

NEWS RELEASE
FOR IMMEDIATE RELEASE

PLIFE REIT DPU INCREASES 0.8% TO 3.56 CENTS IN 3Q 2021

- DPU grew 0.8% and 2.9% for 3Q 2021 and YTD 3Q 2021 respectively
- Successfully renewed the master leases for the Singapore Hospitals; overall portfolio WALE extended to 17.42 years with an asset valuation uplift of \$239 million registered for the Singapore Hospitals
- Strengthened capital and financial position with the successful refinancing of remaining loan due in 2022

Total Portfolio	3Q 2021 S\$'000	3Q 2020 S\$'000	Variance %	YTD 3Q 2021 S\$'000	YTD 3Q 2020 S\$'000	Variance %
Gross revenue	30,534	30,180	1.2	90,099	90,326	(0.3)
Net property income	27,276	28,101	(2.9)	82,729	84,069	(1.6)
Amount available for distribution (net of amount retained for capital expenditure)	21,559	21,387	0.8	63,606	63,200	0.6
Distributable income to Unitholders (net of amount retained for capital expenditure and COVID-19 related relief measures ¹)	21,559	21,387	0.8	63,606	61,817	2.9
Distribution Per Unit (cents)²						
- DPU for the period	3.56	3.54	0.8	10.51	10.22	2.9
- Annualised DPU	14.24	14.16	0.8	14.01	13.63	2.9
Annualised distribution yield (%) (based on closing market price of S\$4.65 as at 30 September 2021)	3.06	3.05	0.8	3.01	2.93	2.9

Singapore, 3 November 2021 – Parkway Trust Management Limited (the “Manager”), as manager of Parkway Life Real Estate Investment Trust (“PLife REIT” or the “Group”), one of Asia’s largest listed healthcare REITs, is pleased to announce a Distribution per Unit (“DPU”) of 3.56 Singapore cents for the third quarter ended 30 September 2021 (“3Q 2021”) and 10.51

¹ Part of the S\$1.7 million COVID-19 related relief measures for tenants announced in 1Q 2020.

² In computing the Distribution per Unit, the number of units in issue as at the end of each period is used.

Singapore cents for the nine months ended 30 September 2021 (“YTD 3Q 2021”), representing an increase of 0.8% and 2.9% year-on-year (“Y-O-Y”) respectively.

Gross revenue for the Group increased 1.2% Y-O-Y in 3Q 2021 to S\$30.5 million. The growth was largely due to the higher rent from Singapore properties, revenue contribution from the Japan acquisitions completed in December 2020 and July 2021, and partially offset by the loss of income from the divestment of a non-core property in Japan (P-Life Matsudo) in January 2021 and the depreciation of Japanese Yen.

Overall, Distributable Income (“DI”) to Unitholders grew marginally by 0.8% to S\$21.6 million for 3Q 2021 and by 0.6% Y-O-Y to S\$63.6 million for YTD 3Q 2021 taking into consideration an one-off allowance for doubtful debts, lower financing costs arising from the loan refinancing initiative and lower interest costs for Singapore dollar borrowings. Due to one-off COVID-19 related relief measures for tenants in 2020, the DI for YTD 3Q 2021 have risen 2.9% Y-O-Y.

Successful Renewal of the Master Leases for the Singapore Hospitals

On 30 September 2021, the Group secured the approval of Unitholders at the extraordinary general meeting held on the same day for the Proposed Transaction comprising the entry into the new master lease agreements and the renewal capital expenditure agreement for the Singapore Hospitals. As part of the Proposed Transaction, PLife REIT was granted a right of first refusal over the Mount Elizabeth Novena Hospital Property. The agreements were duly executed on 13 October 2021. Secured with clear rent structure, the Singapore Hospitals will continue to deliver steady stream of quality rental income over a long lease term till December 2042. In addition, the Group’s overall portfolio weighted average lease to expiry by gross rent (“WALE”) had been extended to 17.42 years from 5.36 years³. With a net asset valuation uplift of \$239 million registered for the Singapore Hospitals, the Group’s gearing had also correspondingly improved from 37.0% to 34.9%.

Strengthened Capital and Financial Position

With a portfolio of 51 healthcare properties in Japan, the Group remains proactive in managing its exposure to interest rate risk and foreign exchange risk. To enhance the stability of distribution to the Unitholders, the Group had extended its JPY net income hedge till 3Q 2026.

In October 2021, the Group successfully executed a 3-year committed loan facility to term out the remaining SGD loan due in 2022. With this latest refinancing initiative together with a JPY loan due in 2022 that will be termed out in the fourth quarter of 2021, PLife REIT will have no long-term debt refinancing needs till June 2023. On the whole, the Group’s capital and financial position is further strengthened with the weighted average debt term extended from

2.9 years³ to 3.6 years. As at 30 September 2021, approximately 70% of PLife REIT's interest rate exposure is hedged and its interest coverage ratio stood at 21.6 times with an effective low all-in cost of debt of 0.53%.

Commenting on the results, Mr. Yong Yean Chau, Chief Executive Officer of the Manager, said: "We are pleased to have delivered another set of positive results for this quarter and would like to extend our sincere appreciation to our Unitholders for their strong support on the renewal of the master leases for the Singapore Hospitals. The successful renewal of the master leases for the Singapore Hospitals marked the extension of the strategic collaboration between PLife REIT and IHH Healthcare Berhad, ensuring that we remain well-positioned to ride on the growth potential of the Singapore healthcare industry. Coupled with the further strengthening of the Group's capital and financial position, PLife REIT stands in good stead to deliver continual stable distributions to Unitholders."

END

³ As at 30 September 2021.

About Parkway Life REIT

Parkway Life Real Estate Investment Trust (“PLife REIT”) is one of Asia’s largest listed healthcare REITs by asset size. It invests in income-producing real estate and real estate related assets that are used primarily for healthcare and healthcare-related purposes (including but are not limited to, hospitals, healthcare facilities and real estate and/or real estate assets used in connection with healthcare research, education, and the manufacture or storage of drugs, medicine and other healthcare goods and devices).

PLife REIT owns a well-diversified portfolio of 55 properties located in the Asia Pacific region, with a total portfolio size of approximately S\$2.29 billion⁴. It owns the largest portfolio of strategically located private hospitals in Singapore comprising Mount Elizabeth Hospital, Gleneagles Hospital and Parkway East Hospital. In addition, it has 51 assets of high-quality nursing home and care facility properties in various prefectures of Japan. It also owns strata-titled units/lots in MOB Specialist Clinics Kuala Lumpur in Malaysia.

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⁴ Based on latest appraised values (excludes right-of-use assets).

Important Notice

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

The value of the Units and the income derived from them may fall as well as rise. The Units are not obligations of, deposits in, or guaranteed by, Parkway Trust Management Limited, as Manager of PLife REIT, or any of its affiliates. Investors have no right to request the Manager to redeem their Units while the Units are listed. It is intended that Unitholders of PLife REIT may only deal in their Units through trading on Singapore Exchange Securities Trading Limited (the “SGX-ST”). Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units. The past performance of PLife REIT or the Manager is not necessarily indicative of the future performance of PLife REIT or the Manager. An investment in Units is subject to investment risks, including the possible loss of the principal amount invested.