ParkwayLife REIT
("PLife REIT")

11th Annual General Meeting

19 June 2020

Growth Beyond Seasons

DISCLAIMER

This Presentation is focused on comparing actual results for the period from 1 January 2019 to 31 December 2019 (“2019”) versus the period from 1 January 2018 to 31 December 2018 (“2018”).

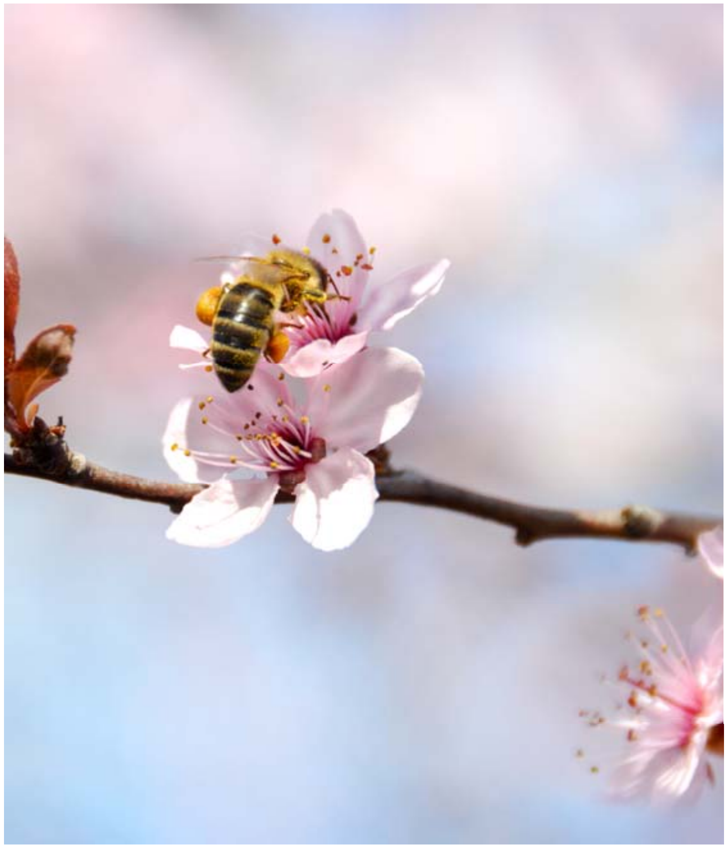
This shall be read in conjunction with PLife REIT Annual Report 2019.

This Presentation may contain forward-looking statements that involve assumptions, risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, shifts in expected levels of property rental income, changes in operating expenses, property expenses and governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support 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.

AGENDA

Bon Sejour Yokohama Shin-Yamashita

1. **Financial Performance**
2. **Investment & Asset Management**
3. **Capital Management**
4. **Overall Portfolio Review**



FINANCIAL PERFORMANCE

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(S$‘000)

Gross Revenue

2019	115,222
2018	112,838

2.1%

Net Property Income

2019	108,225
2018	105,404

2.7%

Distributable Income to Unitholders

2019	79,822
2018	77,897

2.5%

Key income contributors:

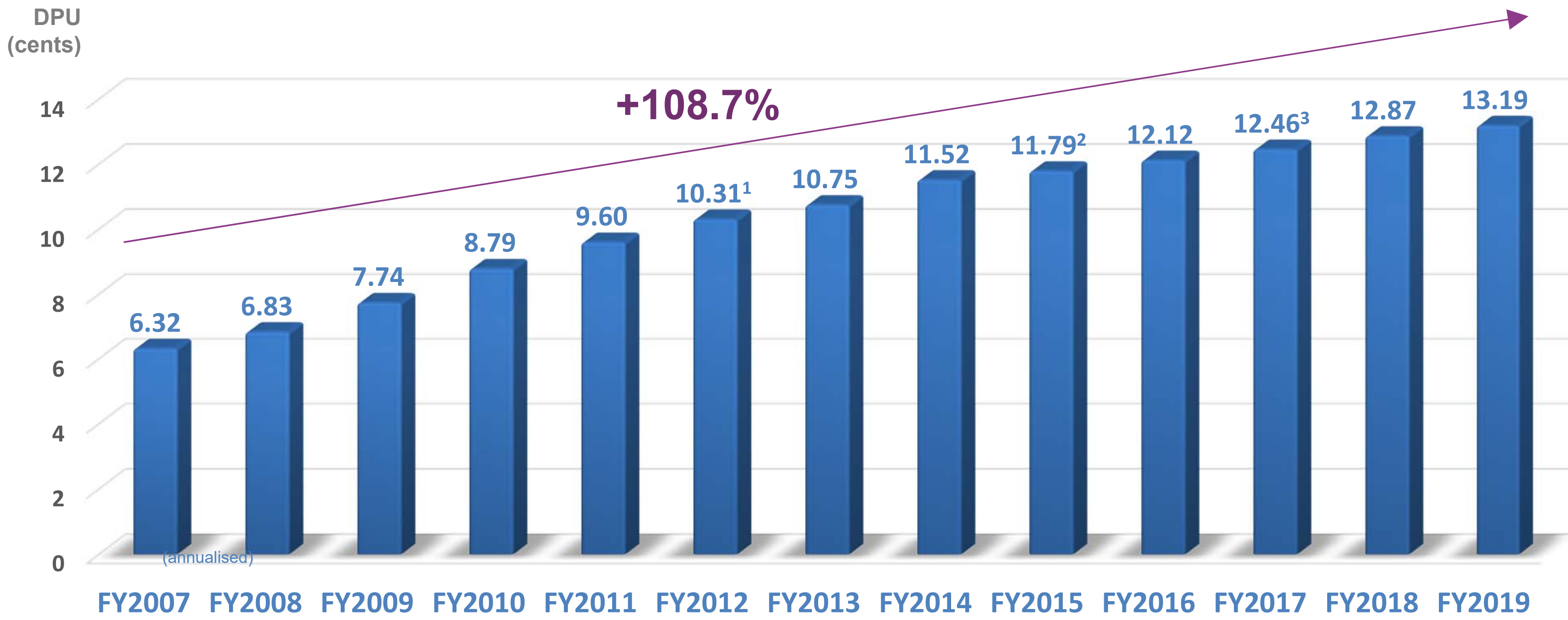
- Revenue from 1 Japan property acquired in Feb 2018 and 3 other properties in Dec 2019
- Higher rent from existing Singapore properties under CPI + 1% rent revision formula
- Interest cost savings from pre-emptive refinancing initiatives completed in 2018 and 2019

FINANCIAL PERFORMANCE

DPU (cents)

2.5%

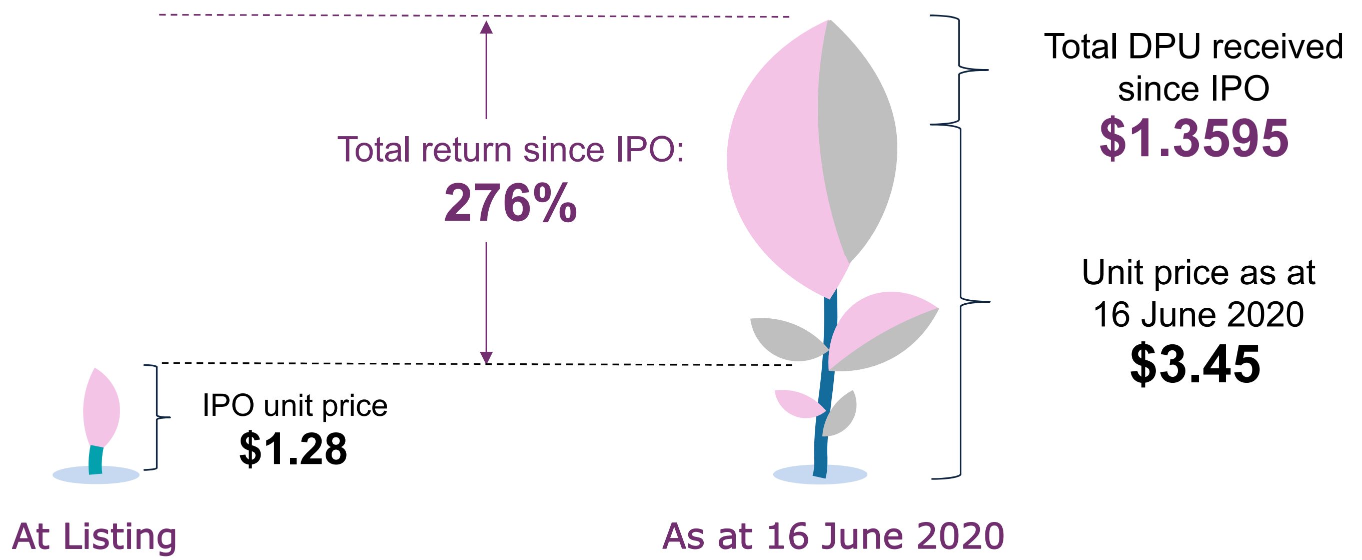
UN-INTERRUPTED RECURRING DPU GROWTH SINCE IPO



- Steady DPU growth of **108.7%** since IPO

1 Since FY12, S$3.0 million per annum of amount available for distribution has been retained for capital expenditure
2 Excludes one-off divestment gain of 1.50 cents (S$9.11 million) that was equally distributed in the four quarters in FY15
3 Excludes one-off divestment gain of 0.89 cents (S$5.39 million) that was equally distributed in the four quarters in FY17

STRONG TOTAL RETURN SINCE IPO



The total return of 276% on invested equity was contributed by:

- appreciation of unit price since IPO; and
- total distribution to Unitholders since IPO

INVESTMENT AND ASSET MANAGEMENT

DEEPENED FOOTPRINT IN JAPAN (Dec’19)

Acquired **three nursing rehabilitation facilities** in Japan

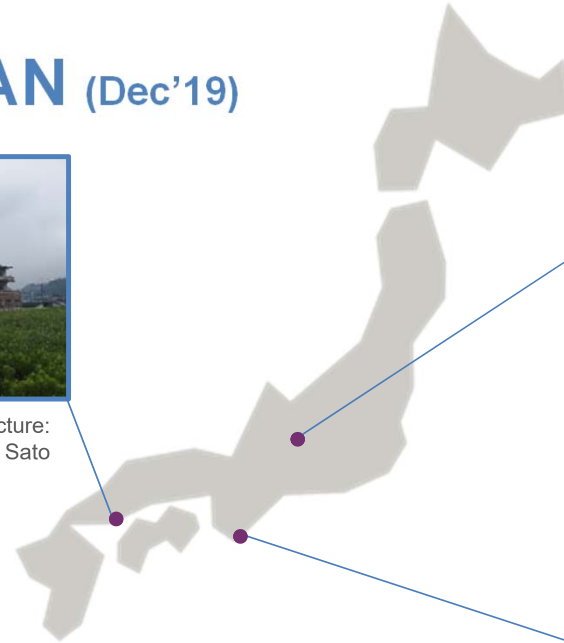
6.8% **DPU yield-accretive** acquisition with net property yield of **6.8%**

7.0% Discount to Valuation

JPY3.7 billion

(approx. S$46.3 million[1])

Yamaguchi Prefecture:
Haru no Sato



Gifu Prefecture:
Hodaka no Niwa

Wakayama Prefecture:
Orange no Sato

Japan Portfolio:

49 properties valued at

S$746.5million[2];

about **38.0%** of total AUM

1 At an exchange rate of S$1.00 to JPY80.00 as announced on 3 December 2019
2 Based on latest appraised values

ORGANIC GROWTH IN SINGAPORE PORTFOLIO

Rent Increase for Singapore Properties

1.61% — 13th year minimum guaranteed rent for the Singapore Properties to increase by **1.61%**

Commencing 23 August 2019 to 22 August 2020 under CPI + 1% rent revision formula

Mount Elizabeth Hospital

Parkway East Hospital

Gleneagles Hospital

ANNUAL PORTFOLIO REVALUATION

(as at 31 December 2019)

3 Hospitals

Valued
S$1,210.7m
(+4.3% / S$50.3m)

48 nursing homes &
1 pharmaceutical facility

Valued
S$746.5m
(+0.7% / S$5.2m)

Strata-titled units in GMCKL

Valued
S$6.8m
(-8.4% / -S$623,000)

Total valuation

53

properties

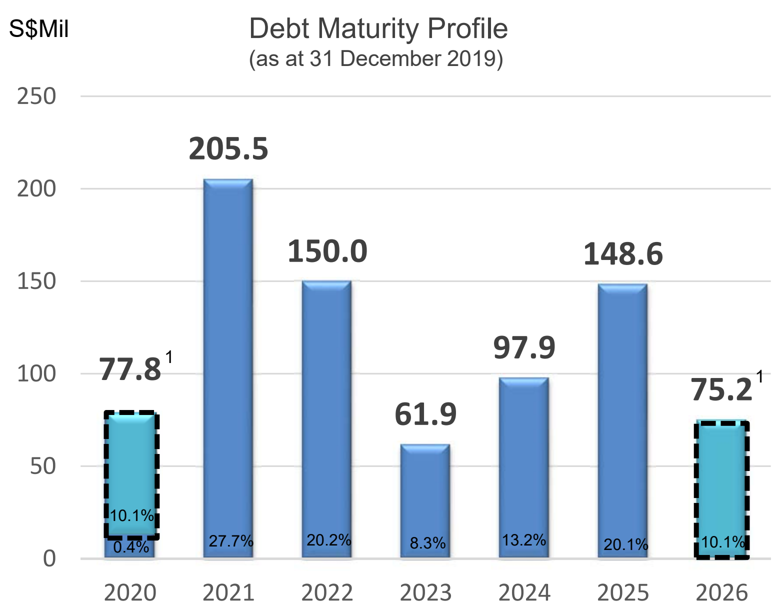
S$1.96b (+2.2% / S$43.0m[1] gain)

1 Based on the portfolio appraised values as of 31 December 2019, the valuation gains added up to S$54.9m (net). After deducting the capitalised costs for new acquisition and capital expenditure for existing properties, the REIT registered a net change in fair value of investment properties of S$43.0m for FY2019.

CAPITAL MANAGEMENT

STRENGTHENED FINANCIAL MANAGEMENT

Achieved diversified funding sources and well-spread out debt maturity stretching beyond 2025



- Lowest all-in-cost of debt amongst S-REITs at 0.80% p.a., and further reduced to 0.63% p.a. (as at 31 March 2020) mainly due to extension of JPY interest rate hedge at lower cost and lower interest rates
- Post 2019, secured a 6-year loan facility to term out a maturing RCF due in 3Q 2020; no long term debt refinancing needs till June 2021

Successful Refinancing of remaining Long Term Loan due in 2020

1 As at 31 December 2019, S$1.2 million and JPY114 million (approx. S$1.4 million) of short term loans were drawn down for general working capital purposes, and a 6-year S$75.2 million revolving credit facility ("RCF") due in 3Q 2020. On 11 March 2020, the Group has secured a 6-year up to S$82.0 million committed and unsecured loan facility to term out this maturing RCF in 3Q 2020.

ENHANCED INTEREST AND FX RISKS MANAGEMENT

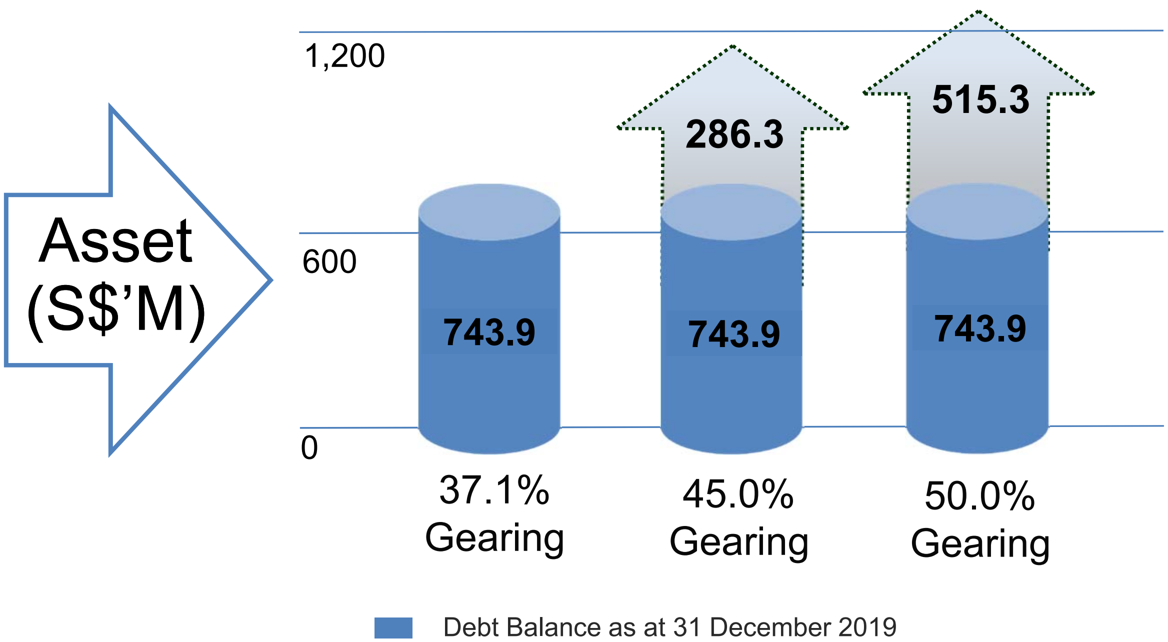
- Adopts natural hedge strategy to match assets and liabilities denominated in JPY
- Extended JPY net income hedges till 2Q 2025[1] to mitigate against JPY currency volatility
- About 89%[1] interest rate exposure is hedged for next few years
- Enhances stability of distributions to Unitholders

Mitigates JPY and Interest Rate Volatility

1 As at 31 March 2020

AMPLE DEBT HEADROOM

Debt headroom of $286.3 million and $515.3 million before reaching 45.0% and 50.0% gearing respectively



OVERALL
PORTFOLIO REVIEW

PERFORMANCE REVIEW OF PLIFE REIT

(as at 31 December 2019)

SUSTAINABLE RETURNS

01 / Diversified Portfolio

Gross revenue by geography[1]:

58.5% Singapore

41.3% Japan

0.2% Malaysia

Gross revenue by asset class[1]:

58.7% Hospitals and Medical Centres

39.9% Nursing Homes

1.4% Pharmaceutical Product Distributing and Manufacturing Facility

02 / Strong Balance Sheet

0.8% Low all-in debt cost

37.1% Gearing

14.1 times Interest cover

2.8 years Weighted average debt term to maturity

1 Based on gross revenue as at 31 December 2019

PERFORMANCE REVIEW OF PLIFE REIT

(as at 31 December 2019)

SUSTAINABLE RETURNS

03 / Quality Assets

100% committed occupancy for Singapore and Japan assets

Weighted average lease term to expiry of **6.49** years[1]

95.0%[1] downside protection[2]

04 / Robust Financial Position

No long term debt refinancing needs till June 2021, post successful refinancing in 1Q 2020

Prudent hedging strategies

1 Based on gross revenue as at 31 December 2019
2 Based on existing lease agreements and subject to applicable laws

STRONG PORTFOLIO GROWTH

Since listing, we remain committed to cultivating an optimal portfolio for sustained growth

Portfolio Value (S$)[1,2]

	Number of Properties	Portfolio Value (S$)[1,2]	Number of Lessees
FY19	53	1.96b	31
FY18	50	1.86b	28
FY17	49	1.73b	27
FY16	44	1.66b	23
FY15	47	1.64b	25
FY14	41	1.50b	21
FY13	44	1.48b	21
FY12	37	1.43b	21
FY11	33	1.38b	18
FY10	32	1.30b	18
FY09	21	1.15b	14
FY08	13	1.05b	8
FY07	3	0.83b	1

One of Asia's largest listed healthcare REITs by asset size

53 diversified assets

Post acquisitions in December 2019

S$1.96 billion

Portfolio size has more than doubled since IPO

The REIT has become widely recognised for its **resilience** and **defensiveness**, while offering Unitholders a **sustainable growth story.**

THANK YOU