

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 and full year ended 31 December 2024

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Introduction

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

	Note	Group			Group		
		Six-month period ended			Full Year		
		31 Dec 2024	31 Dec 2023	Change	31 Dec 2024	31 Dec 2023	Change
		\$'000	\$'000	%	\$'000	\$'000	%
Rental and other income	1	50,223	54,579	(8.0%)	102,211	108,568	(5.9%)
Net property and other income	2	48,159	52,905	(9.0%)	98,453	105,334	(6.5%)
Distributable amount	3	24,261	25,912	(6.4%)	49,317	51,423	(4.1%)
Total issued and issuable units (millions)		2,098.8	2,081.5	0.8%	2,098.8	2,081.5	0.8%
Distribution per unit (cts) ("DPU")	4	1.16	1.24	(6.5%)	2.36	2.48	(4.8%)

Note:

- Rental and other income for FY 2024 decreased by 5.9% to \$102.2 million mainly due to depreciation of Indonesian Rupiah and Japanese Yen against Singapore Dollars, partly offset by higher rental income from Singapore properties. Excluding FRS 116 adjustment on rental straight-lining, rental and other income decreased by 1.5% to \$92.0 million in FY 2024 from \$93.4 million in FY 2023.
- Net property and other income for FY 2024 decreased by 6.5% to \$98.5 million mainly due to depreciation of Indonesian Rupiah and Japanese Yen against Singapore Dollars and higher property expenses for Indonesia and Japan properties, partly offset by higher rental income from Singapore properties. Excluding FRS 116 adjustment on rental straight-lining, net property and other income decreased by 2.1% to S\$88.2 million in FY 2024 from \$90.1 million in FY 2023.
- Distributable income for FY 2024 decreased by 4.1% to \$ 49.3 million mainly due to the lower rental income resulting from depreciation of Indonesian Rupiah and Japanese Yen against Singapore Dollars, as well as higher property expenses.
- DPU included 1Q 2024 DPU of 0.60 cents which was paid on 21 June 2024, 2Q 2024 DPU of 0.60 cents which was paid on 25 September 2024 and 3Q 2024 DPU is 0.58 cents which was paid on 20 December 2024. The 4Q 2024 DPU is 0.58 cents, to be paid on 28 March 2025.

Distribution Details

Distribution	1 October 2024 to 31 December 2024
Distribution type	(a) Taxable income (b) Tax-exempt income (c) Capital distribution
Distribution rate	Total: 0.58 cents per unit (a) Taxable income: 0.02 cents per unit (b) Tax-exempt income: 0.10 cents per unit (c) Capital distribution: 0.46 cents per unit
Ex-distribution date	19 February 2025 at 9.00 am
Book closure date	20 February 2025 at 5.00 pm
Payment date	28 March 2025

Condensed Statements of Financial Position
As at 31 December 2024

		Group		Trust	
	Note	2024	2023	2024	2023
		\$'000	\$'000	\$'000	\$'000
Non-current assets					
Plant and equipment		64	1	—	—
Investment properties	3, a	1,118,008	1,139,468	30,400	31,700
Investments in subsidiaries	4	—	—	746,614	766,703
Loan to subsidiaries		—	—	12,639	21,705
		<u>1,118,072</u>	<u>1,139,469</u>	<u>789,653</u>	<u>820,108</u>
Current assets					
Trade and other receivables	5	6,724	6,249	17,850	11,688
Loan to a subsidiary		—	—	4,190	4,190
Other assets		771	787	406	402
Derivative financial instruments		260	560	260	560
Cash and cash equivalents		34,674	40,266	11,796	16,837
		<u>42,429</u>	<u>47,862</u>	<u>34,502</u>	<u>33,677</u>
Total assets		<u>1,160,501</u>	<u>1,187,331</u>	<u>824,155</u>	<u>853,785</u>
Non-current liabilities					
Deferred tax liabilities		49,369	49,732	—	—
Borrowings	6, b	452,602	448,926	336,394	326,926
Loan from a subsidiary		—	—	—	5,161
Other liabilities		8,069	10,557	2,121	2,079
Derivative financial instruments		—	259	—	259
		<u>510,040</u>	<u>509,474</u>	<u>338,515</u>	<u>334,425</u>
Current liabilities					
Borrowings	6, b	880	920	—	—
Other liabilities		3,246	3,113	104	113
Loan from subsidiaries		—	—	32,861	25,512
Trade and other payables		12,641	12,402	47,966	47,878
Derivative financial instruments		192	27	192	27
Income tax payable		1,230	1,229	7	5
		<u>18,189</u>	<u>17,691</u>	<u>81,130</u>	<u>73,535</u>
Total liabilities		<u>528,229</u>	<u>527,165</u>	<u>419,645</u>	<u>407,960</u>

Condensed Statements of Financial Position (cont'd)
As at 31 December 2024

		Group		Trust	
	Note	2024	2023	2024	2023
		\$'000	\$'000	\$'000	\$'000
Represented by:					
Net assets					
attributable to					
unitholders	7	598,990	626,884	371,228	412,543
Perpetual securities	8	33,282	33,282	33,282	33,282
Total net assets		<u>632,272</u>	<u>660,166</u>	<u>404,510</u>	<u>445,825</u>
Units in issue ('000)	7	<u>2,094,447</u>	<u>2,076,925</u>	<u>2,094,447</u>	<u>2,076,925</u>
Net asset value per					
unit in cents					
attributable to					
unitholders	7	<u>28.60</u>	<u>30.18</u>	<u>17.72</u>	<u>19.86</u>

Explanatory Notes

a. Investment properties

The decrease from \$1,139.5 million to \$1,118.0 million is mainly due to weakening of foreign currencies against Singapore Dollars, partly offset by an increase in valuation for Indonesia and Japan properties.

b. Borrowings – current and non-current

The increase from \$449.8 million to \$453.5 million is mainly due to loan drawdown for working capital purposes.

Condensed Statements of Total Return
Six-month period and full year-ended 31 December 2024

	Note	Group			
		Six-month period ended 31/12/2024 \$'000	Six-month period ended 31/12/2023 \$'000	12-month period ended 31/12/2024 \$'000	12-month period ended 31/12/2023 \$'000
Rental and other income		50,223	54,579	102,211	108,568
Property operating expenses	9	(2,064)	(1,674)	(3,758)	(3,234)
Net property and other income		48,159	52,905	98,453	105,334
Finance income	9	165	268	362	507
Manager's management fees	9	(4,337)	(4,505)	(8,690)	(8,979)
Asset management fees		(502)	(543)	(1,006)	(1,105)
Trustee fees		(179)	(180)	(355)	(361)
Finance costs	9	(11,466)	(11,478)	(22,773)	(22,698)
Other expenses	9	(767)	(236)	(1,553)	(1,470)
Net income		31,073	36,231	64,438	71,228
Net fair value (losses)/gains on investment properties	3	(3,304)	18,380	(9,578)	10,834
Net fair value (losses)/gains of derivative financial instruments		(638)	(1,062)	440	(477)
Net foreign exchange losses		(4,736)	(2,660)	(4,724)	(3,369)
Total return for the period/year before income tax		22,395	50,889	50,576	78,216
Income tax expenses		(6,155)	(7,007)	(13,822)	(14,877)
Total return for the period/year after income tax		16,240	43,882	36,754	63,339

Condensed Statements of Total Return (cont'd)
Six-month period and full year ended 31 December 2024

		Group			
	Note	Six-month period ended 31/12/2024 \$'000	Six-month period ended 31/12/2023 \$'000	12-month period ended 31/12/2024 \$'000	12-month period ended 31/12/2023 \$'000
Other comprehensive income:					
Items that may be reclassified subsequently to profit or loss:					
Foreign operations:					
- Currency translation differences		15,070	(34,201)	(17,412)	(19,531)
Total comprehensive return for the period/year		31,310	9,681	19,342	43,808
Total return attributable to:					
Unitholders of the Trust		15,405	43,048	35,093	61,683
Perpetual securities holders		835	834	1,661	1,656
		16,240	43,882	36,754	63,339
Total comprehensive return attributable to:					
Unitholders of the Trust		30,475	8,847	17,681	42,152
Perpetual securities holders		835	834	1,661	1,656
		31,310	9,681	19,342	43,808
Earnings per unit in cents					
Basic and diluted	10	0.74	2.08	1.68	2.98

Statement of Distribution
Six-month period and full year ended 31 December 2024

Note	Group			
	Six-month period ended 31/12/2024 \$'000	Six-month period ended 31/12/2023 \$'000	12-month period ended 31/12/2024 \$'000	12-month period ended 31/12/2023 \$'000
Amount available for distribution to unitholders at beginning of the period/year	12,542	12,792	12,906	13,593
Total return for the period/year after income tax	16,240	43,882	36,754	63,339
Adjustments for tax purposes (Note A)	8,020	(18,072)	12,562	(11,890)
Amount available for distribution to unitholders	36,802	38,602	62,222	65,042
Total distribution paid to unitholders	(24,689)	(25,696)	(50,109)	(52,136)
Amount available for distribution to unitholders at end of the period/year	12,113	12,906	12,113	12,906
Distribution per unit (cents)	1.16	1.24	2.36	2.48

Statement of Distribution (cont'd)
Six-month period and full year ended 31 December 2024

Note A - Adjustments for tax purposes:

Note	Group			
	Six-month period ended 31/12/2024 \$'000	Six-month period ended 31/12/2023 \$'000	12-month period ended 31/12/2024 \$'000	12-month period ended 31/12/2023 \$'000
Manager's management fees settled in units	2,126	2,242	4,291	4,468
Change in fair values on investment properties, net of deferred tax	3,772	(17,503)	10,984	(8,263)
Adjustments on rental straight lining	(3,953)	(7,585)	(10,227)	(15,189)
Net fair value losses/(gains) of derivative financial instruments	638	1,062	(440)	477
Amount reserved for distribution to perpetual securities holders	(835)	(834)	(1,661)	(1,656)
Net settlement gains of currency hedging	245	103	646	4
Foreign exchange adjustment losses	3,743	1,990	3,140	2,598
Other non-tax deductible items and adjustments	2,284	2,453	5,829	5,671
	<u>8,020</u>	<u>(18,072)</u>	<u>12,562</u>	<u>(11,890)</u>

Condensed Statements of Movements in Unitholders' Funds
As at 31 December 2024

Group	Note	Unitholders' funds			Perpetual securities \$'000	Total \$'000
		Issued equity \$'000	Retained earnings \$'000	Foreign exchange reserve \$'000		
Operations						
At 1 January 2024		565,086	160,605	(98,807)	33,282	660,166
Total return for the year		—	36,754	—	—	36,754
Less: Amount reserved for distribution to perpetual securities holders		—	(1,661)	—	1,661	—
Net increase in net assets resulting from operations		—	35,093	—	1,661	36,754
Foreign exchange reserve						
Foreign operations:						
- Currency translation differences		—	—	(17,412)	—	(17,412)
Total comprehensive return/(loss)		—	35,093	(17,412)	1,661	19,342
Transactions with unitholders and perpetual securities holders						
Manager's management fees settled in units		4,534	—	—	—	4,534
Change in net assets resulting from creation of units		4,534	—	—	—	4,534
Distributions to unitholders		(33,627)	(16,482)	—	—	(50,109)
Distributions to perpetual securities holders		—	—	—	(1,661)	(1,661)
Net decrease in net assets resulting from transactions with unitholders and perpetual securities holders		(29,093)	(16,482)	—	(1,661)	(47,236)
At 31 December 2024		535,993	179,216	(116,219)	33,282	632,272

Condensed Statements of Movements in Unitholders' Funds (cont'd)
As at 31 December 2024

Group	Note	Unitholders' funds			Perpetual securities \$'000	Total \$'000
		Issued equity \$'000	Retained earnings \$'000	Foreign exchange reserve \$'000		
Operations						
At 1 January 2023		586,783	124,573	(79,276)	33,282	665,362
Total return for the year		–	63,339	–	–	63,339
Less: Amount reserved for distribution to perpetual securities holders		–	(1,656)	–	1,656	–
Net increase in net assets resulting from operations		–	61,683	–	1,656	63,339
Foreign exchange reserve						
Foreign operations:						
- Currency translation differences		–	–	(19,531)	–	(19,531)
Total comprehensive return/(loss)		–	61,683	(19,531)	1,656	43,808
Transactions with unitholders and perpetual securities holders						
Manager's management fees settled in units		4,788	–	–	–	4,788
Change in net assets resulting from creation of units		4,788	–	–	–	4,788
Distributions to unitholders		(26,485)	(25,651)	–	–	(52,136)
Distributions to perpetual securities holders		–	–	–	(1,656)	(1,656)
Net decrease in net assets resulting from transactions with unitholders and perpetual securities holders		(21,697)	(25,651)	–	(1,656)	(49,004)
At 31 December 2023		565,086	160,605	(98,807)	33,282	660,166

Condensed Statements of Movements in Unitholders' Funds (cont'd)
As at 31 December 2024

	Note	← Unitholders' funds →			Total \$'000
		Issued equity \$'000	Accumulated losses \$'000	Subtotal \$'000	
Trust					
Operations					
At 1 January 2024		565,086	(152,543)	412,543	445,825
Total return for the year		—	5,921	5,921	5,921
Less: Amount reserved for distribution to perpetual securities holders		—	(1,661)	(1,661)	—
Net increase in net assets resulting from operations/Total comprehensive return		—	4,260	4,260	5,921
Transactions with unitholders and perpetual securities holders					
Manager's management fees settled in units		4,534	—	4,534	4,534
Change in net assets resulting from creation of units		4,534	—	4,534	4,534
Distributions to unitholders		(33,627)	(16,482)	(50,109)	(50,109)
Distributions to perpetual securities holders		—	—	—	(1,661)
Net decrease in net assets resulting from transactions with unitholders and perpetual securities holders		(29,093)	(16,482)	(45,575)	(47,236)
At 31 December 2024		535,993	(164,765)	371,228	404,510

Condensed Statements of Movements in Unitholders' Funds (cont'd)
As at 31 December 2024

	Note	Unitholders' funds				Total \$'000
		Issued equity \$'000	Accumulated losses \$'000	Subtotal \$'000	Perpetual securities \$'000	
Trust						
Operations						
At 1 January 2023		586,783	(156,868)	429,915	33,282	463,197
Total return for the year		—	31,632	31,632	—	31,632
Less: Amount reserved for distribution to perpetual securities holders		—	(1,656)	(1,656)	1,656	—
Net increase in net assets resulting from operations/Total comprehensive return		—	29,976	29,976	1,656	31,632
Transactions with unitholders and perpetual securities holders						
Manager's management fees settled in units		4,788	—	4,788	—	4,788
Change in net assets resulting from creation of units		4,788	—	4,788	—	4,788
Distributions to unitholders		(26,485)	(25,651)	(52,136)	—	(52,136)
Distributions to perpetual securities holders		—	—	—	(1,656)	(1,656)
Net decrease in net assets resulting from transactions with unitholders and perpetual securities holders		(21,697)	(25,651)	(47,348)	(1,656)	(49,004)
At 31 December 2023		565,086	(152,543)	412,543	33,282	445,825

Condensed Statements of Cash Flows
As at 31 December 2024

		Group	
		12 months	12 months
	Note	ended	ended
		31/12/2024	31/12/2023
		\$'000	\$'000
Cash flows from operating activities			
Total return for the year after income tax		36,754	63,339
Adjustments for:			
Finance income	9	(362)	(507)
Interest expense	9	18,242	18,023
Amortisation of transaction costs	9	4,531	4,675
Depreciation expense	9	12	13
Unrealised foreign exchange losses		3,140	2,598
Losses on disposal of quoted shares	9	6	7
Adjustments on rental straight lining	3	(10,227)	(15,189)
Net fair value losses/(gains) on investment properties	3	9,578	(10,834)
Net fair value (gains)/losses of derivatives financial instruments		(440)	477
Manager's management fees settled in units		4,291	4,468
Income tax expenses		13,822	14,877
Operating cash flows before changes in working capital		79,347	81,947
Changes in:			
- Trade and other receivables		903	(6,678)
- Other assets		335	86
- Trade and other payables		(316)	7,067
- Other liabilities		(2,104)	(339)
Cash generated from operations		78,165	82,083
Income taxes paid		(12,392)	(12,128)
Net cash flows from operating activities		65,773	69,955
Cash flows from investing activities			
Capital expenditures on investment properties	3	(5,859)	(4,923)
Purchase of fixed assets		(75)	–
Interest received		501	307
Investments in quoted shares		(441)	(117)
Disposals of quoted shares		435	110
Net cash flows used in investing activities		(5,439)	(4,623)

Condensed Statements of Cash Flows (cont'd)
As at 31 December 2024

		Group	
		12 months ended 31/12/2024 S'000	12 months ended 31/12/2023 S'000
Cash flows from financing activities			
Distribution to unitholders		(50,109)	(52,136)
Distribution to perpetual securities holders		(1,661)	(1,656)
Proceeds from borrowings	6	7,000	122,000
Repayment of borrowings	6	(885)	(115,857)
Payment of transaction costs related to borrowings	6	(1,669)	(3,778)
Proceeds from settlement of derivative financial instruments		646	4
Interest paid	6	(18,240)	(17,837)
Net cash flows used in financing activities		<u>(64,918)</u>	<u>(69,260)</u>
Net decrease in cash and cash equivalents		(4,584)	(3,928)
Cash and cash equivalents at beginning of the year		40,266	46,103
Effect of exchange rate fluctuations on cash and cash equivalents held		(1,008)	(1,909)
Cash and cash equivalents at 31 December		<u><u>34,674</u></u>	<u><u>40,266</u></u>

Significant non-cash transactions

Group

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

- For the period from 1 January 2024 to 31 December 2024, 7,186,626 Units, amounting to approximately \$1,830,000 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 31 December 2024, 9,717,016 Units amounting to approximately \$2,461,000 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 31 December 2023, 7,439,255 Units, amounting to approximately \$1,835,000 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 31 December 2023, 10,096,541 Units amounting to approximately \$2,633,000 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 31 December 2024

	Carrying value as at 31/12/2024 \$'000	Percentage of net assets attributable to unitholders as at 31/12/2024 %	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	30,400	5.08	31,700	5.06
Investment properties in Indonesia	839,898	140.22	849,055	135.44
Investment property in Japan	247,710	41.35	258,713	41.27
Portfolio of investment properties at valuation – total	1,118,008	186.65	1,139,468	181.77
Other net liabilities	(485,736)	(81.09)	(479,302)	(76.46)
Net assets attributable to holders	632,272	105.56	660,166	105.31
Perpetual securities holders	(33,282)	(5.56)	(33,282)	(5.31)
Net assets attributable to unitholders	598,990	100.00	626,884	100.00
Trust				
Investment properties in Singapore	30,400	8.19	31,700	7.68
Portfolio of investment properties at valuation – total	30,400	8.19	31,700	7.68
Investments in subsidiaries	746,614	201.12	766,703	185.85
Other net liabilities	(372,504)	(100.34)	(352,578)	(85.46)
Net assets attributable to holders	404,510	108.97	445,825	108.07
Perpetual securities holders	(33,282)	(8.97)	(33,282)	(8.07)
Net assets attributable to unitholders	371,228	100.00	412,543	100.00

Statements of Portfolio (cont'd)
As at 31 December 2024

By Geographical Area

Group

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 31/12/2024 \$'000	Percentage of net assets attributable to unitholders as at 31/12/2024 %	Carrying value as at 31/12/2023 \$'000	Percentage of net assets attributable to unitholders as at 31/12/2023 %
<u>Singapore</u>					
Precious Homes @ Bukit Merah 6 Lengkok Bahru, Singapore 159051 11 April 2007, Nursing Home 30 years leasehold from 2002 10+10 years/ 2.3 years	3,593	7,500	1.25	8,100	1.30
Precious Homes @ Bukit Panjang 21 Senja Road, Singapore 677736 11 April 2007, Nursing Home 30 years leasehold from 2003 10+10 years/ 2.3 years	3,563	8,100	1.36	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/ 12.4 years	4,005	14,800	2.47	15,000	2.39

Statements of Portfolio (cont'd)
As at 31 December 2024

By Geographical Area

Group

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 31/12/2024 \$'000	Percentage of net assets attributable to unitholders as at 31/12/2024 %	Carrying value as at 31/12/2023 \$'000	Percentage of 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 years	32,696	162,487	27.13	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 years	20,268	70,345	11.74	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 years	17,926	27,723	4.63	28,567	4.56

Statements of Portfolio (cont'd)
As at 31 December 2024

By Geographical Area

Group

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 31/12/2024 \$'000	Percentage of net assets attributable to unitholders as at 31/12/2024 %	Carrying value as at 31/12/2023 \$'000	Percentage of net assets attributable to 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 years	37,933	127,803	21.34	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 years	13,256	50,065	8.36	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 years Hotel Aryaduta Manado 30 November 2012, Hotel HGB 15+15 years/ 18 years	36,051	79,365	13.25	78,237	12.48

Statements of Portfolio (cont'd)
As at 31 December 2024

By Geographical Area

Group

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 31/12/2024 \$'000	Percentage of net assets attributable to unitholders as at 31/12/2024 %	Carrying value as at 31/12/2023 \$'000	Percentage of net assets attributable to 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 years	15,686	66,563	11.11	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 years	20,958	64,245	10.72	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 years	18,605	42,802	7.15	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 years	9,595	22,601	3.77	22,210	3.54

Statements of Portfolio (cont'd)
As at 31 December 2024

By Geographical Area

Group

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 31/12/2024 \$'000	Percentage of net assets attributable to unitholders as at 31/12/2024 %	Carrying value as at 31/12/2023 \$'000	Percentage of net assets attributable to 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 years	15,336	22,015	3.68	21,561	3.44
Siloam Hospitals Kupang & Lippo Plaza Kupang Jalan Veteran, No. 4, Arena Pameran Fatululi, Kupang, East Nusa Tenggara, Indonesia Siloam Hospitals Kupang 14 December 2015, Hospital Build, Operate and Transfer ("BOT") scheme 15+15 years/ 26 years Lippo Plaza Kupang 14 December 2015, Mall BOT scheme 15+15 years/ 21 years	55,368	49,843	8.32	49,742	7.94
Siloam Hospitals Labuan Bajo Jalan Gabriel Gampur, Labuan Bajo, East Nusa Tenggara, Indonesia 30 December 2016, Hospital HGB 15+15 years/ 26 years	7,604	10,542	1.76	9,966	1.59

Statements of Portfolio (cont'd)
As at 31 December 2024

By Geographical Area

Group

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 31/12/2024 \$'000	Percentage of net assets attributable to unitholders as at 31/12/2024 %	Carrying value as at 31/12/2023 \$'000	Percentage of net assets attributable to 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	23,858	3.98	23,542	3.76
Siloam Hospitals Baubau 10 October 2017, Hospital Build, Operate and Transfer ("BOT") scheme 15+15 years/ 26 years					
Lippo Plaza Baubau 10 October 2017, Mall BOT Scheme 15+15 years/ 23 years					
Siloam Hospitals Yogyakarta Jalan Laksda Adi Sucipto No. 32-34 Yogyakarta, Indonesia 22 December 2017, Hospital HGB 15+15 years/ 26 years	12,474	19,641	3.28	19,462	3.10

Statements of Portfolio (cont'd)
As at 31 December 2024

By Geographical Area

Group

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 31/12/2024 \$'000	Percentage of net assets attributable to unitholders as at 31/12/2024 %	Carrying value as at 31/12/2023 \$'000	Percentage of net assets attributable to 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/ 23.3 years	8,747	7,506	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/ 23.3 years	4,362	6,063	1.01	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/ 23.3 years	9,782	14,784	2.47	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/ 23.3 years	20,756	58,784	9.81	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/ 23.3 years	2,808	9,944	1.66	10,488	1.67

Statements of Portfolio (cont'd)
As at 31 December 2024

By Geographical Area

Group

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 31/12/2024 \$'000	Percentage of net assets attributable to unitholders as at 31/12/2024 %	Carrying value as at 31/12/2023 \$'000	Percentage of net assets attributable to 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/ 23.3 years	13,301	42,504	7.10	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/ 24.3 years	7,637	26,312	4.39	27,508	4.39
ElySION Gakuenmae Nakatomioka 1-1994-6, Nara-shi, Nara 01 March 2022, Nursing Home Freehold 30+5 years/ 23.3 years	3,790	14,168	2.37	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/ 23.3 years	10,259	19,360	3.23	20,884	3.33
Orchard Amanohashidate Aza Mannen Koaza Akaiwa 1060-1, Miyazu, Kyoto 01 March 2022, Nursing Home Freehold 30+5 years/ 23.3 years	2,927	7,814	1.30	8,206	1.31

Statements of Portfolio (cont'd)
As at 31 December 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 31/12/2024 \$'000	Percentage of net assets attributable to unitholders as at 31/12/2024 %	Carrying value as at 31/12/2023 \$'000	Percentage of net assets attributable to 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/ 23.3 years	5,058	11,968	2.00	12,420	1.98
Orchard Kaichi West Kaichi 2-3-50, Matsumoto, Nagano 01 March 2022, Nursing Home Freehold 30+5 years/ 23.3 years	1,561	4,127	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/ 7.4 years	8,858	14,168	2.37	14,720	2.35
Loyal Residence Ayase 4695-1, 7- chōme, Fukaya, Ayase city, Kanagawa 29 September 2022, Nursing Home Freehold 30 years/ 18.7 years	3,387	10,208	1.70	10,580	1.69
Portfolio of investment properties held by the Group at valuation – Total		1,118,008	186.65	1,139,468	181.77

Statements of Portfolio (cont'd)
As at 31 December 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 31 December 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 31 December 2024

By Geographical Area

Trust

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 31/12/2024 \$'000	Percentage of net assets attributable to	Carrying value as at 31/12/2023 \$'000	Percentage of net assets attributable to
			unitholders as at 31/12/2024 %		unitholders as at 31/12/2023 %
<u>Singapore</u>					
Precious Homes @ Bukit Merah 6 Lengkok Bahru, Singapore 159051 11 April 2007, Nursing Home 30 years leasehold from 2002 10+10 years/ 2.3 years	3,593	7,500	2.02	8,100	1.96
Precious Homes @ Bukit Panjang 21 Senja Road, Singapore 677736 11 April 2007, Nursing Home 30 years leasehold from 2003 10+10 years/ 2.3 years	3,563	8,100	2.18	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/ 12.4 years	4,005	14,800	3.99	15,000	3.64
Portfolio of investment properties held by the Trust at valuation – Total		30,400	8.19	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 (the “Group”) 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 (“Financial Statements”) relate to the Trust and its subsidiaries (the “Group”).

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

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 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/year.

3 Investment properties

	Note	Group		Trust	
		2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
At 1 January		1,139,468	1,145,343	31,700	32,500
Capital expenditures		5,859	4,923	176	192
Adjustment on rental straight-lining		10,227	15,189	(176)	(86)
(Losses)/Gains for the year					
Net fair value (losses)/gains recognised in profit or loss		(9,578)	10,834	(1,300)	(906)
Losses recognised in other comprehensive income ("OCI")					
Effects of movement in exchange rates		(27,968)	(36,821)	—	—
At 31 December		1,118,008	1,139,468	30,400	31,700

As at 31 December 2024, investment properties of the Group with carrying amounts of \$822,934,000 (2023: \$832,726,000) were pledged as security for related borrowings (see note 6).

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 method (2023: discounted cash flow and direct comparison method). The valuation methods involve certain estimates including those relating to market-corroborated discount rate, terminal capitalisation rate and price per square metre (2023: 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.

4 Investments in subsidiaries

	Trust	
	2024	2023
	\$'000	\$'000
Movements during the year, at cost:		
At 1 January	766,703	764,149
Incorporation of subsidiaries	–	35
Redemption of redeemable preference shares by subsidiaries	(27,101)	(22,137)
Reversal for impairment losses	7,012	24,656
At 31 December	<u>746,614</u>	<u>766,703</u>
Total cost comprising:		
Unquoted equity shares at cost	583,859	583,859
Redeemable preference shares at cost	225,376	252,477
Allowance for impairment losses	(62,621)	(69,633)
Total at cost	<u>746,614</u>	<u>766,703</u>

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.

Based on the assessment, the Trust recognised a net reversal for impairment loss of \$7,012,000 (2023: a net reversal for impairment loss of \$24,656,000) on its investment in subsidiaries, following an increase (2023: an increase) in the net asset value of the subsidiaries.

The estimated total recoverable amounts of the investments in subsidiaries on which impairment losses were reversed or impaired during the year were \$298,984,000 as at 31 December 2024 (2023: \$420,197,000).

5 Trade and other receivables

	Group		Trust	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Trade receivables:				
- Third parties ^(a)	4,604	4,224	—	224
- Related parties	1,668	1,433	8	8
	<u>6,272</u>	<u>5,657</u>	<u>8</u>	<u>232</u>
Other receivables:				
- Third parties	452	592	372	482
- Subsidiaries	—	—	17,470	10,974
	<u>452</u>	<u>592</u>	<u>17,842</u>	<u>11,456</u>
Total trade and other receivables	<u>6,724</u>	<u>6,249</u>	<u>17,850</u>	<u>11,688</u>

- (a) The rents under the PT Metropolis Propertindo Utama (“PT MPU”) master lease agreements are payable quarterly in advance. As at 31 December 2024, the rental outstanding from PT MPU is approximately Indonesia Rupiah (“IDR”) 54,815,254,000 (equivalent to approximately \$4,604,000), of which IDR20,103,195,000 (equivalent to approximately \$1,688,000) and IDR34,712,059,000 (equivalent to approximately \$2,916,000) relate to mall and hospitals properties respectively. The security deposit guaranteed by the joint tenant of IDR50,532,000 (equivalent to approximately \$4,245,000) may be applied to cover PT MPU’s outstanding rental for hospital properties.

The management will continue to engage closely with PT MPU on the repayment of the rental in arrears and the obligation to provide rental deposit in accordance with master lease agreement.

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	
		2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Guaranteed bonds	(a)	100,000	100,000	100,000	100,000
Social term loan A	(b)	240,713	233,713	240,713	233,713
Social term loan B	(c)	14,608	15,272	—	—
Secured Tokutei Mokuteki Kaisha (“TMK”) bonds					
B and Term loan C	(d)	104,280	109,940	—	—
Less: Unamortised transaction costs		(6,119)	(9,079)	(4,319)	(6,787)
Total borrowings		<u>453,482</u>	<u>449,846</u>	<u>336,394</u>	<u>326,926</u>

6 Borrowings (cont'd)

	Group		Trust	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Non-current	452,602	448,926	336,394	326,926
Current	880	920	—	—
Total borrowings	453,482	449,846	336,394	326,926

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 the 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 CIMB Bank Berhad (“CIMB”) in respect of a \$300 million social term loan and revolving credit facilities agreement (the “Facilities”) to refinance \$260 million of syndicated secured loan which matured on 1 March 2023. As at 31 December 2024, the Trust drew down social term loan A amounting to \$241 million (2023: \$234 million) under this 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 \$14.6 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 Home Bon Sejour Komaki, located in Japan in 2022.

(d) Secured TMK bonds B and Term Loan C

On 23 June 2023, OUELH Japan First TMK, a subsidiary of the Group, issued a 7 year bonds amounting to JPY2 billion (equivalent to approximately \$17.6 million) to Kiraboshi Bank Ltd and obtained a term loan of JPY10 billion (equivalent to approximately \$88.0 million) (“Term Loan C”) from Kiraboshi Bank Ltd. The outstanding balances for the secured TMK bond B and Term loan C as at 31 December 2024 amount to JPY2 billion and JPY9.85 billion (equivalent to approximately \$17.6 million and \$86.7 million) respectively. Both facilities will be due in June 2030.

6 Borrowings (cont'd)

The Trust entered into interest rate swaps 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:

	Currency	Nominal interest rate	Year of maturity	Face value \$'000	Carrying amount \$'000
2024					
Group					
Guaranteed bonds	SGD	3.25 %	2027	100,000	97,762
Social term loan A	SGD	5.27% to 5.97%	2026	240,713	238,632
Social term loan B	JPY	1.00% to 1.31%	2026	14,608	14,486
Secured TMK bonds B and Term loan C	JPY	1.50 %	2030	104,280	102,602
				<u>459,601</u>	<u>453,482</u>
Trust					
Guaranteed bonds	SGD	3.25%	2027	100,000	97,762
Social term loan A	SGD	5.27% to 5.97%	2026	240,713	238,632
				<u>340,713</u>	<u>336,394</u>

6 Borrowings (cont'd)

Terms and debts repayment schedule (cont'd)

	Currency	Nominal interest rate	Year of maturity	Face value \$'000	Carrying amount \$'000
2023					
Group					
Guaranteed bonds	SGD	3.25%	2027	100,000	96,778
Social term loan A	SGD	5.12% to 6.02%	2026	233,713	230,148
Social term loan B	JPY	1.00% to 1.31%	2026	15,272	15,071
Secured TMK bonds B and Term loan C	JPY	1.50%	2030	109,940	107,849
				<u>458,925</u>	<u>449,846</u>
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
				<u>333,713</u>	<u>326,926</u>

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.

6 Borrowings (cont'd)

Terms and debts repayment schedule (cont'd)

- 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 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 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 PT Karya Sentra Sejahtera and 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) OUE Healthcare Limited'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.

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.

6 Borrowings (cont'd)

Reconciliation of movements of liabilities to cash flows arising from financing activities

	Liabilities		
	Borrowings	Interest payable	Total
	\$'000	\$'000	\$'000
Balance at 1 January 2024	449,846	2,040	451,886
Changes from financing cash flows			
Proceeds from borrowings	7,000	—	7,000
Repayment of borrowings	(885)	—	(885)
Payment of transaction costs related to borrowings	(1,669)	—	(1,669)
Interest paid	—	(18,240)	(18,240)
Total changes from financing cash flows	4,446	(18,240)	(13,794)
The effect of changes in foreign exchange rates	(5,341)	—	(5,341)
Liability-related			
Amortisation of transaction costs	4,531	—	4,531
Interest expense	—	18,242	18,242
Total liability-related other changes	4,531	18,242	22,773
Balance at 31 December 2024	453,482	2,042	455,524
Balance at 1 January 2023	451,066	1,854	452,920
Changes from financing cash flows			
Proceeds from borrowings	122,000	—	122,000
Repayment of borrowings	(115,857)	—	(115,857)
Payment of transaction costs related to borrowings	(3,778)	—	(3,778)
Interest paid	—	(17,837)	(17,837)
Total changes from financing cash flows	2,365	(17,837)	(15,472)
The effect of changes in foreign exchange rates	(8,260)	—	(8,260)
Liability-related			
Amortisation of transaction costs	4,675	—	4,675
Interest expense	—	18,023	18,023
Total liability-related other changes	4,675	18,023	22,698
Balance at 31 December 2023	449,846	2,040	451,886

7 Units in issue and net assets value attributable to unitholders

	Note	Group and Trust	
		2024 '000	2023 '000
At 1 January		2,076,925	2,058,581
Issuance of new units as settlement of the Manager's management fees	(a)	17,522	18,344
At 31 December		<u>2,094,447</u>	<u>2,076,925</u>

- (a) A total of 17,522,113 (2023: 18,343,811) new units at an issue price range from \$0.2419 to \$0.2768 (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 \$4,534,000 (2023: \$4,788,000).

At the end of the reporting year, 4,340,046 (2023: 4,578,992) units were issuable as settlement for the Manager's management fees for the last quarter of the reporting 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.

7 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	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Net assets value attributable to unitholders	598,990	626,884	371,228	412,543
Net assets value per unit (in cents) attributable to unitholders	28.60	30.18	17.72	19.86

8 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.
- 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.

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 treated as dividends.

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 31 December 2024, \$33,282,000 (2023: \$33,282,000) presented in the statement 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.

9 Total return for the period/year before income tax

	Group			
	Six-month period ended 31/12/2024 \$'000	Six-month period ended 31/12/2023 \$'000	12-month period ended 31/12/2024 \$'000	12-month period ended 31/12/2023 \$'000
Property tax expense	693	749	1,395	1,521
Valuation expenses	158	84	251	183
Professional fees	585	607	1,273	1,069
Repairs and maintenance	346	65	482	155
Others	282	169	357	306
Property operating expenses	2,064	1,674	3,758	3,234
Bank interest income/ Finance income	165	268	362	507
Base fees	1,891	1,860	3,729	3,713
Performance fees	2,446	2,645	4,961	5,266
Manager's management fees	4,337	4,505	8,690	8,979
Interest expense				
- Borrowings	9,207	9,046	18,242	18,023
Amortisation of transaction costs:				
- Borrowings	1,733	1,902	3,475	3,626
- Guarantee fees	505	505	1,010	1,010
- Letter of credit fees	21	25	46	39
	2,259	2,432	4,531	4,675
Finance costs	11,466	11,478	22,773	22,698
Depreciation	8	6	12	13
Handling and processing fees	55	133	195	268
Professional fees	460	364	865	730
Project expenses	129	(399)	239	195
Loss on disposal of quoted shares	1	—	6	7
Others	114	132	236	257
Total other expenses	767	236	1,553	1,470

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 31/12/2024 \$'000	Six-month period ended 31/12/2023 \$'000	12-month period ended 31/12/2024 \$'000	12-month period ended 31/12/2023 \$'000
Denominator: Weighted average number of units outstanding during the period/year ('000)	2,086,538	2,068,161	2,086,175	2,067,938
Numerator: Total return attributable to unitholders during the period/year (\$'000)	15,405	43,048	35,093	61,683
Earnings per unit (in cents)				
Basic and diluted	0.74	2.08	1.68	2.98

There were no potential dilutive units for the years ended 31 December 2024 and 31 December 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 31/12/2024	Six-month period ended 31/12/2023	12-month period ended 31/12/2024	12-month period ended 31/12/2023
Expenses to average net assets attributable to unitholders ratio - excluding performance related fees ⁽¹⁾	0.56%	0.44%	1.08%	1.06%
Expenses to average net assets attributable to unitholders ratio - including performance related fees ⁽¹⁾	0.97%	0.86%	1.89%	1.89%
Portfolio turnover ratio ⁽²⁾	N/A	N/A	N/A	N/A
Total operating expenses (\$'000) ⁽³⁾	14,004	14,145	29,184	30,026
Total operating expenses to net asset value ratio ⁽³⁾	2.34%	2.26%	4.87%	4.79%

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 28 November 2024 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 31 December 2024, the Group had three reportable segments: Singapore operations, Indonesia operations and Japan operations (31 December 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)

	Singapore \$'000	Indonesia \$'000	Japan \$'000	Total \$'000
1 January 2024 to 31 December 2024				
Total return reconciliation				
Rental and other income	4,242	84,577	13,392	102,211
Net property income and other income	3,699	83,701	11,053	98,453
Finance income	304	57	1	362
Manager's management fees				(8,690)
Asset management fees	—	—	(1,006)	(1,006)
Trustee fees				(355)
Finance costs	(20,592)	—	(2,181)	(22,773)
Other expenses				(1,553)
Net income				64,438
Net fair value losses on investment properties	(1,300)	(5,878)	(2,400)	(9,578)
Net fair value gains of derivative financial instruments				440
Net foreign exchange losses				(4,724)
Total return before income tax				50,576
Income tax expense	—	(11,873)	(1,949)	(13,822)
Total return after income tax				36,754
31 December 2024				
Assets				
Segment assets including investment properties	43,393	853,893	263,215	1,160,501
Total assets				1,160,501

12 Operating segments (cont'd)

	Singapore \$'000	Indonesia \$'000	Japan \$'000	Total \$'000
1 January 2023 to 31 December 2023				
Total return reconciliation				
Rental and other income	4,228	89,489	14,851	108,568
Net property <i>income</i> and other income	3,750	88,781	12,803	105,334
Finance income	437	70	—	507
Manager's management fees				(8,979)
Asset management fees	—	—	(1,105)	(1,105)
Trustee fees				(361)
Finance costs	(20,352)	—	(2,346)	(22,698)
Other expenses				(1,470)
Net income				71,228
Net fair value (losses)/gains on investment properties	(906)	14,106	(2,366)	10,834
Net fair value losses of derivative financial instruments				(477)
Net foreign exchange losses				(3,369)
Total return before income tax				78,216
Income tax expense	—	(12,879)	(1,998)	(14,877)
Total return after income tax				63,339
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 comprises 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 \$42,930,000 and \$78,772,000 (2023: \$44,007,000 and \$83,504,000) and contributed 42.0% and 77.1% (2023: 40.5% and 76.9%) of the Group's revenue respectively during the years ended 31 December 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
31 December 2024								
Financial assets measured at fair value								
Derivative financial instruments								
– forward exchange contracts (net-settled)	260	–	–	260	–	260	–	260
Financial liabilities measured at fair value								
Derivative financial instruments								
– interest rate swaps (net-settled)	(192)	–	–	(192)	–	(192)	–	(192)
Financial liabilities not measured at fair value								
Security deposits	–	–	(8,069)	(8,069)	–	–	(6,825)	(6,825)
Guaranteed bonds	–	–	(97,762)	(97,762)	–	(100,150)	–	(100,150)
Social term loan A	–	–	(238,632)	(238,632)	–	–	–	–
Social term loan B	–	–	(14,486)	(14,486)	–	–	(14,287)	(14,287)
Secured TMK bonds B and Term loan C	–	–	(102,602)	(102,620)	–	–	(97,143)	(97,143)
	–	–	(461,551)	(461,551)	–	–	–	–

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)

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 2024								
Financial assets measured at fair value								
Derivative financial instruments								
– forward exchange contracts (net-settled)	260	–	–	260	–	260	–	260
Financial assets not measured at fair value								
Loan to subsidiaries	–	16,829	–	16,829	–	–	16,693	16,693
Financial liabilities measured at fair value								
Derivative financial instruments								
– interest rate swaps (net-settled)	(192)	–	–	(192)	–	(192)	–	(192)
Financial liabilities not measured at fair value								
Security deposits	–	–	(2,121)	(2,121)	–	–	(1,953)	(1,953)
Guaranteed bonds	–	–	(97,762)	(97,762)	–	(100,150)	–	(100,150)
Social term loan A	–	–	(238,632)	(238,632)				
Loan from subsidiaries	–	–	(32,861)	(32,861)				
	–	–	(371,376)	(371,376)				

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	<u>–</u>	<u>25,895</u>	<u>–</u>	<u>25,895</u>	<u>–</u>	<u>–</u>	<u>25,678</u>	<u>25,678</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	–	–	(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	<u>–</u>	<u>–</u>	<u>(30,673)</u>	<u>(30,673)</u>				
	<u>–</u>	<u>–</u>	<u>(359,678)</u>	<u>(359,678)</u>				

14 Subsequent events

On 13 January 2025, the Manager has received a preliminary non-binding letter of intent (“LOI”) from PT Siloam International Hospitals Tbk (“Siloam”) to acquire First REIT’s portfolio of hospital assets in Indonesia. The Board has decided to undertake a strategic review to assess the LOI and explore all strategic options relating to the business of First REIT which may include but not limited to, exploration of joint ventures, strategic partnerships, asset acquisitions and/or asset divestments, with a view to delivering sustainable long-term value for First REIT’s unitholders. There is no certainty or assurance that any transaction will materialise from Strategic Review or the LOI, or that a definitive or binding agreement will be reached relating to any of the assets of the Group within one year. Therefore, the sale is not highly probable at the reporting date. Accordingly, the Group has continued to classify the hospital assets in Indonesia as investment properties in the statement of financial position as at 31 December 2024.

Other Information Required by Listing Rule Appendix 7.2

Explanatory Notes

A. Statement of Total Return

		Group		
		Full Year		
Note	31 Dec 2024	31 Dec 2023	Change	
	S\$'000	S\$'000	%	
Rental and other income	1	102,211	108,568	(5.9%)
Property operating expenses	2	(3,758)	(3,234)	16.2%
Net property and other income		98,453	105,334	(6.5%)
Finance income		362	507	(28.6%)
Manager’s management fees	3	(8,690)	(8,979)	(3.2%)
Asset management fees		(1,006)	(1,105)	(9.0%)
Trustee fees		(355)	(361)	(1.7%)
Finance costs		(22,773)	(22,698)	0.3%
Other expenses	4	(1,553)	(1,470)	5.6%
Net income		64,438	71,228	(9.5%)
Net fair value (losses)/gains on investment properties	5	(9,578)	10,834	NM
Net fair value gain/(loss) of derivative financial instruments	6	440	(477)	NM
Net foreign exchange losses		(4,724)	(3,369)	40.2%
Total return for the year before income tax		50,576	78,216	(35.3%)
Income tax expense	7	(13,822)	(14,877)	(7.1%)
Total return for the year after income tax		36,754	63,339	(42.0%)
Other comprehensive income:				
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translating foreign operations, net of tax		(17,412)	(19,531)	(10.8%)
Total comprehensive return for the year		19,342	43,808	(55.8%)
Total comprehensive return attributable to:				
Unitholders of the Trust		17,681	42,152	(58.1%)
Perpetual securities holders		1,661	1,656	0.3%
		19,342	43,808	(55.8%)

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 FY 2024 decreased by 5.9% to \$102.2 million compared to FY 2023 mainly due to weakening of Indonesia Rupiah and Japanese Yen against Singapore Dollars, partly offset by higher rental income from Singapore properties.
2. Property operating expenses for FY 2024 increased by 16.2% to \$3.8 million compared to FY 2023 mainly due to property operating expenses of Japan and Indonesia properties.
3. Manager's management fees for FY 2024 decreased by 3.2% to \$8.7 million compared to FY 2023 was mainly due to lower total assets and net property income resulting from weakening of Indonesia Rupiah and Japanese Yen against Singapore Dollars. The Manager's management fee was derived after deducting the asset management fee charged by the Japan asset management company.
4. Other expense for FY 2024 increased by 5.6% to \$1.6 million mainly due to higher professional fee incurred.
5. Net fair value losses of investment properties relate to net revaluation gains on investment properties during the year and the recognition of FRS 116 rental straight lining adjustments for the Indonesia hospital properties and Singapore properties.
6. Net fair value changes of derivative financial instruments relates to the revaluation of interest rate swap and interest rate caps contracts, as well as currency hedging contracts.
7. Income tax expense for FY 2024 decreased by 7.1% to \$13.8 million 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 revaluation of Indonesia properties and on undistributable profits of Japan subsidiaries.

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)

G. Commentary on the competitive conditions of the industry

The timing and pace of the US Federal Reserve's interest rate cuts remain the focus of great attention for global economies. The global economic landscape is becoming increasingly fragmented and subject to significant regional divergence in major economies such as the US, Europe and China. According to the World Economic Forum's latest survey of chief economists, the global economy is expected to weaken in 2025. The International Monetary Fund projects an annual average inflation of 4.3%, a decline from 5.8% in 2024. The global economy is predicted to expand by 3.2% in 2025, consistent with 2024, and is expected to marginally slow to 3.1% over the next 5 years. This continues to represent one of the weakest medium-term outlooks in decades, with indications that global forecasts are being trimmed to reflect the impact of the new administration's policies in the US.¹

As announced on 13 January 2025, the Manager had received a preliminary non-binding letter of intent ("LOI") from PT Siloam International Hospitals Tbk to acquire First REIT's portfolio of hospital assets in Indonesia. The Board has decided to undertake a strategic review to assess the LOI and explore all strategic options for First REIT ("Strategic Review"). Through the Strategic Review, the Board is committed to undertaking a rigorous process to consider all options relating to the business of First REIT, which may include but are not limited to, exploration of joint ventures, strategic partnerships, asset acquisitions and/or asset divestments, with a view to delivering sustainable long-term value for First REIT's unitholders. There is no certainty or assurance that any transaction will materialise from the Strategic Review or the LOI, or that a definitive or binding agreement will be reached relating to any of the assets of the Group.

¹ World Economic Forum's Chief Economists Outlook, January 2025, [Chief Economists Outlook January 2025.pdf](#)

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

H. 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 October 2024 to 31 December 2024

i. Distribution Type Income / Capital

Distribution Type	Distribution Rate (cents per unit)
Taxable Income	0.02
Tax-Exempt Income	0.10
Capital	0.46
Total	0.58

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)

H. 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 October 2023 to 31 December 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)

H. Distributions (cont'd)

- (b) Corresponding period of the immediately preceding period (cont'd)
- ii. Book closure date: The Transfer Books and Register of Unitholders of First Real Estate Investment Trust will be closed at 5.00 p.m. on 20 February 2025 for the purposes of determining each unitholder's entitlement to First REIT's distribution. The ex-distribution date will be on 19 February 2025 at 9.00 am.
- (c) Date Payable: 28 March 2025

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

Not applicable.

J. 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 31 December 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 31 December 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.

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

K. In the review of the performance, the factors leading to any material changes in contributions to turnover and earnings by the business and geographical segments.

Refer to the review of actual performance on paragraph B.

L. A breakdown of sales as follows:

	31 Dec 2024	31 Dec 2023	Change
	<u>S\$'000</u>	<u>S\$'000</u>	<u>%</u>
Gross revenue reported for first half year	51,988	53,989	(3.7%)
Total return after income tax for first half year	20,514	19,457	(5.4%)
Total return after income tax but before change in fair values of investment properties net of deferred tax, net change in fair value of derivative financial instruments and unrealised exchange for first half year	26,045	28,720	(9.3%)
Gross revenue reported for second half year	50,223	54,579	(8.0%)
Total return after income tax for second half year	16,240	43,882	(63.0%)
Total return after income tax but before change in fair values of investment properties net of deferred tax, net change in fair value of derivative financial instruments and unrealised exchange for second half year	25,040	29,431	(14.9%)

M. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year as follows:

	Latest Full Year	Previous Full Year
	<u>S\$'000</u>	<u>S\$'000</u>
Distribution to unitholders	50,109	52,136

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

- N. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.**

Pursuant to Rule 704(13) of the Listing Manual, the Manager of First REIT wishes to confirm that there was no person occupying managerial position in the Company or any of its principal subsidiaries who is a relative of a Director or Chief Executive Officer or Substantial Shareholder of the Company or Substantial Unitholder of First REIT for the financial year ended 31 December 2024.

- O. Confirmation that the Issuer has procured undertakings from all its directors and executive officers under Rule 720(1)**

The Manager does hereby confirm that it has procured undertakings from all the directors and executives.

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

11 February 2025
