



(Constituted in the Republic of Singapore pursuant to a trust deed dated 12 July 2007 (as amended))

UPDATE ON PROGRESS OF THE RENEWAL CAPEX WORKS

*Unless otherwise indicated, all terms and references used herein shall bear the same meanings ascribed to them in the previous announcements of Parkway Life Real Estate Investment Trust (“**Parkway Life REIT**”) dated 14 July 2021, 8 September 2021, 30 September 2021 and 13 October 2021 (“**Previous Announcements**”) and a circular to unitholders of Parkway Life REIT (“**Unitholders**”) dated 8 September 2021 relating to the proposed entry into the New Master Lease Agreements for Mount Elizabeth Hospital Property, Gleneagles Hospital Property and Parkway East Hospital Property and the Renewal Capex Agreement (the “**Circular**”).*

Parkway Trust Management Limited, in its capacity as manager of Parkway Life REIT (the “**Manager**”), refers to the Circular and the Previous Announcements and wishes to update the Unitholders that the Renewal Capex Works have been awarded to a non-related third party building contractor in Singapore (the “**Construction Contract**”) within the Renewal Capex Costs.

The Renewal Capex Works shall be entirely carried out at Mount Elizabeth Hospital Property and are in line with the worksopes disclosed in the Circular. The Renewal Capex Works to be carried out at Mount Elizabeth Hospital Property as awarded under the Construction Contract comprise:

1. Major upgrade of building infrastructure and systems (in compliance to latest building fire code) for improved building safety and future-proofing;
2. Obtainment of Green Mark Platinum status (including the compliance with BCA Green Mark 2021 code) and installation of building management system for the hospital block to enhance the building performance with eco-friendly and sustainability features as well as technological advances;
3. Addressing patient demand and evolving healthcare trends through the overall updating of hospital service mix such as expansion and upgrade of endoscopy and dayward, re-organization of radiology including nuclear medicine and refreshment of intensive care unit;

4. Improving the safety, operational flows and functional layout of Mount Elizabeth Hospital Property with the provision of dedicated routes and creation of new link bridge corridors to improve and segregate patient, staff and service access from public areas. Addition of new lifts at the hospital block to ease congestion and reduce waiting time. Creation of new drop-off point(s) at the hospital block to improve accessibility to services; and
5. Redefining the “Mount Elizabeth” patient experience with the new premium Mount Elizabeth brand through refurbishment works to most parts of the hospital block.

As previously announced, the Manager intends to wholly finance the Renewal Capex Costs via external borrowings. Notwithstanding the Manager’s intention to fully debt-fund the Renewal Capex Costs, the Manager would continue to evaluate various fund raising options including equity fund raisings and/or a combination of debt and equity financing to fund the Renewal Capex Costs. The final decision regarding the mode of financing to be employed will be made by the Manager at the appropriate time, taking into account the then prevailing market conditions.

The physical construction of the Renewal Capex Works at Mount Elizabeth Hospital Property is on track to commence from January 2023 with estimated completion by December 2025¹.

The Renewal Capex Works, upon completion, are expected to enhance the quality positioning and increase competitiveness of Parkway Life REIT and the Master Lessee, thereby driving further growth.

The Manager will provide Unitholders with further updates as and when material developments on the progress of the Renewal Capex Works arise.

BY ORDER OF THE BOARD
Parkway Trust Management Limited
(Company Registration no. 200706697Z)
As manager of Parkway Life Real Estate Investment Trust

Chan Wan Mei
Company Secretary
29 November 2022

¹ Under the Circular, the Renewal Capex Works are estimated to take three years to complete but the Master Lessee may request for the Master Lessor to carry out the works in phases due to operational considerations of the Master Lessee provided that the completion of all Renewal Capex Works shall be no later than 31 March 2028 or such extended date in accordance with the Renewal Capex Agreement or such other date to be mutually agreed between the Master Lessor and the Master Lessee.

Important Notice

This announcement is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for units in Parkway Life Real Estate Investment Trust ("**PLife REIT**" and the units in PLife REIT, the "**Units**").

The value of Units and the income from them may fall as well as rise. The Units are not obligations of, deposits in, or guaranteed by, Parkway Trust Management Limited, as manager of PLife REIT (the "**Manager**") or any of its affiliates. An investment in Units is subject to investment risks, including the possible loss of the principal amount invested.

Investors have no right to request the Manager to redeem their Units while the Units are listed. It is intended that unitholders of PLife REIT may only deal in their Units through trading on Singapore Exchange Securities Trading Limited (the "**SGX-ST**"). Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.

The past performance of PLife REIT or the Manager is not necessarily indicative of the future performance of PLife REIT or the Manager.

This announcement may contain forward-looking statements that involve assumptions, risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in these forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition, shifts in expected levels of property rental income, changes in operating expenses, property expenses, governmental and public policy changes and the continued availability of financing in the amounts and on the terms necessary to support PLife REIT's future business. Investors are cautioned not to place undue reliance on these forward-looking statements, which are based on the Manager's current view of future events.