



(Constituted in the Republic of Singapore pursuant to  
A trust deed dated 19 October 2006)

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## **First REIT extends a further two months of rental relief to all tenants in Indonesia**

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First REIT Management Limited, as manager (the “**Manager**”) of First Real Estate Investment Trust (“**First REIT**”), refers to the announcement dated 20 July 2020 issued by the Manager in respect of the grant of rental relief of two months for the months of May 2020 and June 2020 for First REIT’s tenants (the “**First Half 2020 Rental Relief Announcement**”).

In the First Half 2020 Rental Relief Announcement, it was also noted that a further relief similar to that announced for the first half of the year may be considered and announced during the second half of the year.

The continuing impact of the COVID-19 pandemic varies across different countries. In Singapore and South Korea where several of First REIT’s healthcare assets are located, the COVID-19 situation has largely stabilized as compared to the first half of the year. In contrast, COVID-19 cases in Indonesia continue to escalate with the country recording the highest number of monthly cases in September 2020 which was a 69 percent rise from the previous month. The local government of DKI Jakarta has re-imposed a partial lockdown, locally known as large-scale social restrictions (pembatasan sosial berskala besar - PSBB), in Jakarta from 14 September 2020 to 11 October 2020. This was then extended by a transitional large-scale social restrictions (PSBB transisi) from 12 to 25 October 2020. The virus has also spread to all 34 provinces in the country with new hotspots emerging in a number of provinces.

Taking into consideration the continuing significant impact of the COVID-19 pandemic to the revenues of First REIT’s assets in Indonesia, First REIT’s tenants in Indonesia will be granted a further rental relief of two months amounting to S\$18.9 million for the months of September 2020 and October 2020 (the “**Second Half 2020 Rental Relief**”). Amidst the prolonged challenging operating environment in Indonesia, this further rental relief is intended to tide First REIT’s tenants in Indonesia through the second half of the year.

All rental relief provided to PT Lippo Karawaci Tbk and/or its subsidiaries (“**LK Group**”) as tenants of First REIT would be regarded as interested person transactions in accordance with the Listing Manual of Singapore Exchange Securities Trading Limited. The amount of

the Second Half 2020 Rental Relief regarded as interested person transactions is S\$16.5 million. Taking into account the Second Half 2020 Rental Relief:

- (i) the current total value of all transactions entered into between First REIT and the LK Group during the financial year ending 31 December 2020 (“**FY2020**”) is S\$32.9 million which represents 4.1% of First REIT’s latest net tangible assets as at 31 December 2019; and
- (ii) the current total value of all interested person transactions entered into by First REIT during FY2020 is S\$32.9 million which represents 4.1% of First REIT’s latest net tangible assets as at 31 December 2019.

The Audit and Risk Committee of the Manager is of the view that the Second Half 2020 Rental Relief as extended to the tenants which are part of the LK Group is on normal commercial terms, and is not prejudicial to the interests of First REIT and its minority unitholders, given that (1) the relief is extended to all tenants of First REIT in Indonesia and not only tenants which are part of the LK Group, and (2) it is in the longer term interests of First REIT to support them in riding through the present unprecedented times where tenants’ revenue in Indonesia continue to be significantly impacted.

With the extension of the Second Half 2020 Rental Relief, the Manager also wishes to inform that:

- (a) First REIT’s available distribution income to unitholders for the six months ending 31 December 2020 (“**2H 2020**”) is expected to decline by 40% to 50% from S\$34.3 million as recorded for the corresponding period in the previous year (“**2H 2019**”); and
- (b) First REIT’s distribution per unit for 2H 2020 is expected to decline by 40% to 50% from 4.30 cents recorded in 2H 2019.

The Manager wishes to advise Unitholders and potential investors to exercise caution when dealing in the Units.

By Order of the Board

Tan Kok Mian Victor  
Executive Director and Chief Executive Officer  
First REIT Management Limited  
(Company registration no. 200607070D)  
As Manager of First Real Estate Investment Trust

22 October 2020

**Important Notice**

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

This announcement is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for the Units. The past performance of First REIT is not necessarily indicative of the future performance of First REIT.

This announcement may contain forward-looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from similar developments, shifts in expected levels of property rental income, changes in operating expenses (including employee wages, benefits and training costs), property expenses and governmental and public policy changes. Investors are cautioned not to place undue reliance on these forward-looking statements, which are based on the Manager's view of future events.