector and remains committed to deliver sustainable distribution to its Unitholders.

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<sup>1</sup> World Economic Forum, 15 September 2023, 'Where is the global economy heading in 2024? This is what chief economists think'

<sup>2</sup> The Japan News, 23 December 2023, 'Japan's 2050 Elderly Population to Top 40% in 25 Prefectures'

<sup>3</sup> Department of Statistics Singapore, 'Understanding Old-Age Support Ratio'

<sup>4</sup> Nikkei Asia, 18 October 2023, 'Indonesia is facing up to its need for health care investment'

**Other Information Required by Listing Rule Appendix 7.2 (cont'd)**

**H. Distributions**

(a) Current financial period reported on

Any distributions declared for the current financial period? Yes

Distribution Type

Name of Distribution      Distribution for the period from 1 October 2023 to 31 December 2023

i.      Distribution Type      Income / Capital

Distribution Type	Distribution Rate (cents per unit)
Taxable Income	0.03
Tax-Exempt Income	0.25
Capital	0.34
Total	0.62

Tax Rate

Taxable Income Distribution

Qualifying investors and individuals (other than those who hold their units through a partnership) will generally receive pre-tax distributions. These distributions are exempt from Singapore income tax in the hands of individuals unless such distributions are derived through a Singapore partnership or from the carrying on of a trade, business or profession.

Qualifying foreign non-individual investors will receive their distributions after deduction of tax at the rate of 10%.

All other investors will receive their distributions after deduction of tax at the rate of 17%.



**Other Information Required by Listing Rule Appendix 7.2 (cont'd)**

**H. Distributions (cont'd)**

(a) Current financial period reported on (cont'd)

Tax Rate                      Tax-Exempt Income Distribution  
 Tax-Exempt Income Distribution is exempt from Singapore income tax in the hands of all unitholders.

Capital Distribution  
 Capital distribution represents a return of capital to unitholders for Singapore income tax purposes and is therefore not subject to Singapore income tax. For unitholders who are liable to Singapore income tax on profits from the sale of First REIT Units, the amount of capital distribution will be applied to reduce the cost base of their First REIT Units for Singapore income tax purposes.

(b) Corresponding period of the immediately preceding period

Any distributions declared for the corresponding period of the immediate preceding period?  
 Yes

Distribution Type

Name of Distribution      Distribution for the period from 1 October 2022 to 31 December 2022

i.      Distribution Type      Income / Capital

Distribution Type	Distribution Rate (cents per unit)
Taxable Income	0.03
Tax-Exempt Income	0.33
Capital	0.30
Total	0.66

Tax Rate                      Taxable Income Distribution  
 Qualifying investors and individuals (other than those who hold their units through a partnership) will generally receive pre-tax distributions. These distributions are exempt from Singapore income tax in the hands of individuals unless such distributions are derived through a Singapore partnership or from the carrying on of a trade, business or profession.

Qualifying foreign non-individual investors will receive their distributions after deduction of tax at the rate of 10%.

All other investors will receive their distributions after deduction of tax at the rate of 17%.

**Other Information Required by Listing Rule Appendix 7.2 (cont'd)**

**H. Distributions (cont'd)**

(b) Corresponding period of the immediately preceding period (cont'd)

Tax Rate	<u>Tax-Exempt Income Distribution</u> Tax-Exempt Income Distribution is exempt from Singapore income tax in the hands of all unitholders.
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	<u>Capital Distribution</u> Capital distribution represents a return of capital to unitholders for Singapore income tax purposes and is therefore not subject to Singapore income tax. For unitholders who are liable to Singapore income tax on profits from the sale of First REIT Units, the amount of capital distribution will be applied to reduce the cost base of their First REIT Units for Singapore income tax purposes.
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ii. Book closure date: The Transfer Books and Register of Unitholders of First Real Estate Investment Trust will be closed at 5.00p.m. on 28 February 2024 for the purposes of determining each unitholder's entitlement to First REIT's distribution. The ex-distribution date will be on 27 February 2024 at 9.00am.

(c) Date Payable: 28 March 2024

**I. If no distribution has been declared/recommended, a statement to that effect**

Not applicable.

**J. If no IPT mandate has been obtained, a statement to that effect**

First REIT has not obtained a general mandate from unitholders.

The Manager hereby certifies that in relation to the distribution to the unitholders of First REIT for the period ended 31 December 2023:

- 1) First REIT will declare a distribution ("Distribution") in excess of its profits (defined as the total return for the period before distribution for the purpose of this certification). The excess is attributed to capital receipts comprising amounts received by First REIT from the redemption of redeemable preference shares in the Singapore special purpose companies ("SPCs") and the shareholder loan repayment by the Singapore SPC.
- 2) The Manager is satisfied on reasonable grounds that, immediately after making the Distribution, First REIT will be able to fulfill, from its deposited properties, its liabilities as they fall due.

The distribution is computed based on the accounts of First REIT for the period ended 31 December 2023 and is verified by our external tax consultant.

**Other Information Required by Listing Rule Appendix 7.2 (cont'd)**

**J. If no IPT mandate has been obtained, a statement to that effect (cont'd)**

First REIT's current distribution policy is to distribute at least 90.0% of its taxable income, whereas the tax-exempt income and capitalised receipts with the actual level distribution to be determined at the Manager's discretion.

**K. In the review of the performance, the factors leading to any material changes in contributions to turnover and earnings by the business and geographical segments.**

Refer to the review of actual performance on paragraph B.

**L. A breakdown of sales as follows:**

	<b>31 Dec 2023</b>	<b>31 Dec 2022</b>	<b>Change</b>
	<b><u>S\$'000</u></b>	<b><u>S\$'000</u></b>	<b><u>%</u></b>
Gross revenue reported for first half year	53,989	53,787	0.4%
Total return after income tax for first half year	19,457	19,662	(1.0%)
Total return after income tax but before change in fair values of investment properties net of deferred tax, net change in fair value of derivative financial instruments and unrealised exchange for first half year	28,720	22,021	30.4%
Gross revenue reported for second half year	54,579	57,488	(5.1%)
Total return after income tax for second half year	43,882	13,923	N.M
Total return after income tax but before change in fair values of investment properties net of deferred tax, net change in fair value of derivative financial instruments and unrealised exchange for second half year	29,431	20,673	42.4%

**M. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year as follows:**

	<b>Latest Full Year</b>	<b>Previous Full Year</b>
	<b><u>S\$'000</u></b>	<b><u>S\$'000</u></b>
Distribution to unitholders	52,136	49,489

**Other Information Required by Listing Rule Appendix 7.2 (cont'd)**

- N. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.**

Pursuant to Rule 704(13) of the Listing Manual, First REIT Management Limited (the “Company”), as manager of First Real Estate Investment Trust (“First REIT”) wishes to confirm that there was no person occupying managerial position in the Company or any of its principal subsidiaries who is a relative of a Director or Chief Executive Officer or Substantial Shareholder of the Company or Substantial Unitholder of First REIT for the financial year ended 31 December 2023.

- O. Confirmation that the Issuer has procured undertakings from all its directors and executive officers under Rule 720(1)**

The Manager does hereby confirms that it has procured undertakings from all the directors and executives.

BY ORDER OF THE BOARD OF  
FIRST REIT MANAGEMENT LIMITED  
(AS MANAGER OF FIRST REAL ESTATE INVESTMENT TRUST)

Tan Kok Mian Victor  
Executive Director and Chief Executive Officer

20 February 2024

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