



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

## DIVESTMENT OF A NURSING HOME PROPERTY LOCATED IN JAPAN

### 1. INTRODUCTION

#### 1.1 Divestment of A Nursing Home Property in Japan

Parkway Trust Management Limited, as manager of Parkway Life Real Estate Investment Trust (“**Parkway Life REIT**”, and as manager of Parkway Life REIT, the “**Manager**”), wishes to announce that HSBC Institutional Trust Services (Singapore) Limited, as trustee of Parkway Life REIT (the “**Trustee**”), has through its special purpose entity incorporated in Japan (the “**Vendor**”), entered into a purchase and sale agreement (the “**Purchase and Sale Agreement**”) with K.K. Etoile (the “**Purchaser**”) in relation to the divestment of a nursing home property located in Hyogo Prefecture, Japan (the “**Property**”) for a total sale consideration of JPY1,165.5 million <sup>1</sup> (approximately S\$9.4 million <sup>2</sup>) (the “**Sale Consideration**”). Completion of the divestment of the Property (the “**Divestment**”) has taken place today.

#### 1.2 Certain Information on the Property

Property	Location	Land Area	Year of Building Completion	Land Tenure
Etoile Suma Rikyu	Hyogo Prefecture, Japan	2,675.56 m <sup>2</sup>	1989	Freehold

### 2. RATIONALE FOR THE DIVESTMENT

#### 2.1 Divestment Gain

Parkway Life REIT is expected to recognise an estimated gain on disposal of investment property (before tax) of approximately S\$0.6 million.

The Divestment at the Sale Consideration of JPY1,165.5 million<sup>1</sup> (approximately S\$9.4 million) is approximately 38.0% higher than Parkway Life REIT’s original purchase price of the Property of JPY844 million (approximately S\$6.8 million).

<sup>1</sup> Excluding consumption tax and local consumption tax on the building.

<sup>2</sup> Based on the exchange rate of S\$1.00: JPY124.38 (the “**Exchange Rate**”). Unless otherwise stated, all conversions of JPY amounts into S\$ in this announcement will be based on the Exchange Rate.<sup>3</sup> As at 31 March 2026.

## **2.2 Consistency with Parkway Life REIT's Asset Recycling and Portfolio Rejuvenation Strategy**

Currently, Parkway Life REIT owns 60 properties in Japan consisting of mainly nursing homes and care facility properties diversified across various prefectures and contributing approximately 25% of its total portfolio's revenue<sup>3</sup>.

The Divestment, which sees Parkway Life REIT unlocking value from a mature property at an attractive valuation while reducing future capital expenditure commitments, is in line with the Manager's asset recycling and portfolio rejuvenation strategy to rebalance and strengthen the overall quality and growth potential of Parkway Life REIT's Japan portfolio. The Divestment will further strengthen Parkway Life REIT's balance sheet and provide greater financial flexibility for Parkway Life REIT to pursue higher growth opportunities, which would serve to enhance the overall value and growth potential of Parkway Life REIT.

## **2.3 Realisation of the value of the Property above valuation**

The Divestment is at approximately 5.0% or JPY55.5 million (approximately S\$0.4 million) above the latest valuation of JPY1,110 million (approximately S\$8.9 million) of the Property as at 31 December 2025 (see paragraph 3.3 below for further details on the valuation of the Property).

## **3. CERTAIN PRINCIPAL TERMS OF THE DIVESTMENT**

### **3.1 Sale and Purchase**

The Sale Consideration for the Property was arrived at on a willing-buyer and willing-seller basis after taking into account the latest valuation of the Property as at 31 December 2025 by the independent valuer set out in paragraph 3.3 below.

The Sale Consideration has been paid in cash by the Purchaser to the Vendor today pursuant to the terms of the Purchase and Sale Agreement.

### **3.2 Fees**

Upon completion of the Divestment:

- (a) a divestment fee of approximately S\$0.05 million is payable to the Manager pursuant to the trust deed constituting Parkway Life REIT dated 12 July 2007 (as amended), which may be payable in the form of cash and/or units of Parkway Life REIT ("**Units**") as the Manager may elect; and
- (b) a disposition fee of approximately JPY3.2 million (approximately S\$0.03 million), excluding tax, is payable to the asset manager of the Property for facilitating the divestment of the Property.

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<sup>3</sup> As at 31 March 2026.

### 3.3 Original Purchase Price, Valuation and Sale Consideration of the Property

ENRIX Co., Ltd. (“**Enrix**”), an independent valuer, has been commissioned by the Manager (in its capacity as manager of Parkway Life REIT) to prepare an independent valuation for the Property. Enrix had on 16 January 2026 issued its valuation report for the Property valued by it, setting out, *inter alia*, the appraisal value of the Property as at 31 December 2025.

The valuation was prepared with the emphasis on the income capitalisation approach value (estimated using the direct capitalisation and discounted cash flow methods) with reference to the cost approach value.

The following sets out the break-down of the Property’s original purchase price, valuation and sale consideration:

Property	Original Purchase Price (JPY)	Valuation (JPY)	Sale Consideration (JPY)
Etoile Suma Rikyu	844,030,000	1,110,000,000	1,165,500,000

## 4. USE OF DIVESTMENT PROCEEDS AND MATERIAL IMPACT

### 4.1 Use of Divestment Proceeds

The current estimated net proceeds from the Divestment is approximately S\$9.2 million<sup>4</sup> following deductions for the estimated professional and other fees and expenses in connection with the Divestment of approximately S\$0.2 million.

The net proceeds from the Divestment will further strengthen Parkway Life REIT’s balance sheet and the Manager’s current intention is to utilise such proceeds to pursue higher growth opportunities, which would serve to enhance the overall value and growth potential of Parkway Life REIT.

### 4.2 Material Impact

The Divestment is not expected to have any material impact on the consolidated net tangible assets or distributions per Unit for the financial period ending 31 December 2026.

## 5. OTHER INFORMATION

### 5.1 Interests of the Directors and Controlling Unitholders

Based on information available to the Manager, as at the date of this announcement, none of the directors of the Manager or the controlling Unitholders has any interest, direct or indirect, in the Divestment.

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<sup>4</sup> Excluding Taxes.

## **5.2 Service Contracts**

No person is proposed to be appointed as a director of the Manager in connection with the Divestment.

## **5.3 Disclosure under Rule 1006 of the Listing Manual**

Based on the relative figures as computed on the bases set out in Rule 1006 of the listing manual of Singapore Exchange Securities Trading Limited (the "**Listing Manual**"), the Divestment is a "Non-Discloseable Transaction" within the meaning of Rule 1008 of the Listing Manual.

## **5.4 Documents for Inspection**

Copies of the Purchase and Sale Agreement and the valuation report of Enrix on the Property are available for inspection during normal business hours at the registered office of the Manager at 1 Harbourfront Avenue, Keppel Bay Tower, #14-07, Singapore 098632 for a period of three months commencing from the date of this announcement.

BY ORDER OF THE BOARD

Parkway Trust Management Limited

(Company Registration no. 200706697Z)

As manager of Parkway Life Real Estate Investment Trust

Josephine Toh

Company Secretary

30 June 2026

## Important Notice

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

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

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

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

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