

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 ended 30 June 2024

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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 are managed by PT Lippo Malls Indonesia. In Singapore, the nursing homes at Bukit Merah and Bukit Panjang are operated by Precious Homes Pte. Ltd. and Precious Homes Bukit Panjang Pte. Ltd., respectively. The Lentor Residence is operated by The Lentor 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

	Group			
	Six-month period ended			
		30/6/2024	30/6/2023	Change
	Note	\$'000	\$'000	%
Rental and other income	1	51,988	53,989	(3.7%)
Net property and other income	2	50,294	52,429	(4.1%)
Distributable amount	3	24,978	25,511	(2.1%)
Total issued and issuable units (millions)		2,090.2	2,072.3	0.9%
Distribution per unit (“DPU”) (cents)	4	1.20	1.24	(3.2%)

Note:

- Rental and other income for 1H 2024 decreased by 3.7% to \$52.0 million compared to 1H 2023 mainly due to the depreciation of Japanese Yen and Indonesian Rupiah against Singapore Dollars. Excluding FRS 116 adjustment on rental straight-lining, rental and other income decreased by 1.4% to \$45.7 million in 1H 2024 as compared to \$46.4 million in 1H 2023.
- Net property and other income for 1H 2024 decreased by 4.1% to \$50.3 million compared to 1H 2023 mainly due to the depreciation of Japanese Yen and Indonesian Rupiah against Singapore Dollars. Excluding FRS 116 adjustment on rental straight-lining, net property and other income decreased by 1.8% to \$44.0 million in 1H 2024 as compared to \$44.8 million in 1H 2023.
- Distributable amount for 1H 2024 decreased by 2.1% to \$25.0 million mainly due to the depreciation of Japanese Yen and Indonesian Rupiah against Singapore Dollars.
- DPU included 1Q 2024 DPU of 0.60 cents which was paid on 21 June 2024. The 2Q 2024 DPU is 0.60 cents, to be paid on 25 September 2024.

Distribution Details

Distribution	1 April 2024 to 30 June 2024
Distribution type	(a) Taxable income (b) Tax-exempt income (c) Capital distribution
Distribution rate	Total: 0.60 cents per unit (a) Taxable income: 0.03 cents per unit (b) Tax-exempt income: 0.05 cents per unit (c) Capital distribution: 0.52 cents per unit
Ex-distribution date	6 August 2024 at 9.00 am
Book closure date	7 August 2024 at 5.00 pm
Payment date	25 September 2024

Condensed statements of financial position
As at 30 June 2024

	Note	Group		Trust	
		30/6/2024 \$'000	31/12/2023 \$'000	30/6/2024 \$'000	31/12/2023 \$'000
Assets					
Non-current assets					
Plant and equipment		72	1	–	–
Investment properties	3, a	1,100,733	1,139,468	31,730	31,700
Investments in subsidiaries	4	–	–	754,105	766,703
Loan to subsidiaries		–	–	16,763	21,705
Derivative financial instruments		37	–	37	–
		<u>1,100,842</u>	<u>1,139,469</u>	<u>802,635</u>	<u>820,108</u>
Current assets					
Trade and other receivables	5	8,408	6,249	13,595	11,688
Loans to subsidiaries		–	–	4,190	4,190
Other assets		1,492	787	889	402
Derivative financial instruments		916	560	916	560
Cash and cash equivalents		33,077	40,266	12,313	16,837
		<u>43,893</u>	<u>47,862</u>	<u>31,903</u>	<u>33,677</u>
Total assets		<u>1,144,735</u>	<u>1,187,331</u>	<u>834,538</u>	<u>853,785</u>
Liabilities					
Non-current liabilities					
Deferred tax liabilities		48,008	49,732	–	–
Borrowings	6, b	443,906	448,926	330,100	326,926
Loan from a subsidiary		–	–	4,825	5,161
Other liabilities		10,172	10,557	2,121	2,079
Derivative financial instruments		–	259	–	259
		<u>502,086</u>	<u>509,474</u>	<u>337,046</u>	<u>334,425</u>
Current liabilities					
Borrowings	6, b	860	920	–	–
Other liabilities		3,039	3,113	119	113
Loan from a subsidiary		–	–	25,512	25,512
Trade and other payables		12,974	12,402	47,972	47,878
Derivative financial instruments		3	27	3	27
Income tax payable		1,535	1,229	5	5
Current liabilities		<u>18,411</u>	<u>17,691</u>	<u>73,611</u>	<u>73,535</u>
Total liabilities		<u>520,497</u>	<u>527,165</u>	<u>410,657</u>	<u>407,960</u>

Condensed statements of financial position (cont'd)
As at 30 June 2024

	Note	Group		Trust	
		30/6/2024 \$'000	31/12/2023 \$'000	30/6/2024 \$'000	31/12/2023 \$'000
Represented by:					
Net assets attributable to unitholders	8	590,965	626,884	390,608	412,543
Perpetual securities	7	33,273	33,282	33,273	33,282
Total net assets		<u>624,238</u>	<u>660,166</u>	<u>423,881</u>	<u>445,825</u>
Units in issue ('000)	8	<u>2,085,827</u>	<u>2,076,925</u>	<u>2,085,827</u>	<u>2,076,925</u>
Net asset value per unit in cents attributable to unitholders	8	<u>28.33</u>	<u>30.18</u>	<u>18.73</u>	<u>19.86</u>

Explanatory Notes

a. Investment properties

The decrease from \$1,139.5 million to \$1,100.7 million is mainly due to weakening of foreign currencies against Singapore Dollars.

b. Borrowings – current and non-current

The decrease from \$449.8 million to \$444.8 million is mainly due to weakening of Japanese Yen against Singapore Dollars.

Condensed statements of total return
Six-month period ended 30 June 2024

		Group	
	Note	Six-month period ended 30/6/2024 \$'000	Six-month period ended 30/6/2023 \$'000
Rental and other income		51,988	53,989
Property operating expenses	9	(1,694)	(1,560)
Net property and other income		<u>50,294</u>	<u>52,429</u>
Finance income	9	197	239
Manager's management fees	9	(4,353)	(4,474)
Asset management fees		(504)	(562)
Trustee fees		(176)	(181)
Finance costs	9	(11,307)	(11,220)
Other expenses	9	(786)	(1,234)
Net income		<u>33,365</u>	<u>34,997</u>
Net fair value losses on investment properties		(6,274)	(7,546)
Net fair value gains of derivative financial instruments		1,078	585
Net foreign exchange gains/(losses)		12	(709)
Total return for the period before income tax	9	<u>28,181</u>	<u>27,327</u>
Income tax expenses		(7,667)	(7,870)
Total return for the period after income tax		<u>20,514</u>	<u>19,457</u>
Other comprehensive income:			
Items that may be reclassified subsequently to profit or loss:			
Foreign operations:			
- Currency translation differences		(32,482)	14,670
Total comprehensive (loss)/return for the period		<u>(11,968)</u>	<u>34,127</u>
Total return attributable to:			
Unitholders of the Trust		19,688	18,635
Perpetual securities holders		826	822
		<u>20,514</u>	<u>19,457</u>
Total comprehensive (loss)/return attributable to:			
Unitholders of the Trust		(12,794)	33,305
Perpetual securities holders		826	822
		<u>(11,968)</u>	<u>34,127</u>
Earnings per unit in cents			
Basic and diluted	10	<u>0.95</u>	<u>0.90</u>

Statement of distribution
Six-month period ended 30 June 2024

	Group	
	Six-month period ended 30/6/2024 \$'000	Six-month period ended 30/6/2023 \$'000
Amount available for distribution to unitholders at beginning of the period	12,906	13,593
Total return for the period after income tax	20,514	19,457
Adjustments for tax purposes (Note A)	4,542	6,182
Amount available for distribution to unitholders	37,962	39,232
Total distribution paid to unitholders	(25,420)	(26,440)
Amount available for distribution to unitholders at end of the period	12,542	12,792
Distribution per unit (cents)	1.20	1.24

Note A - Adjustments for tax purposes:

	Group	
	Six-month period ended 30/6/2024 \$'000	Six-month period ended 30/6/2023 \$'000
Manager's management fees settled in units	2,165	2,226
Net fair value gain of derivatives financial instruments	(1,078)	(585)
Changes in fair values on investment properties, net of deferred tax	7,212	9,240
Adjustment on rental straight-lining	(6,274)	(7,604)
Amount reserved for distribution to perpetual securities holders	(826)	(822)
Net settlement of currency hedging	401	(100)
Foreign exchange adjustment (gains)/losses	(603)	608
Other non-tax deductible items and adjustments	3,545	3,219
	4,542	6,182

Condensed statements of movements in unitholders' funds
Six-month period ended 30 June 2024

	← Unitholders' funds →						
	Note	Issued equity \$'000	Retained earnings \$'000	Foreign exchange reserve \$'000	Subtotal \$'000	Perpetual securities \$'000	Total \$'000
Group							
Operations							
At 1 January 2024		565,086	160,605	(98,807)	626,884	33,282	660,166
Total return for the period		–	20,514	–	20,514	–	20,514
Less: Amount reserved for distribution to perpetual securities holders		–	(826)	–	(826)	826	–
Net increase in net assets resulting from operations		–	19,688	–	19,688	826	20,514
Foreign exchange reserve							
Foreign operations:							
- Currency translation differences		–	–	(32,482)	(32,482)	–	(32,482)
Total comprehensive return/(loss)		–	19,688	(32,482)	(12,794)	826	(11,968)
Transactions with unitholders and perpetual securities holders							
Manager's management fees settled in units		2,295	–	–	2,295	–	2,295
Change in net assets resulting from creation of units		2,295	–	–	2,295	–	2,295
Distributions to unitholders		(13,543)	(11,877)	–	(25,420)	–	(25,420)
Distributions to perpetual securities holders		–	–	–	–	(835)	(835)
Net decrease in net assets resulting from transactions with unitholders and perpetual securities holders		(11,248)	(11,877)	–	(23,125)	(835)	(23,960)
At 30 June 2024		553,838	168,416	(131,289)	590,965	33,273	624,238

Condensed statements of movements in unitholders' funds (cont'd)
Six-month period ended 30 June 2023

	← Unitholders' funds →			Subtotal \$'000	Perpetual securities \$'000	Total \$'000
	Issued equity \$'000	Retained earnings \$'000	Foreign exchange reserve \$'000			
Group						
Operations						
At 1 January 2023	586,783	124,573	(79,276)	632,080	33,282	665,362
Total return for the period	–	19,457	–	19,457	–	19,457
Less: Amount reserved for distribution to perpetual securities holders	–	(822)	–	(822)	822	–
Net increase in net assets resulting from operations	–	18,635	–	18,635	822	19,457
Foreign exchange reserve						
Foreign operations:						
- Currency translation differences	–	–	14,670	14,670	–	14,670
Total comprehensive return	–	18,635	14,670	33,305	822	34,127
Transactions with unitholders and perpetual securities holders						
Manager's management fees settled in units	2,506	–	–	2,506	–	2,506
Change in net assets resulting from creation of units	2,506	–	–	2,506	–	2,506
Distributions to unitholders	(12,808)	(13,632)	–	(26,440)	–	(26,440)
Distributions to perpetual securities holders	–	–	–	–	(835)	(835)
Net decrease in net assets resulting from transactions with unitholders and perpetual securities holders	(10,302)	(13,632)	–	(23,934)	(835)	(24,769)
At 30 June 2023	576,481	129,576	(64,606)	641,451	33,269	674,720

Condensed statements of movements in unitholders' funds (cont'd)
Six-month period ended 30 June 2024

	← Unitholders' funds →			Perpetual securities \$'000	Total \$'000
	Issued equity \$'000	Accumulated losses \$'000	Subtotal \$'000		
Trust					
Operations					
At 1 January 2024	565,086	(152,543)	412,543	33,282	445,825
Total return for the period	–	2,016	2,016	–	2,016
Less: Amount reserved for distribution to perpetual securities holders	–	(826)	(826)	826	–
Net increase in net assets resulting from operations/Total comprehensive return	–	1,190	1,190	826	2,016
Transactions with unitholders and perpetual securities holders					
Manager's management fees settled in units	2,295	–	2,295	–	2,295
Change in net assets resulting from creation of units	2,295	–	2,295	–	2,295
Distributions to unitholders	(13,543)	(11,877)	(25,420)	–	(25,420)
Distributions to perpetual securities holders	–	–	–	(835)	(835)
Net decrease in net assets resulting from transactions with unitholders and perpetual securities holders	(11,248)	(11,877)	(23,125)	(835)	(23,960)
At 30 June 2024	553,838	(163,230)	390,608	33,273	423,881

Condensed statements of movements in unitholders' funds (cont'd)
Six-month period ended 30 June 2023

	Note	← Unitholders' funds →			Perpetual securities \$'000	Total \$'000
		Issued equity \$'000	Accumulated losses \$'000	Subtotal \$'000		
Trust						
Operations						
At 1 January 2023		586,783	(156,868)	429,915	33,282	463,197
Total return for the year		—	4,486	4,486	—	4,486
Less: Amount reserved for distribution to perpetual securities holders		—	(822)	(822)	822	—
Net increase in net assets resulting from operations/Total comprehensive return		—	3,664	3,664	822	4,486
Transactions with unitholders and perpetual securities holders						
Manager's management fees settled in units		2,506	—	2,506	—	2,506
Change in net assets resulting from creation of units		2,506	—	2,506	—	2,506
Distributions to unitholders		(12,808)	(13,632)	(26,440)	—	(26,440)
Distributions to perpetual securities holders		—	—	—	(835)	(835)
Net decrease in net assets resulting from transactions with unitholders and perpetual securities holders		(10,302)	(13,632)	(23,934)	(835)	(24,769)
At 30 June 2023		576,481	(166,836)	409,645	33,269	442,914

Condensed statements of cash flows
Six-month period ended 30 June 2024

	Note	Group	
		Six-month ended 30/6/2024 \$'000	Six-month ended 30/6/2023 \$'000
Cash flows from operating activities			
Total return for the period after income tax		20,514	19,457
Adjustments for:			
Finance income	9	(197)	(239)
Interest expense	9	9,035	8,976
Amortisation of transaction costs	9	2,272	2,244
Depreciation expense	9	4	7
Unrealised foreign exchange (gains)/losses		(603)	608
Adjustment on rental straight-lining		(6,274)	(7,604)
Net fair value losses on investment properties		6,274	7,546
Loss on disposal of quoted shares	9	5	7
Net fair value gains of derivative financial instruments		(1,078)	(585)
Manager's management fees settled in units		2,165	2,226
Income tax expenses		7,667	7,870
		39,784	40,513
Changes in:			
- Trade and other receivables		(6,797)	(1,124)
- Other assets		(1,313)	(1,093)
- Trade and other payables		3,349	1,661
- Other liabilities		(23)	(857)
Cash generated from operating activities		35,000	39,100
Income taxes paid		(6,372)	(6,244)
Net cash flows from operating activities		28,628	32,856
Cash flows from investing activities			
Capital expenditure to investment properties	3	(3,079)	(1,123)
Additions to plant and equipment		(75)	-
Interest received		413	195
Investments in quoted shares		(226)	(117)
Disposals of quoted shares		221	110
Net cash flows used in investing activities		(2,746)	(935)

**Condensed statements of cash flows (cont'd)
Six-month period ended 30 June 2024**

	Group	
	Six-month ended 30/6/2024 S'000	Six-month ended 30/6/2023 S'000
Cash flows from financing activities		
Distribution to unitholders	(25,420)	(26,440)
Distribution to perpetual securities holders	(835)	(835)
Proceeds from borrowings	2,000	119,000
Repayment of borrowings	(445)	(101,104)
Net settlement on currency hedging	401	(100)
Payment of transaction costs related to borrowings	–	(2,222)
Interest paid	(7,336)	(8,976)
Net cash flows used in financing activities	(31,635)	(20,677)
Net (decrease)/increase in cash and cash equivalents	(5,753)	11,244
Cash and cash equivalents at beginning of the period	40,266	46,103
Effect of exchange rate fluctuations on cash held	(1,436)	(2,259)
Cash and cash equivalents at end of the period	33,077	55,088

Significant non-cash transactions

Group

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

- For the period from 1 January 2024 to 30 June 2024, 3,700,539 Units, amounting to approximately \$908,000 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 2024 to 30 June 2024 amounting to approximately \$1,257,000 will be issued to the Manager in financial year 2025 based on 10 days volume weighted average price as at 31 December 2024.
- For the period from 1 January 2023 to 30 June 2023, 3,584,218 Units, amounting to approximately \$915,000 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 30 June 2023 amounting to approximately \$1,311,000 will be issued to the Manager in financial year 2024 based on 10 days volume weighted average price as at 31 December 2023.

Statements of portfolio
As at 30 June 2024

	Carrying value as at 30/6/2024 \$'000	Percentage of net assets attributable to unitholders as at 30/6/2024 %	Carrying value as at 31/12/2023 \$'000	Percentage of net assets attributable to unitholders as at 31/12/2023 %
Group				
Investment properties in Singapore	31,730	5.37	31,700	5.06
Investment properties in Indonesia	825,927	139.76	849,055	135.44
Investment property in Japan	243,076	41.13	258,713	41.27
Portfolio of investment properties at valuation – total	1,100,733	186.26	1,139,468	181.77
Other net liabilities	(476,495)	(80.63)	(479,302)	(76.46)
Net assets attributable to holders	624,238	105.63	660,166	105.31
Perpetual securities holders	(33,273)	(5.63)	(33,282)	(5.31)
Net assets attributable to unitholders	590,965	100.00	626,884	100.00
Trust				
Investment properties in Singapore	31,730	8.12	31,700	7.68
Portfolio of investment properties at valuation – total	31,730	8.12	31,700	7.68
Investments in subsidiaries	754,105	193.06	766,703	185.85
Other net liabilities	(361,954)	(92.66)	(352,578)	(85.46)
Net assets attributable to holders	423,881	108.52	445,825	108.07
Perpetual securities holders	(33,273)	(8.52)	(33,282)	(8.07)
Net assets attributable to unitholders	390,608	100.00	412,543	100.00

**Statements of portfolio (cont'd)
As at 30 June 2024**

By Geographical Area

Description of property / Location / Acquisition date/ Type of property / Land title type / Term of lease ^(a) / Remaining term of lease ^(b)	Gross floor area in square meters	Carrying value as at 30/6/2024 S'000	Percentage of net assets attributable to unitholders as at 30/6/2024 %	Carrying value as at 31/12/2023 S'000	Percentage of net assets attributable to unitholders as at 31/12/2023 %
<u>Singapore</u>					
Pacific Healthcare Nursing Home @ Bukit Merah 6 Lengkok Bahru, Singapore 159051 11 April 2007, Nursing Home 30 years leasehold from 2002 10+10 years/ 2.8 years	3,593	8,124	1.37	8,100	1.30
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/ 2.8 years	3,563	8,605	1.46	8,600	1.37
The Lentor Residence 51 Lentor Avenue, Singapore 786876 8 June 2007, Nursing Home 99 years leasehold from 1938 10+10 years/ 12.9 years	4,005	15,001	2.54	15,000	2.39

**Statements of portfolio (cont'd)
As at 30 June 2024**

By Geographical Area

Description of property / Location / Acquisition date/ Type of property / Land title type / Term of lease ^(a) / Remaining term of lease ^(b)	Gross floor area in square meters	Carrying value as at 30/6/2024 \$'000	Percentage of	Carrying value as at 31/12/2023 \$'000	Percentage of
			net assets attributable to unitholders as at 30/6/2024 %		net assets attributable to unitholders as at 31/12/2023 %
<u>Indonesia</u>					
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/ 26.5 years	32,696	162,110	27.43	167,889	26.78
Siloam Hospitals Kebon Jeruk Jalan Raya Perjuangan Kav. 8 Kebon Jeruk, West Jakarta 11530, Indonesia 11 December 2006, Hospital HGB 15+15 years/ 26.5 years	20,268	68,427	11.58	70,863	11.30
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/ 1.5 years	17,926	27,570	4.67	28,567	4.56

**Statements of portfolio (cont'd)
As at 30 June 2024**

By Geographical Area

Description of property / Location / Acquisition date / Type of property / Land title type / Term of lease ^(a) / Remaining term of lease ^(b)	Gross floor area in square meters	Percentage of net assets attributable to		Percentage of net assets attributable to	
		Carrying value as at 30/6/2024 \$'000	unitholders as at 30/6/2024 %	Carrying value as at 31/12/2023 \$'000	unitholders as at 31/12/2023 %
<u>Indonesia (cont'd)</u>					
Mochtar Riady Comprehensive Cancer Centre Jalan Garnisun Dalam No. 2-3, Semanggi, Central Jakarta 12930, Indonesia 30 December 2010, Hospital HGB 15+15 years/ 26.5 years	37,933	124,226	21.02	128,576	20.51
Siloam Hospitals Lippo Cikarang Jalan Mohammad Husni Thamrin Kav. 105, Lippo Cikarang, Bekasi, Indonesia 17550 31 December 2010, Hospital HGB 15+15 years/ 16.5 years	13,256	53,217	9.00	53,100	8.47
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/ 26.5 years Hotel Aryaduta Manado 30 November 2012, Hotel HGB 15+15 years/ 18.5 years	36,051	77,647	13.14	78,237	12.48

**Statements of portfolio (cont'd)
As at 30 June 2024**

By Geographical Area

Description of property / Location / Acquisition date / Type of property / Land title type / Term of lease ^(a) / Remaining term of lease ^(b)	Gross floor area in square meters	Carrying value as at 30/6/2024 \$'000	Percentage of net assets attributable to	Carrying value as at 31/12/2023 \$'000	Percentage of net assets attributable to
			unitholders as at 30/6/2024 %		unitholders as at 31/12/2023 %
<u>Indonesia (cont'd)</u>					
Siloam Hospitals Makassar Jalan Metro Tanjung Bunga Kav 3-5, Makassar City, South Sulawesi, Indonesia 30 November 2012, Hospital HGB 15+15 years/ 26.5 years	15,686	66,028	11.17	68,340	10.90
Siloam Hospitals Bali Jalan Sunset Road No. 818, Kuta, Badung, Bali, Indonesia 13 May 2013, Hospital HGB 15+15 years/ 26.5 years	20,958	62,099	10.51	64,280	10.25
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/ 26.5 years	18,605	41,340	7.00	42,720	6.82
Siloam Hospitals Purwakarta Jalan Raya Bungursari No. 1, Purwakarta, West Java, Indonesia 28 May 2014, Hospital HGB 15+15 years/ 26.5 years	8,254	21,494	3.64	22,210	3.54

**Statements of portfolio (cont'd)
As at 30 June 2024**

By Geographical Area

Description of property / Location / Acquisition date / Type of property / Land title type / Term of lease ^(a) / Remaining term of lease ^(b)	Gross floor area in square meters	Carrying value as at 30/6/2024 \$'000	Percentage of net assets attributable to	Carrying value as at 31/12/2023 \$'000	Percentage of net assets attributable to
			unitholders as at 30/6/2024 %		unitholders as at 31/12/2023 %
<u>Indonesia (cont'd)</u>					
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/ 26.5 years	15,336	20,809	3.52	21,561	3.44
Siloam Hospitals Kupang & Lippo Plaza Kupang Jalan Veteran, No. 4, Arena Pameran Fatululi, Kupang, East Nusa Tenggara, Indonesia	55,368	49,262	8.34	49,742	7.94
Siloam Hospitals Kupang 14 December 2015, Hospital Build, Operate and Transfer ("BOT") scheme 15+15 years/ 26.5 years					
Lippo Plaza Kupang 14 December 2015, Mall BOT scheme 15+15 years/ 21.5 years					
Siloam Hospitals Labuan Bajo Jalan Gabriel Gampur, Labuan Bajo, East Nusa Tenggara, Indonesia 30 December 2016, Hospital HGB 15+15 years/ 26.5 years	7,604	9,653	1.63	9,966	1.59

**Statements of portfolio (cont'd)
As at 30 June 2024**

By Geographical Area

Description of property / Location / Acquisition date / Type of property / Land title type / Term of lease ^(a) / Remaining term of lease ^(b)	Gross floor area in square meters	Percentage of net assets attributable to		Percentage of net assets attributable to	
		Carrying value as at 30/6/2024 \$'000	unitholders as at 30/6/2024 %	Carrying value as at 31/12/2023 \$'000	unitholders as at 31/12/2023 %
<u>Indonesia (cont'd)</u>					
Siloam Hospitals Baubau & Lippo Plaza Baubau Jalan Sultan Hasanuddin No. 50, 52, 54 and 58 Baubau, Sulawesi Tenggara, Indonesia	21,934	23,173	3.92	23,542	3.76
Siloam Hospitals Baubau 10 October 2017, Hospital BOT scheme 15+15 years/ 26.5 years					
Lippo Plaza Baubau ⁽¹⁾ 10 October 2017, Mall BOT Scheme 15+15 years/ 23.5 years					
Siloam Hospitals Yogyakarta Jalan Laksda Adi Sucipto No. 32-34 Yogyakarta, Indonesia	12,474	18,872	3.19	19,462	3.10
22 December 2017, Hospital HGB 15+15 years/ 26.5 years					

Statements of portfolio (cont'd)
As at 30 June 2024

By Geographical Area

Description of property / Location / Acquisition date / Type of property / Land title type / Term of lease ^(a) / Remaining term of lease ^(b)	Gross floor area in square meters	Percentage of net assets attributable to		Percentage of net assets attributable to	
		Carrying value as at 30/6/2024 \$'000	unitholders as at 30/6/2024 %	Carrying value as at 31/12/2023 \$'000	unitholders as at 31/12/2023 %
<u>Japan</u>					
Hikari Heights Varus Ishiyama Ishiyama 1-jo 3-3-33 Minami-ku, Sapporo, Hokkaido 01 March 2022, Nursing Home Freehold 30+5 years/ 23.8 years	8,747	7,381	1.25	7,195	1.14
Hikari Heights Varus Tsukisamu Koen Misono 9-jo 8-5-1, Toyohira-ku Sapporo, Hokkaido 01 March 2022, Nursing Home Freehold 30+5 years/ 23.8 years	4,362	5,905	1.00	6,311	1.01
Hikari Heights Varus Fujino Fujino 3-jo 11-10-11, Minami-ku Sapporo, Hokkaido 01 March 2022, Nursing Home Freehold 30+5 years/ 23.8 years	9,782	14,448	2.44	15,456	2.47
Hikari Heights Varus Kotoni Nijuyonken 4-jo 1-3-1, Nishi-ku, Sapporo, Hokkaido 01 March 2022, Nursing Home Freehold 30+5 years/ 23.8 years	20,756	57,018	9.65	60,996	9.73
Varus Cuore Yamanote Yamanote 6-jo 2-1-1, Nishi-ku Sapporo, Hokkaido 01 March 2022, Nursing Home Freehold 30+5 years/ 23.8 years	2,808	9,804	1.66	10,488	1.67

Statements of portfolio (cont'd)
As at 30 June 2024

By Geographical Area

Description of property / Location / Acquisition date / Type of property / Land title type / Term of lease ^(a) / Remaining term of lease ^(b)	Gross floor area in square meters	Carrying value as at 30/6/2024 \$'000	Percentage of net assets attributable to	Carrying value as at	Percentage of net assets attributable to
			unitholders as at 30/6/2024 %	31/12/2023 \$'000	unitholders as at 31/12/2023 %
<u>Japan (cont'd)</u>					
Hikari Heights Varus Makomanai Koen Makomanai Midoricho 1-1-1 Minami-ku, Sapporo, Hokkaido 01 March 2022, Nursing Home Freehold 30+5 years/ 23.8 years	13,301	41,452	7.01	44,344	7.07
Varus Cuore Sapporo Kita/ Annex Tonden 8-jo 9-3-7, Kita-ku Sapporo, Hokkaido 01 March 2022, Nursing Home Freehold 30+5 years/ 23.8 years	7,637	25,714	4.35	27,508	4.39
ElySION Gakuenmae Nakatomioka 1-1994-6, Nara-shi, Nara 01 March 2022, Nursing Home Freehold 30+5 years/ 23.8 years	3,790	14,276	2.42	15,272	2.44
ElySION Mamigaoka/ Mamigaoka Annex Umami-minami 4-1-19, Koryocho Kitakatsuragi-gun, Nara 01 March 2022, Nursing Home Freehold 30+5 years/ 23.8 years	10,259	20,051	3.39	20,884	3.33
Orchard Amanohashidate Aza Mannen Koaza Akaiwa 1060-1, Miyazu, Kyoto 01 March 2022, Nursing Home Freehold 30+5 years/ 23.8 years	2,927	7,679	1.30	8,206	1.31

Statements of portfolio (cont'd)
As at 30 June 2024

By Geographical Area

Description of property / Location / Acquisition date/ Type of property / Land title type / Term of lease ^(a) / Remaining term of lease ^(b)	Gross floor area in square meters	Carrying value as at 30/6/2024 \$'000	Percentage of net assets attributable to	Carrying value as at	Percentage of net assets attributable to
			unitholders as at 30/6/2024 %	31/12/2023 \$'000	unitholders as at 31/12/2023 %
<u>Japan (cont'd)</u>					
Orchard Kaichi North Kaichi 2-3-50, Matsumoto, Nagano 01 March 2022, Nursing Home Freehold 30+5 years/ 23.8 years	5,058	11,610	1.96	12,420	1.98
Orchard Kaichi West Kaichi 2-3-50, Matsumoto, Nagano 01 March 2022, Nursing Home Freehold 30+5 years/ 23.8 years	1,561	4,051	0.69	4,333	0.69
Medical Rehabilitation Home Bon Séjour Komaki 3-chōme-1 Shiroyama, Komaki, Aichi 485-0812, Japan 27 September 2022, Nursing Home Freehold 20+5 years/ 7.9 years	8,858	13,760	2.33	14,720	2.35
Loyal Residence Ayase 4695-1, 7- chōme, Fukaya, Ayase city, Kanagawa 29 September 2022, Nursing Home Freehold 30 years/ 19.2 years	3,387	9,927	1.68	10,580	1.69
Portfolio of investment properties held by the Group at valuation – Total					
		1,100,733	186.26	1,139,468	181.77

**Statements of portfolio (cont'd)
As at 30 June 2024**

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 which are under BOT schemes.
- (b): This refers to the remaining tenure of the master lease terms as at 30 June 2024 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 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.

Statements of portfolio (cont'd)
As at 30 June 2024

By Geographical Area

Trust

Description of property / Location / Acquisition date / Type of property / Land title type / Term of lease / Remaining term of lease	Gross floor area in square meters	Carrying value as at 30/6/2024 \$'000	Percentage of net assets attributable to unitholders as at 30/6/2024 %	Carrying value as at 31/12/2023 \$'000	Percentage of net assets attributable to unitholders as at 31/12/2023 %
<u>Singapore</u>					
Pacific Healthcare Nursing Home @ Bukit Merah 6 Lengkok Bahru, Singapore 159051 11 April 2007, Nursing Home 30 years leasehold from 2002 10+10 years/ 2.8 years	3,593	8,124	1.37	8,100	1.96
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/ 2.8 years	3,563	8,605	1.46	8,600	2.08
The Lentor Residence 51 Lentor Avenue, Singapore 786876 8 June 2007, Nursing Home 99 years leasehold from 1938 10+10 years/ 12.9 years	4,005	15,001	2.54	15,000	3.64
Portfolio of investment properties held by the Trust at valuation – Sub-total		31,730	5.37	31,700	7.68

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 First Supplemental Deed dated 6 September 2007, Second Supplemental Deed dated 19 April 2010, Third Supplemental Deed dated 26 April 2011, Fourth Supplemental Deed dated 1 April 2013, First Amending and Restating Deed dated 23 March 2016, Supplemental Deed of Retirement and Appointment of Trustee dated 1 November 2017, Fifth Supplemental Deed dated 22 May 2018, Sixth Supplemental Deed dated 30 April 2019, Seventh Supplemental Deed dated 7 April 2020 and 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 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 relate to the Trust and its subsidiaries (together referred to as the “Group” and individually as “Group entities”).

The Group is regarded as a subsidiary of OUE Healthcare Limited (“OUEH”) for financial reporting purposes. Accordingly, the ultimate holding company of the Trust is Lippo ASM Asia 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 (the “CIS Code”) issued by the Monetary Authority of Singapore (“MAS”) and the provisions of the Trust Deed. RAP 7 requires the accounting policies to generally comply with the recognition and measurement principles relating to recognition and measurement of Singapore Financial Reporting Standards (“FRS”) 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 30 June 2024 and 31 December 2023.

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 2023, 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 2024. The Group has applied the following FRSs and amendments to FRSs for the first time for the annual period beginning on 1 January 2024:

- Amendments to FRS 1 *Classification of Liabilities as Current or Non-current* and Amendments to FRS 1 *Non-current Liabilities with Covenants*
- Amendments to FRS 116 *Lease Liability in a Sale and Leaseback*
- Amendments to FRS 7 and FRS 107 *Supplier Finance Arrangements*

The application of these amendments to standards does not have a material effect on the Group's financial statements.

2.1 Seasonal operations

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

3 Investment properties

	Group		Trust	
	30/6/2024	31/12/2023	30/6/2024	31/12/2023
	\$'000	\$'000	\$'000	\$'000
At 1 January	1,139,468	1,145,343	31,700	32,500
Capital expenditures	3,079	4,923	30	192
Adjustment on rental straight-lining	6,274	15,189	(70)	(86)
(Losses)/Gains for the period/year				
Net fair value (losses)/gains recognised in profit or loss	(6,274)	10,834	70	(906)
Losses recognised in other comprehensive income ("OCI")				
Effects of movement in exchange rates	(41,814)	(36,821)	–	–
At 30 June/31 December	<u>1,100,733</u>	<u>1,139,468</u>	<u>31,730</u>	<u>31,700</u>

As at 31 December 2023, 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.

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 methods. The valuation methods involve certain estimates including those relating to market-corroborated discount rate, terminal 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.

Management has engaged the external valuers who performed the annual valuation as at 31 December 2023 to conduct a high level review of the key assumptions and key parameters for the valuation of each investment property as at 30 June 2024. These external valuers have maintained the same valuation methodologies, key parameters and assumptions with those as of 31 December 2023. Management is therefore of the view that the fair value of the investment properties are approximately \$1,100,733,000.

4 Investments in subsidiaries

	Trust	
	30/6/2024	31/12/2023
	\$'000	\$'000
Movements during the period/year, at cost:		
At 1 January	766,703	764,149
Incorporation of subsidiaries	–	35
Redemption of redeemable preference shares by subsidiaries	(12,598)	(22,137)
Reversal for impairment losses	–	24,656
At 30 June/31 December	754,105	766,703
Total cost comprising:		
Unquoted equity shares at cost	583,859	583,859
Redeemable preference shares at cost	239,879	252,477
Allowance for impairment losses	(69,633)	(69,633)
Total at cost	754,105	766,703

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 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. 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, there is no additional impairment loss or reversal for impairment losses recognised during financial period ended 30 June 2024.

5 Trade and other receivables

	Group		Trust	
	30/6/2024 \$'000	31/12/2023 \$'000	30/6/2024 \$'000	31/12/2023 \$'000
Trade receivables:				
- Third parties ^(a)	6,398	4,224	–	224
- Related parties	1,453	1,433	8	8
	7,851	5,657	8	232
Other receivables:				
- Third parties	557	592	361	482
- Subsidiaries	–	–	13,226	10,974
	557	592	13,587	11,456
Total trade and other receivables	8,408	6,249	13,595	11,688

- (a) The rents under the PT Metropolis Propertindo Utama (“PT MPU”) master lease agreements are payable quarterly in advance. As at 30 June 2024, the rental outstanding from PT MPU in the sum of approximately Indonesia Rupiah (“IDR”) 77,090,164,000 (equivalent to approximately \$6,398,000), of which IDR47,929,429,000 (equivalent to approximately \$3,978,000) and IDR29,160,735,000 (equivalent to approximately \$2,420,000) relate to mall and hospital properties respectively. The security deposit received from PT MPU and joint tenant comprised IDR20,149,289,000 (equivalent to approximately \$1,672,000) and IDR52,247,873,000 (equivalent to approximately \$4,337,000) for mall and hospital properties respectively.

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.

The non-trade receivables from subsidiaries are unsecured, interest-free and repayable on demand.

6 Borrowings

		Group		Trust	
		30/6/2024	31/12/2023	30/6/2024	31/12/2023
		\$'000	\$'000	\$'000	\$'000
Guaranteed bonds	(a)	100,000	100,000	100,000	100,000
Social term loan A	(b)	235,713	233,713	235,713	233,713
Social term loan B	(c)	14,276	15,272	–	–
Secured Tokutei Mokuteki Kaisha ("TMK") bonds B and Term loan C	(d)	102,340	109,940	–	–
Less: Unamortised transaction costs		(7,563)	(9,079)	(5,613)	(6,787)
		<u>444,766</u>	<u>449,846</u>	<u>330,100</u>	<u>326,926</u>
Current		860	920	–	–
Non-current		<u>443,906</u>	<u>448,926</u>	<u>330,100</u>	<u>326,926</u>
		<u>444,766</u>	<u>449,846</u>	<u>330,100</u>	<u>326,926</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 the Trust to refinance \$100 million syndicated secured loan which matured in May 2022. The guaranteed bonds amounting to \$100 million are unconditionally and irrevocably guaranteed by 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 30 June 2024, the Trust drew down social term loan A amounting to \$236 million (31 December 2023: \$234 million) under these Facilities, which is repayable in May 2026. Social term loan A carries floating rates and is repriced at intervals of 3 months or less.

(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 \$14.3 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.

6 Borrowings (cont'd)

(d) Secured TMK bonds B and Term Loan C

On 23 June 2023, OUE LH Japan First TMK, a subsidiary of the Group, issued a 7 year bonds amounting to JPY2 billion (equivalent to approximately \$17.2 million) to Kiraboshi Bank Ltd and obtained a term loan of JPY10 billion (equivalent to approximately \$86.0 million) (“Term loan C”) from Kiraboshi Bank Ltd. The outstanding balance for the secured TMK bond B and Term loan C as at 30 June 2024 amounts to JPY2 billion and JPY9.90 billion (equivalent to approximately \$17.2 million and \$85.1 million) respectively. Both facilities will be due in June 2030.

The Trust entered into interest rate swap 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:

30 June 2024	Currency	Nominal interest rate	Year of maturity	Face value \$'000	Carrying amount \$'000
Group					
Guaranteed bonds	SGD	3.25%	2027	100,000	97,269
Social term loan A	SGD	5.51% - 5.97%	2026	235,713	232,831
Social term loan B	JPY	1.31%	2026	14,276	14,123
Secured TMK bonds B and Term loan C	JPY	1.50%	2030	102,340	100,543
				452,329	444,766
Trust					
Guaranteed bonds	SGD	3.25%	2027	100,000	97,269
Social term loan A	SGD	5.51% - 5.97%	2026	235,713	232,831
				335,713	330,100
31 December 2023					
Group					
Guaranteed bonds	SGD	3.25%	2027	100,000	96,778
Social term loan A	SGD	5.12% - 6.02%	2026	233,713	230,148
Social term loan B	JPY	1.00% - 1.31%	2026	15,272	15,071
Secured TMK bond B and Term loan C	JPY	1.50%	2030	109,940	107,849
				458,925	449,846
Trust					
Guaranteed bonds	SGD	3.25%	2027	100,000	96,778
Social term loan A	SGD	5.12% - 6.02%	2026	233,713	230,148
				333,713	326,926

6 Borrowings (cont'd)

Terms and debts repayment schedule (cont'd)

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.
- 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.
- 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.
- 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., Surabaya Hospitals Investment Pte. Ltd., Kalmore Investments Pte. Ltd., Icon1 Holdings Pte. Ltd., OUELH Japan Medical Facilities Pte. Ltd., OUELH Japan Medical Assets Pte. Ltd., First REIT Japan Holdings One Pte. Ltd., and First REIT Japan Holdings Two 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., Surabaya Hospitals Investment Pte. Ltd., Kalmore Investments Pte. Ltd., Icon1 Holdings Pte. Ltd., OUELH Japan Medical Facilities Pte. Ltd., OUELH Japan Medical Assets Pte. Ltd., First REIT Japan Holdings One Pte. Ltd., and First REIT Japan Holdings Two 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.
- 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%.
- 9) OUEH's interest held in the Trust directly and indirectly is at least at 20%.
- 10) OUE Limited's interest held in First REIT Management Limited directly and indirectly is at least at 51%.
- 11) Compliance with all financial covenants.

6 Borrowings (cont'd)

Terms and debts repayment schedule (cont'd)

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 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; and
- 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 holders.

These perpetual securities are classified as equity. The Manager 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 are treated as dividends.

7 Perpetual securities (cont'd)

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 and arising from the partial redemption, totalled \$26,980,000. The gain from the partial redemption was \$7,858,000, net of transaction cost of \$167,000. The total net cash outflows from the partial redemption, distribution and gain on redemption of perpetual securities, net of transaction costs was \$19,122,000.

As at 30 June 2024, \$33,273,000 (31 December 2023: \$33,282,000) presented in the statements 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	
		30/6/2024 '000	31/12/2023 '000
At 1 January		2,076,925	2,058,581
Issuance of new units as settlement of the Manager's management fees	(a)	8,902	18,344
At 30 June 2024/31 December 2023		<u>2,085,827</u>	<u>2,076,925</u>

(a) A total of 8,901,955 (31 December 2023: 18,343,811) new units at an issue price range from \$0.2485 to \$0.2608 (31 December 2023: \$0.2204 to \$0.2985) per unit were issued in respect of the settlement for the Manager's management fees to the Manager of \$2,295,000 (31 December 2023: \$4,788,000).

At the end of the reporting period/year, 4,403,425 (31 December 2023: 4,578,992) units were issuable as settlement for the Manager's management fees for the last quarter of the reporting period/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.

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

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.

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.

	Group		Trust	
	30/6/2024	31/12/2023	30/6/2024	31/12/2023
	\$'000	\$'000	\$'000	\$'000
Net assets value attributable to unitholders	590,965	626,884	390,608	412,543
Net assets value per unit in cents attributable to unitholders	28.33	30.18	18.73	19.86

9 Total return for the period before income tax

	Group	
	Six-month period ended 30/6/2024 \$'000	Six-month period ended 30/6/2023 \$'000

The following items have been included in arriving at total return for the period before income tax:

Property tax expense	702	772
Valuation expenses	93	99
Professional fees	688	462
Repairs and maintenance	136	90
Others	75	137
Property operating expenses	1,694	1,560
Bank interest income	197	239
Finance income	197	239
Base fees	1,838	1,853
Performance fees	2,515	2,621
Manager's management fees	4,353	4,474
Interest expense:		
- Borrowings	9,035	8,976
Amortisation of transaction costs:		
- Borrowings	1,678	1,650
- Guarantee fees	505	505
- Letter of credit fees	89	89
	2,272	2,244
Finance costs	11,307	11,220
Depreciation	4	7
Handling and processing fees	140	135
Professional fees	405	366
Project expenses	110	594
Loss on disposal of quoted shares	5	7
Others	122	125
Other expenses	786	1,234

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:

	Group	
	Six-month period ended 30/6/2024 \$'000	Six-month period ended 30/6/2023 \$'000
Total return attributable to unitholders during the period ('000)	19,688	18,635
Weighted average number of units outstanding during the period ('000)	2,081,572	2,063,781
Earnings per unit (in cents)		
Basic and diluted	0.95	0.90

There were no potential dilutive units for the periods ended 30 June 2024 and 30 June 2023. 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

	Group	
	Six-month period ended 30/6/2024	Six-month period ended 30/6/2023
Expenses to average net assets attributable to unitholders ratio - excluding performance related fees ⁽¹⁾	0.54%	0.60%
Expenses to average net assets attributable to unitholders ratio - including performance related fees ⁽¹⁾	0.96%	1.01%
Portfolio turnover ratio ⁽²⁾	N/A	N/A
Total operating expenses (\$'000) ⁽³⁾	15,180	15,881
Total operating expenses to net asset value ratio ⁽³⁾	2.57%	2.48%

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 30 June 2024, the Group had three reportable segments: Singapore operations, Indonesia operations, and Japan operations (30 June 2023: 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
1 January 2024 to 30 June 2024				
Total return reconciliation				
Rental and other income	2,114	43,122	6,752	51,988
Net property and other income	1,812	42,753	5,729	50,294
Finance income	165	32	–	197
Manager's management fees				(4,353)
Asset management fees			(504)	(504)
Trustee fees				(176)
Finance costs	(10,211)	–	(1,096)	(11,307)
Other expenses				(786)
Net income				33,365
Net fair value gains/(losses) on investment properties	70	(6,344)	–	(6,274)
Net fair value gains of derivative financial instruments				1,078
Net foreign exchange gains				12
Total return before income tax				28,181
Income tax expense	–	(6,023)	(1,644)	(7,667)
Total return after income tax				20,514
30 June 2024				
Assets				
Segment assets including investment properties	46,385	839,200	259,150	1,144,735
Total assets				1,144,735

12 Operating segments (cont'd)

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

	Singapore \$'000	Indonesia \$'000	Japan ¹ \$'000	Total \$'000
1 January 2023 to 30 June 2023				
Total return reconciliation				
Rental and other income	2,098	44,334	7,557	53,989
Net property and other income	1,845	44,002	6,582	52,429
Finance income	199	40	–	239
Manager's management fees				(4,474)
Asset management fees			(562)	(562)
Trustee fees				(181)
Finance costs	(10,125)	–	(1,095)	(11,220)
Other expenses				(1,234)
Net income				34,997
Net fair value gains/(losses) on investment properties	30	(7,576)	–	(7,546)
Net fair value gains of derivative financial instruments				585
Net foreign exchange losses				(709)
Total return before income tax				27,327
Income tax expense	–	(5,965)	(1,905)	(7,870)
Total return after income tax				19,457
31 December 2023				
Assets				
Segment assets including investment properties	50,274	860,919	276,138	1,187,331
Total assets				1,187,331

Income is attributed to countries on the basis of the location of the investment properties. The non-current assets comprise 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 \$18,409,000 and \$40,137,000 (31 December 2023: \$39,497,000 and \$83,504,000) and contributed 35.4% and 77.2% (31 December 2023: 36.4% and 76.9%) of the Group's revenue respectively during the period/year ended 30 June 2024 and 31 December 2023.

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
30 June 2024								
Financial assets measured at fair value								
Derivative financial instruments								
– interest rate caps (net-settled)	270	–	–	270	–	270	–	270
– interest rate swaps (net-settled)	94			94		94		94
– forward exchange contracts (net-settled)	589	–	–	589	–	589	–	589
	<u>953</u>	<u>–</u>	<u>–</u>	<u>953</u>				
Financial liabilities measured at fair value								
Derivative financial instruments								
– forward exchange contracts (net-settled)	(3)	–	–	(3)	–	(3)	–	(3)
Financial liabilities not measured at fair value								
Security deposits	–	–	(10,172)	(10,172)	–	–	(8,436)	(8,436)
Guaranteed bonds	–	–	(97,269)	(97,269)	–	(98,568)	–	(98,568)
Social term loan A	–	–	(232,831)	(232,831)				
Social term loan B	–	–	(14,123)	(14,123)	–	–	(13,831)	(13,831)
Secured TMK bonds B and Term loan C	–	–	(100,543)	(100,543)	–	–	(93,894)	(93,894)
	<u>–</u>	<u>–</u>	<u>(454,938)</u>	<u>(454,938)</u>				

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
31 December 2023								
Financial assets measured at fair value								
Derivative financial instruments								
– interest rate caps (net-settled)	411	–	–	411	–	411	–	411
– forward exchange contracts (net-settled)	149	–	–	149	–	149	–	149
	<u>560</u>	<u>–</u>	<u>–</u>	<u>560</u>				
Financial liabilities measured at fair value								
Derivative financial instruments								
– interest rate swaps (net-settled)	(272)	–	–	(272)	–	(272)	–	(272)
– forward exchange contracts (net-settled)	(14)	–	–	(14)	–	(14)	–	(14)
	<u>(286)</u>	<u>–</u>	<u>–</u>	<u>(286)</u>				
Financial liabilities not measured at fair value								
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)
	<u>–</u>	<u>–</u>	<u>(460,403)</u>	<u>(460,403)</u>				

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
Trust								
30 June 2024								
Financial assets measured at fair value								
Derivative financial instruments								
– interest rate caps (net-settled)	270	–	–	270	–	270	–	270
– interest rate swaps (net-settled)	94			94		94		94
– forward exchange contracts (net-settled)	589	–	–	589	–	589	–	589
	<u>953</u>	<u>–</u>	<u>–</u>	<u>953</u>				
Financial assets not measured at fair value								
Loan to subsidiaries	–	20,953	–	20,953	–	–	20,803	20,803
Financial liabilities measured at fair value								
Derivative financial instruments								
– forward exchange contracts (net-settled)	(3)	–	–	(3)	–	(3)	–	(3)
Financial liabilities not measured at fair value								
Security deposits	–	–	(2,121)	(2,121)	–	–	(1,880)	(1,880)
Guaranteed bonds	–	–	(97,269)	(97,269)	–	(98,568)	–	(98,568)
Social term loan A	–	–	(232,831)	(232,831)				
Loan from subsidiaries	–	–	(30,337)	(30,337)				
	<u>–</u>	<u>–</u>	<u>(362,558)</u>	<u>(362,558)</u>				

13 Financial assets and financial liabilities (cont'd)

Accounting classifications and fair values (cont'd)

Trust	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
31 December 2023								
Financial assets measured at fair value								
Derivative financial instruments								
– interest rate caps (net-settled)	411	–	–	411	–	411	–	411
– forward exchange contracts (net-settled)	149	–	–	149	–	149	–	149
	<u>560</u>	<u>–</u>	<u>–</u>	<u>560</u>				
Financial assets not measured at fair value								
Loan to subsidiaries	–	25,895	–	25,895	–	–	25,678	25,678
Financial liabilities measured at fair value								
Derivative financial instruments								
– interest rate caps (net-settled)	(272)	–	–	(272)	–	(272)	–	(272)
– forward exchange contracts (net-settled)	(14)	–	–	(14)	–	(14)	–	(14)
	<u>(286)</u>	<u>–</u>	<u>–</u>	<u>(286)</u>				
Financial liabilities not measured at fair value								
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)				
	<u>–</u>	<u>–</u>	<u>(359,678)</u>	<u>(359,678)</u>				

Other information required by listing rule appendix 7.2

Explanatory Notes

A. Statements of total return

		Group		
		Six-month period ended		
Note		30 Jun 2024	30 Jun 2023	Change
		\$'000	\$'000	%
	Rental and other income	51,988	53,989	(3.7%)
	Property operating expenses	(1,694)	(1,560)	8.6%
	Net property and other income	50,294	52,429	(4.1%)
	Finance income	197	239	(17.6%)
	Manager's management fees	(4,353)	(4,474)	(2.7%)
	Asset management fees	(504)	(562)	(10.3%)
	Trustee fees	(176)	(181)	(2.8%)
	Finance costs	(11,307)	(11,220)	0.8%
	Other expenses	(786)	(1,234)	(36.3%)
	Net income	33,365	34,997	(4.7%)
	Net fair value losses on investment properties	(6,274)	(7,546)	(16.9%)
	Net fair value gains of derivative financial instruments	1,078	585	84.3%
	Net foreign exchange gains/(losses)	12	(709)	NM
	Total return for the period before income tax	28,181	27,327	3.1%
	Income tax expenses	(7,667)	(7,870)	(2.6%)
	Total return for the period after income tax	20,514	19,457	5.4%
	Other comprehensive income:			
	Items that may be reclassified subsequently to profit or loss:			
	- Currency translation differences	(32,482)	14,670	NM
	Total comprehensive return for the period	(11,968)	34,127	NM
	Total comprehensive return attributable to:			
	Unitholders of Trust	19,688	18,635	5.7%
	Perpetual securities holders	826	822	0.5%
		20,514	19,457	5.4%

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 1H 2024 decreased by 3.7% to \$52.0 million compared to 1H 2023 was mainly due to the depreciation of Japanese Yen and Indonesian Rupiah against Singapore Dollars.
2. Property operating expenses for 1H 2024 increased by 8.6% to \$1.7 million compared to 1H 2023 mainly due to the property operating expenses incurred for Japan properties.
3. Manager's management fees for 1H 2024 decreased by 2.7% to \$4.4 million compared to 1H 2023 was mainly due to lower total assets resulting from the depreciation of Japanese Yen and Indonesia Rupiah against Singapore Dollars. The Manager's management fee was derived after deducting the asset management fee charged by the Japan assets management company.
4. Other expenses for 1H 2024 decreased by 36.3% to \$0.8 million compared to 1H 2023 was mainly due to professional fee incurred in relation to a proposed acquisition of Japan properties in 1H 2023.
5. Net fair value losses of investment properties relate to recognition of FRS 116 rental straight-lining adjustments for the Indonesia hospital properties and Singapore properties.
6. Net fair value gains of derivative financial instruments for 1H 2024 relates to the evaluation of interest rate swap and interest rate cap contracts, as well as currency hedging contracts.
7. Income tax expense for 1H 2024 decreased by 2.6% to \$7.7 million compared to 1H 2023 was mainly due to lower tax resulting from the depreciation of Japanese Yen and Indonesian Rupiah against Singapore Dollars, as well as lower provision of deferred tax on undistributable profits of Japan subsidiaries.

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)

F. Commentary on the competitive conditions of the industry

First REIT's portfolio in developed markets includes 14 nursing homes in Japan and 3 nursing homes in Singapore. In Japan, the reliance on social infrastructure for healthcare and long-term care is resilient as the number of households with elderly aged 65 years old or older will increase from 20.97 million in 2020 to 24.31 million in 2045¹. The number of single-person households is expected to reach 23.3 million in 2050, accounting for 44.3% of total households². In Singapore, senior-care facilities like nursing homes are also expected to see sustained demand in the long-term due to a rapidly ageing population: seniors aged 65 and above living alone notably increased from 58,000 in 2018 to 78,135 in 2023³.

First REIT's healthcare properties in Indonesia are operated by PT Siloam International Hospitals Tbk and subsidiaries ("**Siloam**"), a strong operator with one of the widest-reach private hospital networks in Indonesia. First REIT's healthcare properties are well-positioned to meet the increasing demand for quality healthcare in Indonesia, where there is also an uneven distribution of specialist doctors. In response to the under-supply of specialist doctors, the government has launched a hospital-based specialists doctor programme in May 2024 to train more specialist doctors. Currently, some 2,700 specialist doctors are produced annually, in contrast to Indonesia's requirement of around 29,000⁴.

According to the latest World Economic Forum's Chief Economists Outlook⁵, inflation is elevated but easing, and monetary policy is expected to become less synchronised with signs of loosening in some regions. In Singapore, the Monetary Authority of Singapore continued to maintain the rate of appreciation of the Singapore dollar nominal effective exchange rate policy band⁶. In Japan, with core consumer prices rising⁷, and the Japanese yen facing pressures, the prospect of higher interest rates remain. In Indonesia, the central bank is focussed on stabilising the Indonesian rupiah, with room for an interest rate cut in the fourth quarter⁸. The Manager is closely monitoring and progressively hedging net cashflow from Indonesia and Japan in accordance with its hedging policy.

Overall, structural tailwinds from a rapidly greying population in Asia has compelled a heightened and long-term demand for elderly infrastructure and quality healthcare services, positioning the healthcare real estate market well for sustainable growth. To deliver sustainable distributions to unitholders, First REIT remains focused on its 2.0 Growth Strategy, with a target for developed markets to comprise more than 50% of its portfolio by FY2027. Together with strong sponsor support from OUE Limited and OUE Healthcare Limited, First REIT is well-positioned to ride the tailwinds in the healthcare sector.

¹ National Institute of Population and Social Security Research, April 2024

² Reuters, April 2024, '[Japan's elderly population living alone to jump 47% by 2050 – research](#)'

³ The Straits Times, April 2024, '[From family care to future care: Do we have what it takes to look after older Singaporeans?](#)'

⁴ Antara, May 2024, '[Indonesia launches hospital-based specialists doctor program](#)'

⁵ World Economic Forum, May 2024, '[Chief Economists Outlook](#)'

⁶ Monetary Authority of Singapore, [MAS Monetary Policy Statement - April 2024](#)

⁷ [Statistics Bureau of Japan](#), June 2024

⁸ CNA, July 2024, '[Indonesia central bank sees room for Q4 rate cut if rupiah stabilises](#)'

Other information required by listing rule appendix 7.2 (cont'd)

G. 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 April 2024 to 30 June 2024

i. Distribution Type Income / Capital

Distribution Type	Distribution Rate (cents per unit)
Taxable Income	0.03
Tax-Exempt Income	0.05
Capital	0.52
Total	0.60

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%.

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.

Other information required by listing rule appendix 7.2 (cont'd)

G. Distributions (cont'd)

(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 April 2023 to 30 June 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%.

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.

Other information required by listing rule appendix 7.2 (cont'd)

G. Distributions (cont'd)

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 7 August 2024 for the purposes of determining each unitholder's entitlement to First REIT's distribution. The ex-distribution date will be on 6 August 2024 at 9.00am.

(c) Date Payable: 25 September 2024

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

Not applicable.

I. 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 30 June 2024:

- 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 30 June 2024 and is verified by our external tax consultant.

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.

J. 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.

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

K. Confirmation by the Board pursuant to Rule 705(5) of the Listing Manual

The Board of Directors of First REIT Management Limited do hereby confirm that, to the best of their knowledge, nothing has come to their attention which may render these interim financial results to be false or misleading in any material respect.

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

26 July 2024
