

**UNITED HAMPSHIRE US REAL ESTATE INVESTMENT TRUST**

(Constituted in Republic of Singapore pursuant to a Trust Deed dated 18 September 2019 (as amended and restated))

**CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS ANNOUNCEMENT  
FOR THE HALF YEAR ENDED 30 JUNE 2023**

**TABLE OF CONTENTS**

INTRODUCTION .....	2
SUMMARY OF UHREIT'S RESULTS .....	3
1(A)(i) CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME .....	4
1(A)(ii) CONDENSED CONSOLIDATED DISTRIBUTION STATEMENT .....	5
1(B) CONDENSED STATEMENTS OF FINANCIAL POSITION.....	6
1(C) CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS .....	7
1(D) PORTFOLIO STATEMENT .....	9
1(E) CONDENSED STATEMENTS OF CHANGES IN UNITHOLDERS' FUNDS .....	10
1(F) NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 30 JUNE 2023.....	12
1. GENERAL.....	12
2. SIGNIFICANT ACCOUNTING POLICIES .....	12
3. EXPLANATORY NOTES.....	13
2 DETAILS OF ANY CHANGES IN UNITS .....	23
3 TOTAL NUMBER OF ISSUED UNITS .....	24
4 SALES, TRANSFERS, DISPOSALS, CANCELLATION AND/OR USE OF TREASURY UNITS .....	24
5 AUDIT STATEMENT .....	24
6 CHANGES IN ACCOUNTING POLICIES.....	24
7 EARNINGS PER UNIT ("EPU") AND DISTRIBUTION PER UNIT ("DPU") FOR THE FINANCIAL PERIOD .....	24
8 NET ASSET VALUE ("NAV") AND NET TANGIBLE ASSET ("NTA") PER UNIT .....	25
9 REVIEW OF PERFORMANCE OF ACTUAL AGAINST FORECAST .....	25
10 REVIEW OF PERFORMANCE.....	26
11 PROSPECTS.....	27
12 DISTRIBUTIONS .....	28
13 INTERESTED PERSON TRANSACTIONS.....	29
14 CONFIRMATION PURSUANT TO RULE 704(13) OF THE LISTING MANUAL.....	30
15 CONFIRMATION PURSUANT TO RULE 720(1) OF THE LISTING MANUAL.....	30
16 CONFIRMATION BY THE BOARD .....	30

UNITED HAMPSHIRE US REAL ESTATE INVESTMENT TRUST  
 FINANCIAL STATEMENTS ANNOUNCEMENT  
 FOR THE HALF YEAR ENDED 30 JUNE 2023

**INTRODUCTION**

**Overview**

United Hampshire US Real Estate Investment Trust (the “Trust” or “United Hampshire US REIT” or “UHREIT” or the “Group”) is a Singapore real estate investment trust constituted pursuant to the Trust Deed dated 18 September 2019 (the “Date of Constitution”) (as amended and restated) (the “Trust Deed”) between United Hampshire US REIT Management Pte. Ltd., in its capacity as the manager of UHREIT (the “Manager”) and Perpetual (Asia) Limited, in its capacity as the trustee of UHREIT (the “Trustee”). The Trustee is under a duty to take into custody and hold the assets of the Trust in trust for the holders (“Unitholders”) of Units in the Trust (the “Units”).

UHREIT was listed on the Mainboard of the Singapore Exchange Securities Trading Limited (“SGX-ST”) on 12 March 2020 (the “Listing Date”). UHREIT’s principal investment strategy is to invest, directly or indirectly, in stabilised income-producing (i) grocery-anchored and necessity-based retail properties (“**Grocery & Necessity Properties**”), and (ii) modern, climate-controlled self-storage facilities (“**Self-Storage Properties**”), located in the United States of America (“U.S.”). The tenants targeted by UHREIT are tenants resilient to the impact of e-commerce, including but not limited to restaurants, home improvement stores, fitness centers, warehouse clubs and other uses with strong omni-channel platforms. UHREIT’s key objectives are to provide Unitholders with regular and stable distributions and to achieve long-term growth in distribution per Unit (“DPU”) and net asset value (“NAV”) per Unit, while maintaining an appropriate capital structure.

As at 30 June 2023, the portfolio of UHREIT comprises 21 Grocery & Necessity Properties and two Self-Storage Properties located across the U.S., with an aggregate net lettable area of 3.85 million sq ft. UHREIT acquired its initial portfolio of 18 Grocery & Necessity Properties and four Self-Storage Properties on the Listing Date and made its maiden acquisition of two grocery-anchored properties, Colonial Square and Penrose Plaza, in November 2021. UHREIT divested two Self-Storage properties, Elizabeth and Perth Amboy Self-Storage, in June 2022 and reinvested the divestment proceeds into a higher-yielding grocery-anchored property, Upland Square Shopping Center (“Upland Square”), in July 2022.

<b>Property</b>	<b>State</b>	<b>Asset type</b>
<b><u>Grocery &amp; Necessity Properties</u></b>		
Hudson Valley Plaza	New York	Regional Center with Grocery
Albany ShopRite – Supermarket	New York	Grocery & Necessity
Albany ShopRite – Gas Station	New York	Grocery & Necessity
Towne Crossing	New Jersey	Grocery & Necessity
Lynncroft Center	North Carolina	Grocery & Necessity
Garden City Square – BJ’s Wholesale Club	New York	Wholesale Club
Garden City Square – LA Fitness	New York	Fitness Club
Price Chopper Plaza	New York	Grocery & Necessity
Big Pine Center	Florida	Grocery & Necessity
Stop & Shop Plaza	New Jersey	Grocery & Necessity
Fairhaven Plaza	Massachusetts	Grocery & Necessity
Wallington ShopRite	New Jersey	Grocery & Necessity
Parkway Crossing	Maryland	Grocery & Necessity
Walkill Price Chopper	New York	Grocery & Necessity
St. Lucie West	Florida	Grocery & Necessity
BJ’s Quincy	Massachusetts	Wholesale Club
Arundel Plaza	Maryland	Grocery & Necessity
Lawnside Commons	New Jersey	Grocery & Necessity
Colonial Square	Virginia	Grocery & Necessity
Penrose Plaza	Pennsylvania	Grocery & Necessity
Upland Square	Pennsylvania	Grocery & Necessity

UNITED HAMPSHIRE US REAL ESTATE INVESTMENT TRUST  
 FINANCIAL STATEMENTS ANNOUNCEMENT  
 FOR THE HALF YEAR ENDED 30 JUNE 2023

<b>Property</b>	<b>State</b>	<b>Asset type</b>
<b><u>Self-Storage Properties</u></b>		
Carteret Self-Storage	New Jersey	Self-Storage
Millburn Self-Storage	New Jersey	Self-Storage

**SUMMARY OF UHREIT'S RESULTS**

	<b>1 Jan 2023 to 30 Jun 2023 ("1H 2023")</b>	<b>1 Jan 2022 to 30 Jun 2022 ("1H 2022")</b>	<b>Change <sup>(1)</sup></b>
	US\$'000	US\$'000	+ / (-) %
Gross revenue	36,008	31,768	13.3
Property expenses	10,197	9,298	9.7
Net property income	25,811	22,645	14.0
Net income available for distribution to Unitholders	16,663	16,305	2.2
Distribution Per Unit ("DPU") (US cents) <sup>(2)</sup>	2.65 <sup>(3)</sup>	2.91	(8.9)

Footnotes:

- (1) Refer to Note 10 "Review of Performance" for the reasons behind the variance.
- (2) DPU for the period from 1 January 2023 to 30 June 2023 (1H 2022: 1 January 2022 to 30 June 2022) was calculated based on 572,403,784 (30 June 2022: 559,952,929) issued units as at 30 June 2023.
- (3) DPU was calculated based on the distribution amount after deducting distributable income of US\$1.5 million retained as capital reserve for asset enhancement initiatives.

UNITED HAMPSHIRE US REAL ESTATE INVESTMENT TRUST  
 FINANCIAL STATEMENTS ANNOUNCEMENT  
 FOR THE HALF YEAR ENDED 30 JUNE 2023

1(A)(i) CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Note 1F	Group		Change + / (-) %
		1H 2023 US\$'000	1H 2022 US\$'000	
Gross revenue	3(a)	36,008	31,768	13.3
Property expenses	3(b)	(10,197)	(9,298)	9.7
Other income	3(c)	-	175	(100.0)
<b>Net property income</b>		<b>25,811</b>	<b>22,645</b>	<b>14.0</b>
Manager's base fee		(1,666)	(1,630)	2.2
Trustee's fee		(74)	(68)	8.8
Other trust expenses		(1,025)	(868)	18.1
Finance costs	3(d)	(7,578)	(4,389)	72.7
<b>Net income before tax, fair value changes and loss on disposal of investment properties</b>		<b>15,468</b>	<b>15,690</b>	<b>(1.4)</b>
Loss on disposal of investment properties		-	(437)	(100.0)
Fair value change in investment properties		(837)	(1,395)	(40.0)
Fair value change on financial derivatives		(76)	3,900	(101.9)
<b>Net income before tax</b>		<b>14,555</b>	<b>17,758</b>	<b>(18.0)</b>
Income tax	3(e)	(1,591)	(1,663)	(4.3)
<b>Net income after tax</b>		<b>12,964</b>	<b>16,095</b>	<b>(19.5)</b>
<b>Net income after tax attributable to:</b>				
Unitholders		12,842	15,990	(19.7)
Non-controlling interests		122	105	16.2
<b>Net income for the period</b>		<b>12,964</b>	<b>16,095</b>	<b>(19.5)</b>
<b>Earnings per Unit ("EPU") attributable to Unitholders during the financial period:</b>				
Basic and diluted EPU (US cents)		2.26	2.86	(21.0)

*n.m.* – not meaningful

UNITED HAMPSHIRE US REAL ESTATE INVESTMENT TRUST  
 FINANCIAL STATEMENTS ANNOUNCEMENT  
 FOR THE HALF YEAR ENDED 30 JUNE 2023

**1(A)(ii) CONDENSED CONSOLIDATED DISTRIBUTION STATEMENT**

	<b>Group</b>		
	<b>1H 2023</b> US\$'000	<b>1H 2022</b> US\$'000	<b>Change</b> +/(-) %
<b>Amount available for distribution to Unitholders for the financial period</b>			
Net income after tax attributable to Unitholders	12,842	15,990	(19.7)
<b>Distribution adjustments comprise:</b>			
Property related non-cash items <sup>(1)</sup>	(432)	(999)	(56.8)
Manager's base fee payable/paid in Units	1,666	1,630	2.2
Trustee's fees	74	68	8.8
Amortisation of upfront debt-related transaction costs <sup>(2)</sup>	680	682	(0.3)
Loss on disposal of investment properties	-	437	(100.0)
Fair value change in investment properties	837	1,395	(40.0)
Fair value change on financial derivatives	76	(3,900)	(101.9)
Deferred tax expense	1,321	1,393	(5.2)
Interest on lease liability	255	264	(3.4)
Ground lease rental payment	(660)	(660)	-
Other net adjustments <sup>(3)</sup>	4	5	(20.0)
<b>Distribution adjustments</b>	<b>3,821</b>	<b>315</b>	<b>n.m.</b>
Net income available for distribution to Unitholders	16,663	16,305	2.2
Distribution to Unitholders	15,163 <sup>(4)</sup>	16,305	(7.0)
<b>DPU (US cents) <sup>(5)</sup></b>	<b>2.65</b>	<b>2.91</b>	<b>(8.9)</b>

Footnotes:

- (1) Mainly comprise straight-line rent adjustments and lease commission amortisation.
- (2) Upfront debt-related transaction costs are amortised over the life of loans and borrowings.
- (3) Net of non-controlling interests.
- (4) After deducting distributable income of US\$1.5 million retained as capital reserve for asset enhancement initiatives.
- (5) DPU of 2.65 US cents per unit for the period from 1 January 2023 to 30 June 2023 (1H 2022: 1 January 2022 to 30 June 2022) was calculated based on 572,403,784 (30 June 2022: 559,952,929) issued units as at 30 June 2023.

UNITED HAMPSHIRE US REAL ESTATE INVESTMENT TRUST  
 FINANCIAL STATEMENTS ANNOUNCEMENT  
 FOR THE HALF YEAR ENDED 30 JUNE 2023

**1(B) CONDENSED STATEMENTS OF FINANCIAL POSITION**

	Note 1F	Group		Trust	
		30 Jun 2023 US\$'000	31 Dec 2022 US\$'000	30 Jun 2023 US\$'000	31 Dec 2022 US\$'000
<b>ASSETS</b>					
<b>Current assets</b>					
Cash and cash equivalents		5,970	12,227	556	1,357
Restricted cash	3(f)	2,020	1,322	-	-
Trade and other receivables	3(g)	4,868	5,459	10,869	3,628
Derivative financial assets		2,078	686	-	-
Prepaid expenses		1,647	1,539	23	4
<b>Total current assets</b>		<b>16,583</b>	<b>21,233</b>	<b>11,448</b>	<b>4,989</b>
<b>Non-current assets</b>					
Restricted cash	3(f)	511	511	-	-
Investment properties	3(h)	764,720	761,052	-	-
Derivative financial assets		1,639	3,107	-	-
Investment in subsidiaries		-	-	378,025	390,721
<b>Total non-current assets</b>		<b>766,870</b>	<b>764,670</b>	<b>378,025</b>	<b>390,721</b>
<b>TOTAL ASSETS</b>		<b>783,453</b>	<b>785,903</b>	<b>389,473</b>	<b>395,710</b>
<b>LIABILITIES</b>					
<b>Current liabilities</b>					
Trade and other payables	3(i)	8,490	11,251	602	827
Loans and borrowings	3(j)	21,126	-	-	-
Provision for taxation		134	206	-	-
Lease liability		825	816	-	-
<b>Total current liabilities</b>		<b>30,575</b>	<b>12,273</b>	<b>602</b>	<b>827</b>
<b>Non-current liabilities</b>					
Loans and borrowings	3(j)	293,707	314,300	-	-
Preferred shares		125	125	-	-
Rental security deposits		981	938	-	-
Lease liability		21,147	21,561	-	-
Deferred tax liabilities		10,432	9,111	-	-
<b>Total non-current liabilities</b>		<b>326,392</b>	<b>346,035</b>	<b>-</b>	<b>-</b>
<b>TOTAL LIABILITIES</b>		<b>356,967</b>	<b>358,308</b>	<b>602</b>	<b>827</b>
<b>NET ASSETS</b>		<b>426,486</b>	<b>427,595</b>	<b>388,871</b>	<b>394,883</b>
<b>Net assets attributable to:</b>					
Unitholders		423,839	425,070	388,871	394,883
Non-controlling interests		2,647	2,525	-	-
		<b>426,486</b>	<b>427,595</b>	<b>388,871</b>	<b>394,883</b>
<b>Units in issue and to be issued ('000)</b>		<b>574,227</b>	<b>568,278</b>	<b>574,227</b>	<b>568,278</b>
<b>Net asset value per Unit (US\$)</b>		<b>0.74</b>	<b>0.75</b>	<b>0.68</b>	<b>0.69</b>

UNITED HAMPSHIRE US REAL ESTATE INVESTMENT TRUST  
 FINANCIAL STATEMENTS ANNOUNCEMENT  
 FOR THE HALF YEAR ENDED 30 JUNE 2023

**1(C) CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

	Note	Group	
		1H 2023 US\$'000	1H 2022 US\$'000
<b>Cash flows from operating activities</b>			
Net income before tax		14,555	17,758
Adjustments for:			
Property related non-cash items		(432)	(999)
Manager's base fee payable/paid in Units		1,666	1,630
Loss on disposal of investment properties		-	437
Fair value change in investment properties		837	1,395
Fair value change on financial derivatives		76	(3,900)
Finance costs		7,578	4,389
Operating income before working capital changes		24,280	20,710
Changes in working capital:			
Trade and other receivables		591	1,164
Restricted cash		(698)	(869)
Prepaid expenses		(108)	482
Trade and other payables		(2,565)	1,423
Rental security deposits		43	83
		21,543	22,993
Income tax paid		(342)	(176)
Net cash generated from operating activities		21,201	22,817
<b>Cash flows from investing activities</b>			
Proceeds from disposal of investment properties		-	43,987
Additions to investment properties	a	(5,084)	(4,401)
Deposit for acquisition of investment property		-	(2,250)
Divestment proceed held in an escrow account		-	(44,264)
Net cash used in investing activities		(5,084)	(6,928)
<b>Cash flows from financing activities</b>			
Distribution paid to Unitholders	b	(15,739)	(7,246)
Distribution paid to non-controlling interests		-	(167)
Dividends paid to preferred shareholders		(8)	(8)
Proceeds from loans and borrowings		15,200	-
Payment of debt-related transaction costs		(47)	(84)
Repayment of loans and borrowings		(15,150)	(3,000)
Finance costs paid on loans and borrowings		(5,970)	(3,287)
Repayment of lease liability		(405)	(396)
Interest paid on lease liability		(255)	(264)
Net cash used in financing activities		(22,374)	(14,452)

UNITED HAMPSHIRE US REAL ESTATE INVESTMENT TRUST  
 FINANCIAL STATEMENTS ANNOUNCEMENT  
 FOR THE HALF YEAR ENDED 30 JUNE 2023

**1(C) CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

	<b>Group</b>	
	<b>1H 2023</b>	<b>1H 2022</b>
	US\$'000	US\$'000
Net (decrease)/increase in cash and cash equivalents	(6,257)	1,437
Cash and cash equivalents at beginning of the period	12,227	11,194
<b>Cash and cash equivalents at end of the period</b>	<b>5,970</b>	<b>12,631</b>

**a) Additions to investment properties**

Includes cash paid on capital expenditure, tenant improvements and leasing commissions.

**b) Distributions paid to Unitholders**

2,233,101 Units amounting to approximately US\$1.1 million were issued as part payment of distributions in respect of the distribution for the period from 1 July 2022 to 31 December 2022, pursuant to UHREIT's Distribution Reinvestment Plan.



UNITED HAMPSHIRE US REAL ESTATE INVESTMENT TRUST  
 FINANCIAL STATEMENTS ANNOUNCEMENT  
 FOR THE HALF YEAR ENDED 30 JUNE 2023

1(D) PORTFOLIO STATEMENT

Description of property	Location	Tenure of land	Fair value	Percentage	Fair value	Percentage
			as at 30 Jun 2023	of total net assets as at 30 Jun 2023	as at 31 Dec 2022	of total net assets as at 31 Dec 2022
			US\$'000	%	US\$'000	%
<b><u>Grocery &amp; Necessity Properties</u></b>						
Hudson Valley Plaza	New York	Freehold	48,617	11.4	48,600	11.4
Albany ShopRite – Supermarket	New York	Freehold	23,700	5.5	23,700	5.5
Albany ShopRite – Gas Station	New York	Freehold	4,400	1.0	4,400	1.0
Towne Crossing	New Jersey	Freehold	13,904	3.3	12,600	3.0
Lynncroft Center	North Carolina	Freehold	27,127	6.4	27,125	6.3
Garden City Square – BJ's Wholesale Club	New York	Freehold	49,000	11.5	49,000	11.6
Garden City Square – LA Fitness	New York	Freehold	22,300	5.2	22,300	5.2
Price Chopper Plaza	New York	Freehold	21,100	4.9	21,100	4.9
Big Pine Center	Florida	Freehold	9,509	2.2	9,500	2.2
Stop & Shop Plaza	New Jersey	Freehold	26,000	6.1	26,000	6.1
Fairhaven Plaza	Massachusetts	Freehold	18,987	4.5	18,900	4.4
Wallington ShopRite	New Jersey	Leasehold <sup>(1)</sup>	15,700	3.7	15,700	3.7
Parkway Crossing	Maryland	Freehold	30,425	7.1	30,300	7.1
Wallkill Price Chopper	New York	Freehold	12,600	3.0	12,600	2.9
St. Lucie West	Florida	Freehold	88,926	20.8	86,500	20.3
BJ's Quincy	Massachusetts	Freehold	33,400	7.8	33,400	7.8
Arundel Plaza	Maryland	Freehold	44,217	10.4	44,200	10.3
Lawnside Commons	New Jersey	Freehold	33,850	7.9	33,850	7.9
Colonial Square	Virginia	Freehold	25,100	5.9	25,100	5.9
Penrose Plaza	Pennsylvania	Freehold	53,985	12.7	53,900	12.6
Upland Square	Pennsylvania	Freehold	86,001	20.2	86,000	20.1
<b><u>Self-Storage Properties</u></b>						
Carteret Self-Storage	New Jersey	Freehold	23,800	5.6	23,800	5.6
Millburn Self-Storage	New Jersey	Freehold	30,100	7.1	30,100	7.0
<b>Investment properties, at valuation</b>			<b>742,748</b>	<b>174.2</b>	<b>738,675</b>	<b>172.8</b>
Investment property – Right-of-use asset			21,972	5.2	22,377	5.2
<b>Investment properties, at carrying value (Note 1F item 3(h))</b>			<b>764,720 <sup>(2)</sup></b>	<b>179.4</b>	<b>761,052</b>	<b>178.0</b>
Other assets and liabilities (net)			(338,234)	(79.4)	(333,457)	(78.0)
<b>Net assets</b>			<b>426,486</b>	<b>100.0</b>	<b>427,595</b>	<b>100.0</b>

Footnotes:

- (1) The Wallington ShopRite property consists of a leasehold interest under a ground lease between the Group and the landlord, Wallington Plaza, L.L.C., with an initial term that commenced on 30 May 2013 and will expire on 24 June 2040. The tenant has two ten-year renewal options that would take the term through 24 June 2060.
- (2) The carrying value of the Group's investment properties as at 30 June 2023 was based on the independent valuation as at 31 December 2022 undertaken by Cushman & Wakefield of New Jersey LLC, Inc., taking into account capitalised expenditures, tenant improvements, leasing costs and amortisation of right-of-use asset recognised during the current period.

UNITED HAMPSHIRE US REAL ESTATE INVESTMENT TRUST  
 FINANCIAL STATEMENTS ANNOUNCEMENT  
 FOR THE HALF YEAR ENDED 30 JUNE 2023

**1(E) CONDENSED STATEMENTS OF CHANGES IN UNITHOLDERS' FUNDS**

	Units in issue and to be issued	Retained earnings/ (Accumulated losses)	Unitholders' funds	Non- controlling interests	Total
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
<b>Group</b>					
As at 1 January 2023	<b>397,341</b>	<b>27,729</b>	<b>425,070</b>	<b>2,525</b>	<b>427,595</b>
Operations					
Net income for the period	-	12,842	12,842	122	12,964
<u>Unitholders' transactions</u>					
Distribution to Unitholders	(6,004)	(10,819)	(16,823)	-	(16,823)
Manager's base fee paid in Units <sup>(1)</sup>	876	-	876	-	876
Manager's base fee payable in Units <sup>(1)</sup>	790	-	790	-	790
Issue of Units for Distribution Reinvestment Plan	1,084	-	1,084	-	1,084
Total Unitholders' transactions	(3,254)	(10,819)	(14,073)	-	(14,073)
<b>As at 30 June 2023</b>	<b>394,087</b>	<b>29,752</b>	<b>423,839</b>	<b>2,647</b>	<b>426,486</b>
<b>Trust</b>					
As at 1 January 2023	<b>397,341</b>	<b>(2,458)</b>	<b>394,883</b>	-	<b>394,883</b>
Operations					
Net income for the period	-	8,061	8,061	-	8,061
<u>Unitholders' transactions</u>					
Distribution to Unitholders	(6,004)	(10,819)	(16,823)	-	(16,823)
Manager's base fee paid in Units <sup>(1)</sup>	876	-	876	-	876
Manager's base fee payable in Units <sup>(1)</sup>	790	-	790	-	790
Issue of Units for Distribution Reinvestment Plan	1,084	-	1,084	-	1,084
Total Unitholders' transactions	(3,254)	(10,819)	(14,073)	-	(14,073)
<b>As at 30 June 2023</b>	<b>394,087</b>	<b>(5,216)</b>	<b>388,871</b>	-	<b>388,871</b>

Footnote:

<sup>(1)</sup> The Manager has elected to receive 100.0% of the Manager's base fee in Units for the period from 1 January 2023 to 30 June 2023. The number of Units is calculated based on the volume weighted average traded price of the Units on the SGX-ST for the last 10 business days for the respective period.

UNITED HAMPSHIRE US REAL ESTATE INVESTMENT TRUST  
 FINANCIAL STATEMENTS ANNOUNCEMENT  
 FOR THE HALF YEAR ENDED 30 JUNE 2023

**1(E) CONDENSED STATEMENTS OF CHANGES IN UNITHOLDERS' FUNDS**

	Units in issue and to be issued	Retained earnings/ (Accumulated losses)	Unitholders' funds	Non- controlling interests	Total
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
<b>Group</b>					
As at 1 January 2022	<b>401,007</b>	<b>15,992</b>	<b>416,999</b>	<b>2,260</b>	<b>419,259</b>
Operations					
Net income for the period	-	15,990	15,990	105	16,095
<u>Unitholders' transactions</u>					
Distribution to Unitholders	(3,400)	(3,846)	(7,246)	-	(7,246)
Manager's base fee paid in Units <sup>(1)</sup>	814	-	814	-	814
Manager's base fee payable in Units <sup>(1)</sup>	816	-	816	-	816
Total Unitholders' transactions	(1,770)	(3,846)	(5,616)	-	(5,616)
Distribution to non-controlling interests	-	-	-	(167)	(167)
<b>As at 30 June 2022</b>	<b>399,237</b>	<b>28,136</b>	<b>427,373</b>	<b>2,198</b>	<b>429,571</b>
<b>Trust</b>					
As at 1 January 2022	<b>401,007</b>	<b>(2,729)</b>	<b>398,278</b>	<b>-</b>	<b>398,278</b>
Operations					
Net income for the period	-	8,626	8,626	-	8,626
<u>Unitholders' transactions</u>					
Distribution to Unitholders	(3,400)	(3,846)	(7,246)	-	(7,246)
Manager's base fee paid in Units <sup>(1)</sup>	814	-	814	-	814
Manager's base fee payable in Units <sup>(1)</sup>	816	-	816	-	816
Total Unitholders' transactions	(1,770)	(3,846)	(5,616)	-	(5,616)
<b>As at 30 June 2022</b>	<b>399,237</b>	<b>2,051</b>	<b>401,288</b>	<b>-</b>	<b>401,288</b>

Footnote:

- <sup>(1)</sup> The Manager has elected to receive 100.0% of the Manager's base fee in Units for the period. The number of Units is calculated based on the volume weighted average traded price of the Units on the SGX-ST for the last 10 business days for the respective period.

**1(F) NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 30 JUNE 2023**

**1. GENERAL**

United Hampshire US Real Estate Investment Trust (the “Trust” or “United Hampshire US REIT” or “UHREIT”) is a real estate investment trust constituted by a trust deed entered into on 18 September 2019 (as amended and restated) (the “Trust Deed”) between United Hampshire US REIT Management Pte. Ltd. as the Manager of the Trust (the “Manager”) and Perpetual (Asia) Limited, as the trustee of United Hampshire US Real Estate Investment Trust (the “Trustee”). The Trustee is under a duty to take into custody and hold the assets of the Trust in trust for the holders (“Unitholders”) of Units in the Trust (the “Units”).

The Hampshire Companies, LLC (the “Hampshire Sponsor”) and UOB Global Capital LLC (the “UOB Sponsor”) are the sponsors of the Trust.

The registered office and principal place of business of the Manager is 80 Raffles Place, #28-21 UOB Plaza 2, Singapore 048624.

The condensed consolidated interim financial statements of the Trust for the half year ended 30 June 2023, comprise the Trust and its subsidiaries (the “Group”).

The principal activity of the Trust is investment holding. The principal activities of the Trust’s subsidiaries are to own and invest, directly or indirectly, in stabilised income-producing (i) grocery-anchored and necessity-based retail properties (“Grocery & Necessity Properties”), and (ii) modern, climate-controlled self-storage facilities (“Self-Storage Properties”), located in the United States of America (“U.S.”). Collectively, the Manager’s key financial objectives are to provide Unitholders with regular and stable distributions and the potential for sustainable long-term growth in distribution per Unit and net asset value per Unit, while maintaining an appropriate capital structure for the Trust.

**2. SIGNIFICANT ACCOUNTING POLICIES**

**2.1 Basis of preparation**

This condensed consolidated interim financial statements for the half year ended 30 June 2023 have been prepared in accordance with the IAS 34 *Interim Financial Reporting* issued by the International Accounting Standards Board (“IASB”), and the applicable requirements of the Code on Collective Investment Schemes (the “CIS Code”) issued by the Monetary Authority of Singapore (“MAS”) and the relevant provisions of the Trust Deed.

These condensed consolidated interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance of the Group since the last annual financial statements for the year ended 31 December 2022. The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with International Financial Reporting Standards (“IFRS”). Accordingly, this report should be read in conjunction with the Group’s financial statements for the financial year ended 31 December 2022 and any public announcements made by UHREIT during the interim reporting period. The condensed consolidated interim financial statements are presented in US Dollars (USD or US\$) and all values in the tables are rounded to the nearest thousand (\$’000), unless otherwise stated.

UNITED HAMPSHIRE US REAL ESTATE INVESTMENT TRUST  
 FINANCIAL STATEMENTS ANNOUNCEMENT  
 FOR THE HALF YEAR ENDED 30 JUNE 2023

2.2 Changes in accounting policies

The accounting policies adopted by the Group in the preparation of the condensed consolidated interim financial statements are consistent with those followed in the preparation of the Group's financial statements for the financial year ended 31 December 2022. The Group adopted the revised IFRS and interpretations that are effective for application for annual financial periods beginning on or after 1 January 2023. The adoption of these revised IFRS and interpretations did not result in material changes to the Group's accounting policies and has no material effect on the amounts reported for the current financial period.

2.3 Critical accounting judgments and estimates

In the process of applying the Group's accounting policies, there is no instance of application of judgment with significant updates since the audited financial statements as at 31 December 2022 that is expected to have a significant effect on the amounts recognised in the condensed consolidated interim financial statements. The key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities and with significant updates since the audited financial statements as at 31 December 2022 are disclosed in Note 1F item 3(e) (Income tax) and Note 1F item 3(n) (Fair value measurement).

3. EXPLANATORY NOTES

(a) Gross revenue

	<b>Group</b>		
	<b>1H 2023</b> US\$'000	<b>1H 2022</b> US\$'000	<b>Change</b> +/(-) %
Rental income	28,562	25,681	11.2
Recoveries income <sup>(1)</sup>	7,338	5,955	23.2
Other operating income	108	132	(18.2)
<b>Gross revenue</b>	<b>36,008</b>	<b>31,768</b>	<b>13.3</b>

Footnote:

<sup>(1)</sup> Recoveries income includes, among others, charges to tenants for reimbursements of certain property expenses primarily for common area maintenance such as repair and maintenance expenses, utilities, property management fees and reimbursements, real estate taxes and other recoverable costs and is estimated in accordance with the individual tenant leases.

(b) Property expenses

	<b>Group</b>		
	<b>1H 2023</b> US\$'000	<b>1H 2022</b> US\$'000	<b>Change</b> +/(-) %
Real estate taxes	4,343	3,933	10.4
Repair, maintenance, and utilities expenses	2,732	2,704	1.0
Property management fees	1,353	1,200	12.8
Insurance expenses	917	717	27.9
Other property expenses	852	744	14.5
<b>Property expenses</b>	<b>10,197</b>	<b>9,298</b>	<b>9.7</b>

UNITED HAMPSHIRE US REAL ESTATE INVESTMENT TRUST  
 FINANCIAL STATEMENTS ANNOUNCEMENT  
 FOR THE HALF YEAR ENDED 30 JUNE 2023

(c) Other income

	<b>Group</b>		
	<b>1H 2023</b> US\$'000	<b>1H 2022</b> US\$'000	<b>Change</b> +/(-) %
Elizabeth Self-Storage Top-Up <sup>(1)</sup>	-	88	(100.0)
Perth Amboy Self-Storage Top-Up <sup>(1)</sup>	-	87	(100.0)
<b>Other income</b>	<b>-</b>	<b>175</b>	<b>(100.0)</b>

Footnote:

<sup>(1)</sup> This comprises income Top-Ups provided by the Hampshire Sponsor, which have been fully depleted in 1H 2022.

(d) Finance costs

	<b>Group</b>		
	<b>1H 2023</b> US\$'000	<b>1H 2022</b> US\$'000	<b>Change</b> +/(-) %
Interest expense on loans and borrowings	6,612	3,385	95.3
Dividends paid to preferred shareholders	8	8	-
Commitment fees and amortisation of upfront debt-related transaction costs	703	732	(4.0)
Interest on lease liability	255	264	(3.4)
<b>Finance costs</b>	<b>7,578</b>	<b>4,389</b>	<b>72.7</b>

(e) Income tax

Tax expense comprises current and net deferred tax expenses. Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

	<b>Group</b>		
	<b>1H 2023</b> US\$'000	<b>1H 2022</b> US\$'000	<b>Change</b> +/(-) %
Current income tax	270	270	-
Deferred tax	1,321	1,393	(5.2)
<b>Income tax</b>	<b>1,591</b>	<b>1,663</b>	<b>(4.3)</b>

UNITED HAMPSHIRE US REAL ESTATE INVESTMENT TRUST  
 FINANCIAL STATEMENTS ANNOUNCEMENT  
 FOR THE HALF YEAR ENDED 30 JUNE 2023

Provision for taxation

Uncertainties exist with respect to the interpretation of complex tax regulations in the jurisdictions in which the Group operates and the amount and timing of future taxable income. Given the span of tax regulations which may apply to the various taxable entities or persons within the Group, the cross-border and long-term nature and complexity of the contractual arrangements and the conditions to the tax rulings which have been obtained, differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax provisions recorded or require new or additional tax provisions to be recorded.

The Group establishes provisions, based on reasonable estimates, for anticipated tax liabilities or possible consequences of audits by the tax authorities of the respective jurisdictions in which it operates. The amount of such provisions is based on various factors, such as differing interpretations of tax regulations between the taxable entity or person involved and the relevant tax authority and anticipated future changes in the tax laws that may have a direct impact on any tax ruling or favourable tax treatment relied upon. Such instances may arise on a wide variety of issues depending on the conditions prevailing in the domicile of the respective entity or person involved.

(f) Restricted cash

The restricted cash consists of (1) the tenants' security deposits for St. Lucie West and Big Pine Center held in a separate bank account as required under Florida law and (2) an escrow account for the payment of real estate tax and refundable remediation fee.

(g) Trade and other receivables

	Group		Trust	
	30 Jun 2023 US\$'000	31 Dec 2022 US\$'000	30 Jun 2023 US\$'000	31 Dec 2022 US\$'000
Trade receivables	2,934	2,928	-	-
Allowance for expected credit loss	(364)	(138)	-	-
Net trade receivables	2,570	2,790	-	-
Other receivables <sup>(1)</sup>	2,298	2,669	98	12
Other receivables from subsidiaries	-	-	10,771	3,616
	<b>4,868</b>	<b>5,459</b>	<b>10,869</b>	<b>3,628</b>

Footnote:

<sup>(1)</sup> Other receivables of the Group mainly relate to accrued recoveries income for the relevant period, which will be invoiced subsequent to the end of the reporting period. Other receivables of the Trust mainly relate to GST receivables.

UNITED HAMPSHIRE US REAL ESTATE INVESTMENT TRUST  
 FINANCIAL STATEMENTS ANNOUNCEMENT  
 FOR THE HALF YEAR ENDED 30 JUNE 2023

(h) Investment properties

	Group	
	30 Jun 2023	31 Dec 2022
	US\$'000	US\$'000
At the beginning of the period	761,052	711,650
Acquisition of investment properties (including acquisition costs)	-	88,031
Divestment of investment properties	-	(44,424)
Additions in capital expenditure, tenant improvements and leasing commissions	4,073	7,073
Fair value change in investment properties	(405)	(1,278)
<b>Carrying value of investment properties</b>	<b>764,720</b>	<b>761,052</b>

Breakdown of net fair value change:

	Group	
	30 Jun 2023	31 Dec 2022
	US\$'000	US\$'000
<u>Consolidated statement of comprehensive income</u>		
Fair value change in investment properties	(405)	(1,278)
Property related non-cash items	(432)	(1,701)
<b>Net fair value change in investment properties</b>	<b>(837)</b>	<b>(2,979)</b>

Information on the fair value assessment of investment properties is disclosed in Note 1F item 3(n).

(i) Trade and other payables

	Group		Trust	
	30 Jun 2023	31 Dec 2022	30 Jun 2023	31 Dec 2022
	US\$'000	US\$'000	US\$'000	US\$'000
Trade payables	303	626	8	75
Other payables	223	385	90	90
Deferred income <sup>(1)</sup>	1,528	2,955	-	-
Accrued real estate taxes	1,740	1,447	-	-
Accrued capital expenditure	1,045	2,056	-	-
Accrued expenses <sup>(2)</sup>	3,651	3,782	504	662
	<b>8,490</b>	<b>11,251</b>	<b>602</b>	<b>827</b>

Footnotes:

<sup>(1)</sup> Deferred income pertains mainly to rental income or recoveries income received in advance.

<sup>(2)</sup> Accrued expenses relate to the deferred maintenance credit from the prior owners and the accrual of interest expense, various professional fees for audit, tax, valuation, and other professional services incurred for the relevant period.



UNITED HAMPSHIRE US REAL ESTATE INVESTMENT TRUST  
 FINANCIAL STATEMENTS ANNOUNCEMENT  
 FOR THE HALF YEAR ENDED 30 JUNE 2023

(j) Loans and borrowings

	Nominal interest rate per annum	Maturity	Group	
			30 Jun 2023 US\$'000	31 Dec 2022 US\$'000
<b><u>Secured loans and borrowings</u></b>				
Amount repayable within one year:				
Arundel Plaza Mortgage Loan <sup>(1)</sup>	3.88% and 4.23%	March 2024	21,143	-
Less: Unamortised upfront debt-related transaction costs <sup>(5)</sup>			(17)	-
			<b>21,126</b>	<b>-</b>
Amount repayable after one year:				
SOF RCF ("RCF") <sup>(2)</sup>	USD SOFR + Margin	December 2025	17,400	17,350
SOF R Term Loan 1 ("TL1") <sup>(2)</sup>	USD SOFR + Margin	December 2025	50,000	50,000
SOF R Term Loan 2 ("TL2") <sup>(2)</sup>	USD SOFR + Margin	December 2026	60,000	60,000
SOF R Term Loan 3 ("TL3") <sup>(2)</sup>	USD SOFR + Margin	March 2027	90,000	90,000
Arundel Plaza Mortgage Loan <sup>(1)</sup>	3.88% and 4.23%	March 2024	-	21,143
St. Lucie West Mortgage Loan <sup>(3)</sup>	3.42%	February 2028	40,000	40,000
Upland Square Mortgage Loan <sup>(4)</sup>	3.62%	November 2026	41,000	41,000
			298,400	319,493
Less: Unamortised upfront debt-related transaction costs <sup>(5)</sup>			(4,693)	(5,193)
			<b>293,707</b>	<b>314,300</b>
<b>Total secured loans and borrowings</b>			<b>314,833</b>	<b>314,300</b>

Footnotes:

- (1) This is secured by, among others, a mortgage over Arundel Plaza.
- (2) The SOFR Term Loan Facilities are secured by, amongst other collateral:
- A perfected first priority lien over the shares of certain subsidiaries (existing and future but excluding the subsidiaries that own properties securing the St. Lucie West Mortgage Loan, Arundel Plaza Mortgage Loan and Upland Square Mortgage Loan).
  - Assignments of certain bank accounts.
  - Subordination of inter-company loans within the Group.
- (3) This is secured by, among others, a mortgage over St. Lucie West.
- (4) This is secured by, among others, a mortgage over Upland Square.
- (5) Upfront debt-related transaction costs are amortised over the life of loans and borrowings.

UNITED HAMPSHIRE US REAL ESTATE INVESTMENT TRUST  
FINANCIAL STATEMENTS ANNOUNCEMENT  
FOR THE HALF YEAR ENDED 30 JUNE 2023

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Certain subsidiaries of the Group entered into certain loan agreements for an aggregate floating rate term loan principal amount of US\$200.0 million and US\$50.0 million credit revolver facility (collectively TL1, TL2, TL3 and RCF, the "SOFR Term Loan Facilities").

Arundel Plaza Mortgage Loan

Mortgage loans of US\$15.0 million and US\$6.1 million ("Arundel Plaza Mortgage Loan") with a fixed interest rate of 3.88% and 4.23% per annum respectively, is secured by, among others, a mortgage over Arundel Plaza. The Arundel Plaza Mortgage Loan includes representations, warranties and covenants by the borrower which are customary for U.S. mortgage loans. The Arundel Plaza Mortgage Loan is subject to certain prohibitions and restrictions (including payment of prepayment fees and premiums) against prepayment prior to specified time frames.

St. Lucie West Mortgage Loan

Mortgage loan of US\$40.0 million ("St. Lucie West Mortgage Loan"), which is secured by, among others, a mortgage over St. Lucie West and has a fixed interest rate of 3.42% per annum, for which interest-only repayments will be made for the first 60 months followed by repayment of interest and principal for the next 36 months thereafter based on a fixed amortisation schedule. The St. Lucie West Mortgage Loan includes representations, warranties and covenants by the borrower which are customary for U.S. mortgage loans. The St. Lucie West Mortgage Loan is subject to certain prohibitions and restrictions (including payment of prepayment fees and premiums) against prepayment prior to specified time frames.

Upland Square Mortgage Loan

During the prior financial year, a subsidiary of the Group assumed an existing mortgage loan of US\$41.0 million ("Upland Square Mortgage Loan"), which is secured by, among others, a mortgage over Upland Square and has a fixed interest rate of 3.62% per annum, for which interest-only repayments will be made throughout the loan tenure followed by repayment of principal upon maturity period. The Upland Square Mortgage Loan includes representations, warranties and covenants by the borrower which are customary for U.S. mortgage loans. The Upland Square Mortgage Loan is subject to certain prohibitions and restrictions (including payment of prepayment fees and premiums) against prepayment prior to specified time frames.

As at 30 June 2023, the Group has total gross loans and borrowings of US\$319.5 million (31 December 2022: US\$319.5 million) and US\$32.6 million (31 December 2022: US\$32.6 million) undrawn revolving credit facility to meet its future obligations. The interest rate on the SOFR Term Loan Credit Facilities has been hedged partially using floating-to-fixed interest rate swaps. The weighted average interest rate on loans and borrowings as at 30 June 2023 was 4.55% (31 December 2022: 3.83%) (taking into account the interest rate swaps but excluding commitment fee on the undrawn revolving credit facility.)

Aggregate leverage, as defined in the Property Funds Appendix set out in CIS Code, as at 30 June 2023 was 42.0% (31 December 2022: 41.8%). Interest coverage ratio as at 30 June 2023 was 2.84 times (31 December 2022: 3.27 times) in accordance with the Property Funds Appendix of the CIS Code.

As at 30 June 2023, the Group is in a net current liabilities position of US\$14.0 million mainly due to the Arundel Plaza Mortgage Loan which is maturing in March 2024. The Group has sufficient undrawn revolving credit facilities of US\$32.6 million as at 30 June 2023 to cover the net current liabilities of the Group. The Manager is of the opinion that the Group will be able to refinance its borrowings and meet its current obligation as and when they fall due.

UNITED HAMPSHIRE US REAL ESTATE INVESTMENT TRUST  
 FINANCIAL STATEMENTS ANNOUNCEMENT  
 FOR THE HALF YEAR ENDED 30 JUNE 2023

(k) Segment reporting

The Group is organised into the following main business segments:

- (a) Grocery & Necessity Properties; and
- (b) Self-Storage Properties

These operating segments are reported in a manner consistent with internal reporting provided to chief operating decision maker who are responsible for allocating resources and assessing performance of the operating segments.

The segment information by operating segments for the reporting period and comparative period are as follows:

	1H 2023			1H 2022		
	Grocery & Necessity Properties US\$'000	Self-Storage Properties US\$'000	Total US\$'000	Grocery & Necessity Properties US\$'000	Self-Storage Properties US\$'000	Total US\$'000
Gross revenue	34,141	1,867	36,008	29,226	2,542	31,768
Property expenses	(9,723)	(474)	(10,197)	(8,429)	(869)	(9,298)
Other income	-	-	-	-	175	175
<b>Net property income</b>	<b>24,418</b>	<b>1,393</b>	<b>25,811</b>	<b>20,797</b>	<b>1,848</b>	<b>22,645</b>
Fair value change in investment properties	(837)	-	(837)	(1,395)	-	(1,395)
Loss on disposal of investment properties	-	-	-	-	(437)	(437)
Unallocated expenses <sup>(1)</sup>			(12,010)			(4,718)
<b>Net income after tax</b>			<b>12,964</b>			<b>16,095</b>

  

	As at 30 Jun 2023			As at 31 Dec 2022		
	Grocery & Necessity Properties US\$'000	Self-Storage Properties US\$'000	Total US\$'000	Grocery & Necessity Properties US\$'000	Self-Storage Properties US\$'000	Total US\$'000
Segment assets	719,661	54,637	774,298	715,765	54,414	770,179
Unallocated assets <sup>(2)</sup>			9,155			15,724
<b>Consolidated assets</b>			<b>783,453</b>			<b>785,903</b>
Segment liabilities	130,259	571	130,830	133,306	523	133,829
Unallocated liabilities <sup>(2)</sup>			226,137			224,479
<b>Consolidated liabilities</b>			<b>356,967</b>			<b>358,308</b>
<b>Other segment items</b>						
Capital expenditures	4,073	-	4,073	7,049	24	7,073

Footnotes:

- (1) Unallocated expenses include Manager's base fee, Trustee's fee, other trust expenses, finance costs, fair value change in derivatives and income tax expense.
- (2) Unallocated items comprise mainly cash and cash equivalents, certain restricted cash, certain other receivables, derivative assets, certain trade and other payables, loans and borrowings (excluding Arundel Plaza Mortgage Loan, St. Lucie West Mortgage Loan and Upland Square Mortgage Loan), provision for tax, preferred shares and deferred tax liabilities.

UNITED HAMPSHIRE US REAL ESTATE INVESTMENT TRUST  
 FINANCIAL STATEMENTS ANNOUNCEMENT  
 FOR THE HALF YEAR ENDED 30 JUNE 2023

(l) Seasonal operations

The Group's businesses are not affected significantly by seasonal or cyclical factors during the financial period.

(m) Related party transactions

Significant related party transactions took place at terms agreed between the parties as follows:

<b>Description of transactions</b>	<b>Group</b>	
	<b>1H 2023</b> US\$'000	<b>1H 2022</b> US\$'000
Base fee payable/paid to the Manager	1,666	1,630
Trustee's fee payable/paid to the Trustee	74	68
Property management fee payable/paid to the Hampshire Sponsor	806	757
Rental income from an affiliated fund of the Hampshire Sponsor	197	197
Divestment fee paid to the Manager	-	228

(n) Fair value measurement

The Group categories fair value measurements using a fair value hierarchy that is dependent on the valuation input used as follows:

- (i) Level 1: quoted prices (unadjusted) in active markets for identical assets;
- (ii) Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- (iii) Level 3: unobservable input for the asset or liability.

Fair value measurements that use inputs of different hierarchy levels are categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The table below shows an analysis of each class of assets and liabilities of the Group measured at fair value as at the end of the reporting period:

	<b>Level 1</b> US\$'000	<b>Level 2</b> US\$'000	<b>Level 3</b> US\$'000	<b>Total</b> US\$'000
<b>Group</b>				
<b>As at 30 June 2023</b>				
<b>Non-financial assets</b>				
Investment properties (including right-of-use assets)	-	-	764,720	764,720
<b>Derivatives</b>				
Derivative financial instruments	-	3,717	-	3,717
<b>As at 31 December 2022</b>				
<b>Non-financial assets</b>				
Investment properties (including right-of-use assets)	-	-	761,052	761,052
<b>Derivatives</b>				
Derivative financial instruments	-	3,793	-	3,793

UNITED HAMPSHIRE US REAL ESTATE INVESTMENT TRUST  
 FINANCIAL STATEMENTS ANNOUNCEMENT  
 FOR THE HALF YEAR ENDED 30 JUNE 2023

Level 2 fair value measurements

The fair value measurement for financial derivatives has been categorised as Level 2 of the fair value hierarchy. The fair value of interest rate swaps is based on discounted cash flow. Future cash flows are estimated based on forward interest rates (from observable yield curves at the end of the reporting period) and contract interest rates, discounted at a rate that reflects the credit risk of the counterparties.

Level 3 fair value measurements

The following table presents the valuation techniques and key inputs that were used to determine the fair value of investment properties categorised under Level 3 of the fair value hierarchy as at 30 June 2023 and 31 December 2022.

<b>Valuation techniques</b>	<b>Significant unobservable inputs</b>	<b>Sensitivity</b>
Discounted cash flow approach	<b>Grocery &amp; Necessity Properties</b> Discount rate of 7.0% – 9.0% Terminal capitalisation rate of 6.5% – 8.25%	Slight increase in discount rate or terminal capitalisation rate would result in a significant decrease in fair value and vice versa
	<b>Self-Storage Properties</b> Discount rate of 7.75% – 8.0% Terminal capitalisation rate of 5.25%	
Direct capitalization method	<b>Grocery &amp; Necessity Properties</b> Capitalisation rate of 6.0% – 7.75%	Slight increase in capitalisation rate would result in a significant decrease in fair value and vice versa
	<b>Self-Storage Properties</b> Capitalisation rate of 5.0%	

Investment properties with a fair value of approximately US\$219.1 million (31 December 2022: US\$216.7 million) have been pledged as security for mortgage loan facilities granted by financial institutions to the Group (Note 1F item 3(j)). All the investment properties are located in the U.S.

The Group's investment properties are measured at fair value based on valuations performed by independent professional valuers at least once a year. For the condensed consolidated interim financial statements for the period ended 30 June 2023, the carrying value of the Group's investment properties was based on the independent valuations as at 31 December 2022, taking into account capitalised expenditures, tenant improvements, leasing costs and amortisation of right-of-use asset recognised during the six-month period.

Management has assessed that the inputs and assumptions used by the valuers in the valuation techniques for their valuation as of 31 December 2022, such as occupancy rate, cashflows, capitalisation rate and discount rate, remains appropriate and reflect the current market conditions for the six-month period ended 30 June 2023. A full valuation of the Group's investment properties will be performed for the financial year ending 31 December 2023, in line with the Property Fund Guidelines on annual valuation.

UNITED HAMPSHIRE US REAL ESTATE INVESTMENT TRUST  
 FINANCIAL STATEMENTS ANNOUNCEMENT  
 FOR THE HALF YEAR ENDED 30 JUNE 2023

Other financial assets and liabilities

The carrying amounts financial assets and liabilities at amortised cost approximate their fair values. The fair values of loans and borrowings and lease liability are calculated using the discounted cash flow technique based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the measurement date.

The fair values of financial assets and liabilities, together with their carrying amounts shown in the Statement of Financial Position, are as follows:

	<b>Group</b>		<b>Trust</b>	
	<b>30 Jun 2023</b>	<b>31 Dec 2022</b>	<b>30 Jun 2023</b>	<b>31 Dec 2022</b>
	US\$'000	US\$'000	US\$'000	US\$'000
<b><u>Financial assets</u></b>				
<b>Financial assets at amortised cost:</b>				
Cash and cash equivalents	5,970	12,227	556	1,357
Restricted cash	2,531	1,833	-	-
Trade and other receivables	4,868	5,459	10,869	3,628
	<b>13,369</b>	<b>19,519</b>	<b>11,425</b>	<b>4,985</b>
<b>Financial assets measured at fair value:</b>				
Interest rate swaps at FVTPL (net-settled)	3,717	3,793	-	-
	<b>17,086</b>	<b>23,312</b>	<b>11,425</b>	<b>4,985</b>
<b><u>Financial liabilities</u></b>				
<b>Lease liability</b>	<b>21,972</b>	<b>22,377</b>	-	-
<b>Financial liabilities at amortised cost:</b>				
Trade and other payables	6,962	8,296	602	827
Loans and borrowings	314,833	314,300	-	-
Preferred shares	125	125	-	-
Rental security deposits	981	938	-	-
	<b>322,901</b>	<b>323,659</b>	<b>602</b>	<b>827</b>
	<b>344,873</b>	<b>346,036</b>	<b>602</b>	<b>827</b>

UNITED HAMPSHIRE US REAL ESTATE INVESTMENT TRUST  
 FINANCIAL STATEMENTS ANNOUNCEMENT  
 FOR THE HALF YEAR ENDED 30 JUNE 2023

(o) Financial ratios

	<b>Group</b>	
	<b>30 Jun 2023</b>	<b>30 Jun 2022</b>
Ratio of expenses to weighted average net assets <sup>(1)</sup>		
– Including Manager’s performance fee	1.31	1.28
– Excluding Manager’s performance fee	1.31	1.28
Portfolio turnover rate <sup>(2)</sup>	-	-

Footnotes:

- (1) The annualised ratio is computed in accordance with guidelines of the Investment Management Association of Singapore (“IMAS”). The expenses used in the computation relate to expenses at the Group level, excluding property related expenses, finance costs, net foreign exchange differences and income tax expense. The Group did not incur any performance fee for the respective financial period.
- (2) The annualised ratio is computed based on the lesser of purchases or sales of underlying investment properties of the Group expressed as a percentage of weighted average net asset value in accordance with the formula stated in the CIS Code.

(p) Subsequent event

Distribution

On 12 August 2023, the Manager announced a distribution of 2.65 US cents per Unit (1H 2022: 2.91 US cents per Unit) for the financial period from 1 January 2023 to 30 June 2023 (1H 2022: 1 January 2022 to 30 June 2022).

Divestment of Big Pine Center

On 12 August 2023, the Manager announced that UHREIT has entered into an agreement to divest Big Pine Center for a consideration of US\$9.9 million.

**2 DETAILS OF ANY CHANGES IN UNITS**

	<b>Group and Trust</b>	
	<b>1H 2023</b>	<b>1H 2022</b>
Units in issue:		
At beginning of the period	564,933,198	557,374,344
New Units issued:		
Issue of Manager’s base fees <sup>(1)</sup>	5,237,485	2,552,528
Issue of Manager’s performance fees	-	26,057
Issue of Distribution Reinvestment Plan	2,233,101	-
<b>Total Units issued as at the end of the period</b>	<b>572,403,784</b>	<b>559,952,929</b>
Units to be issued:		
Manager’s base fee payable in Units <sup>(1)</sup>	1,823,313	1,346,601
<b>Total Units issued and to be issued as at the end of the period</b>	<b>574,227,097</b>	<b>561,299,530</b>

Footnote:

- (1) During the current financial period, the Manager has elected to receive 100.0% of the Manager’s base fee in Units. The number of Units is calculated based on the volume weighted average traded price of the Units on the SGX-ST for the last 10 business days for the respective period.

UNITED HAMPSHIRE US REAL ESTATE INVESTMENT TRUST  
 FINANCIAL STATEMENTS ANNOUNCEMENT  
 FOR THE HALF YEAR ENDED 30 JUNE 2023

**3 TOTAL NUMBER OF ISSUED UNITS**

UHREIT does not hold any treasury Units as at 30 June 2023 and 30 June 2022. The total number of issued Units as at 30 June 2023 was 572,403,784 (30 June 2022: 559,952,929).

**4 SALES, TRANSFERS, DISPOSALS, CANCELLATION AND/OR USE OF TREASURY UNITS**

Not applicable.

**5 AUDIT STATEMENT**

- (a) **Whether the figures have been audited, or reviewed and if so which accounting standard or practice has been followed**

The figures have neither been audited nor reviewed by the auditors.

- (b) **Where the figures have been audited or reviewed, the auditor's report (including any qualifications or emphasis of matter)**

Not applicable.

**6 CHANGES IN ACCOUNTING POLICIES**

- (a) **Whether the same accounting policies and methods of computation as in the issuer's most recent audited annual financial statements have been applied**

Refer to Note 1F item 2.2.

- (b) **If there are any changes in the accounting policies and method of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change**

Refer to Note 1F item 2.2.

**7 EARNINGS PER UNIT ("EPU") AND DISTRIBUTION PER UNIT ("DPU") FOR THE FINANCIAL PERIOD**

	Group	
	1H 2023	1H 2022
EPU (basic and diluted)		
Net income attributable to Unitholders for the period (US\$'000)	12,842	15,990
Weighted average number of Units in issue <sup>(1)</sup> ('000)	568,979	558,520
Basic and diluted EPU <sup>(2)</sup> (US cents)	2.26	2.86
DPU		
Income available for distribution to Unitholders (US\$'000)	16,663	16,305
Number of Units in issue at the end of the period <sup>(3)</sup> ('000)	572,404	559,953
DPU (US cents)	2.65 <sup>(4)</sup>	2.91

Footnotes:

- (1) Based on the weighted average number of Units in issue during the financial period.  
 (2) Diluted EPU is equivalent to basic EPU as there were no dilutive instruments in issue during the financial period.  
 (3) Number of Units in issue as at 30 June.  
 (4) DPU was calculated based on the distribution amount after deducting distributable income of US\$1.5 million retained as capital reserve for asset enhancement initiatives.



UNITED HAMPSHIRE US REAL ESTATE INVESTMENT TRUST  
 FINANCIAL STATEMENTS ANNOUNCEMENT  
 FOR THE HALF YEAR ENDED 30 JUNE 2023

**8 NET ASSET VALUE ("NAV") AND NET TANGIBLE ASSET ("NTA") PER UNIT**

	<b>Group</b>		<b>Trust</b>	
	<b>30 Jun 2023</b>	<b>31 Dec 2022</b>	<b>30 Jun 2023</b>	<b>31 Dec 2022</b>
Net assets <sup>(1)</sup> (US\$'000)	423,839	425,070	388,871	394,883
Number of Units in issue and to be issued <sup>(2)</sup> ( '000)	574,227	568,278	574,227	568,278
NAV and NTA per Unit <sup>(3)</sup> (US\$)	0.74	0.75	0.68	0.69

Footnotes:

- (1) This excludes the non-controlling interests' share of net asset value.  
 (2) Based on the number of Units in issue during the period and the Units to be issued as full payment of the Manager's base fee.  
 (3) NAV and NTA are the same as there are no intangible assets at the end of the period.

**9 REVIEW OF PERFORMANCE OF ACTUAL AGAINST FORECAST**

The Group has not disclosed any forecast to the market.

UNITED HAMPSHIRE US REAL ESTATE INVESTMENT TRUST  
 FINANCIAL STATEMENTS ANNOUNCEMENT  
 FOR THE HALF YEAR ENDED 30 JUNE 2023

10 REVIEW OF PERFORMANCE

	<b>Group</b>		
	<b>1H 2023</b>	<b>1H 2022</b>	<b>Change</b>
	US\$'000	US\$'000	+/(-) %
<b><u>CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME</u></b>			
Gross revenue	36,008	31,768	13.3
Property expenses	(10,197)	(9,298)	9.7
Other income	-	175	(100.0)
<b>Net property income</b>	<b>25,811</b>	<b>22,645</b>	<b>14.0</b>
Manager's base fee	(1,666)	(1,630)	2.2
Trustee's fee	(74)	(68)	8.8
Other trust expenses	(1,025)	(868)	18.1
Finance costs	(7,578)	(4,389)	72.7
<b>Net income before tax, fair value changes and loss on disposal of investment properties</b>	<b>15,468</b>	<b>15,690</b>	<b>(1.4)</b>
Loss on disposal of investment properties	-	(437)	(100.0)
Fair value change in investment properties	(837)	(1,395)	(40.0)
Fair value change on financial derivatives	(76)	3,900	(101.9)
<b>Net income before tax</b>	<b>14,555</b>	<b>17,758</b>	<b>(18.0)</b>
Income tax	(1,591)	(1,663)	(4.3)
<b>Net income after tax</b>	<b>12,964</b>	<b>16,095</b>	<b>(19.5)</b>
<b>Net income after tax attributable to:</b>			
Unitholders	12,842	15,990	(19.7)
Non-controlling interests	122	105	16.2
<b>Net income for the period</b>	<b>12,964</b>	<b>16,095</b>	<b>(19.5)</b>
<b><u>DISTRIBUTION STATEMENT</u></b>			
Net income after tax attributable to Unitholders	12,842	15,990	(19.7)
Distribution adjustments	3,821	315	n.m.
<b>Net income available for distribution to Unitholders</b>	<b>16,663</b>	<b>16,305</b>	<b>2.2</b>

UNITED HAMPSHIRE US REAL ESTATE INVESTMENT TRUST  
FINANCIAL STATEMENTS ANNOUNCEMENT  
FOR THE HALF YEAR ENDED 30 JUNE 2023

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Review of performance for 1H 2023 vs 1H 2022

1H 2023 gross revenue was US\$36.0 million, an increase of US\$4.2 million or 13.3% from 1H 2022. This was mainly due to the rent commencement from new leases, rent escalations as well as contributions from Upland Square which was acquired in July 2022. The Grocery & Necessity Properties performed consistently over the period.

Property operating expenses for 1H 2023 was US\$10.2 million, an increase of US\$0.9 million or 9.7% from 1H 2022 of US\$9.3 million. This was mainly due to the acquisition of Upland Square.

Net property income was US\$25.8 million for 1H 2023, an increase of US\$3.2 million or 14.0% from US\$22.6 million in 1H 2022.

Finance costs of US\$7.6 million for 1H 2023 were higher than 1H 2022 by US\$3.2 million or 72.7%, largely due to the higher interest rates on the unhedged portion of SOFR Term Loan Facilities. In addition, the increase was also due to Upland Square Mortgage Loan assumed in July 2022 to partially finance the acquisition of Upland Square.

Manager's base fee of US\$1.7 million was 2.2% higher than 1H 2022, this is in line with the higher income available for distribution to Unitholders. Manager's base fee is 10.0% of income available for distribution to Unitholders (calculated using Distributable Income prior to accounting for the Manager's base fee).

Other trust expenses of US\$1.0 million was 18.1% or US\$0.2 million higher than 1H 2022 due to higher professional and legal fees.

Fair value loss in derivatives of US\$0.1 million in 1H 2023 as compared to a gain of US\$3.9 million in 1H 2022 due to movement in interest rates for the respective periods from the underlying interest rate swaps.

Due to the net effects of the above, net income available for distribution to Unitholders was US\$16.7 million, 2.2% higher than US\$16.3 million in 1H 2022.

## 11 PROSPECTS

*A commentary at the date of announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.*

U.S. inflation fell to 3.2%<sup>1</sup> in July 2023, after reaching a peak of 9.1%<sup>1</sup> in June 2022. In July 2023, the Federal Reserve ("Fed") increased interest rate by 25 basis points, bringing the Fed Funds rate to a target range of 5.25% - 5.5%<sup>2</sup>. Despite the continuation of the Fed's rate rising campaign, the U.S. economy achieved a stronger-than-expected expansion with real GDP increasing at an annual rate of 2.4% in 2Q 2023<sup>3</sup>. The unemployment rate remains low at just 3.5%<sup>4</sup>.

Based on the advance monthly sales report released by the U.S. Census Bureau, total retail sales for 1H 2023 was up 3.2% y-o-y and Grocery Sales for June 2023 was up 1.1% y-o-y<sup>5</sup>. Furthermore, U.S. consumer confidence increased to a two-year high in July 2023<sup>6</sup>, amid a persistently tight labor market and receding inflation, bolstering the economy's prospects in the near term.

The Strip Center sector has benefitted from flexible work arrangements as consumers are spending more time at home than city centres where their offices are located. The added flexibility has increased demand for the goods and services offered in Strip Centers, ranging from grocery shopping to dining.

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<sup>1</sup> U.S. Bureau of Labor Statistics, "Consumer price index – July", 10 August 2023.

<sup>2</sup> Reuters, "Fed lifts rates, Powell leaves door open to another hike in September", 27 July 2023.

<sup>3</sup> Financial Times, "US economic growth accelerates to 2.4% in second quarter", 28 July 2023.

<sup>4</sup> U.S. Bureau of Labor Statistics, "The Employment Situation – July 2023", 4 August 2023.

<sup>5</sup> U.S. Census Bureau, "Advance Monthly Sales for Retail and Food Services, June 2023", 18 July 2023.

<sup>6</sup> The Conference Board, "US Consumer Confidence", 25 July 2023.

UNITED HAMPSHIRE US REAL ESTATE INVESTMENT TRUST  
 FINANCIAL STATEMENTS ANNOUNCEMENT  
 FOR THE HALF YEAR ENDED 30 JUNE 2023

The Self-Storage sector, which performed very well during the pandemic, has seen some softening from its peak in 2021. Despite this, UHREIT's Self-Storage occupancy rates remain at high levels due to strong demand for self-storage units and the undersupply of self-storage facilities in the New York Metro Area.

With a protracted high interest rate environment, the Manager will continue to focus its efforts on optimising the portfolio and strengthening its income streams through asset enhancement and rejuvenation initiatives to deliver long-term value to all unitholders.

**12 DISTRIBUTIONS**

**(a) Current financial period reported on**

Any distribution recommended for the current financial period reported on?

Yes.

Distribution period:	Eighth distribution for the period from 1 January 2023 to 30 June 2023
Distribution type/rate:	Distribution of US 2.65 cents per Unit comprising of: a. Tax-exempt income: US 1.71 cents per Unit b. Capital: US 0.94 cents per Unit
Tax rate:	Tax-exempt income distribution is exempt from Singapore income tax in the hands of all Unitholders. No Singapore withholding tax will be deducted at source from this income.  Capital distribution represents a return of capital to Unitholders for Singapore income tax purpose and is therefore not subject to Singapore income tax. For Unitholders who are liable to Singapore income tax on profits from sale of UHREIT Units, the amount of capital distribution will be applied to reduce the cost base of UHREIT Units for Singapore income tax purpose.  Unitholders who do not submit required U.S. tax forms completely and accurately by Tuesday, 12 September 2023 date will be subject to 30.9889% U.S. withholding taxes on the distribution.
Book closure date:	21 August 2023
Date payable:	28 September 2023

UNITED HAMPSHIRE US REAL ESTATE INVESTMENT TRUST  
 FINANCIAL STATEMENTS ANNOUNCEMENT  
 FOR THE HALF YEAR ENDED 30 JUNE 2023

**(b) Corresponding period of the immediately preceding financial year**

Any distribution declared for the corresponding period of the immediately preceding financial year?

Yes.

Distribution period:	(i) Sixth distribution for the period from 1 January 2022 to 30 June 2022 (ii) Seventh distribution for the period from 1 July 2022 to 31 December 2022
Distribution type/rate:	Sixth distribution for the period from 1 January 2022 to 30 June 2022 (i) Distribution of US 2.91 cents per Unit comprising of: a. Tax-exempt income: US 1.89 cents per Unit b. Capital: US 1.02 cents per Unit  Seventh distribution for the period from 1 July 2022 to 31 December 2022 (ii) Distribution of US 2.97 cents per Unit comprising of: a. Tax-exempt income: US 1.91 cents per Unit b. Capital: US 1.06 cents per Unit

**(c) If no distribution has been declared / recommended, a statement to that effect**

Other than as disclosed in Note 12(a), no distribution has been declared / recommended.

**13 INTERESTED PERSON TRANSACTIONS**

Name of Interested Person	Nature of Relationship	Aggregate value of all interested person transactions during the financial period under review			
		excluding transactions less than S\$100,000 and transactions conducted under Unitholders' mandate pursuant to Rule 920		transactions conducted under Unitholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000)	
		1H 2023 US\$'000	1H 2022 US\$'000	1H 2023 US\$'000	1H 2022 US\$'000
<b>United Hampshire US REIT Management Pte. Ltd.</b> Base fee Divestment fee	<b>The Manager of UHREIT</b>	1,666 -	1,630 228	- -	- -
<b>Perpetual (Asia) Limited</b> Trustee fee	<b>Trustee of UHREIT</b>	74	68	-	-
<b>The Hampshire Companies, LLC</b> Property management fee	<b>Shareholder of the Manager/Hampshire Sponsor</b>	806	757	-	-
<b>Burlington 2000 L.L.C.</b> Rental income	<b>Subsidiary of an affiliated fund of the Hampshire Sponsor</b>	197	197	-	-

The Group has not obtained a general mandate from Unitholders for Interested Person Transactions for the financial period under review.

**14 CONFIRMATION PURSUANT TO RULE 704(13) OF THE LISTING MANUAL**

Pursuant to Rule 704(13) of the Listing Manual of Singapore Exchange Securities Trading Limited, the Manager confirms that there is no person occupying managerial position in the Manager who is a relative of a director, chief executive officer, substantial shareholder of the Company or substantial Unitholder of UHREIT, save for Mr. Gerard Yuen Wei Yi, the Chief Executive Officer, who is the spouse of a director's cousin.

**15 CONFIRMATION PURSUANT TO RULE 720(1) OF THE LISTING MANUAL**

The Manager confirms that it has procured undertakings from all its directors and executive officers in the format set out in Appendix 7.7 under Rule 720(1) of the Listing Manual.

**16 CONFIRMATION BY THE BOARD**

The Board of Directors of the Manager has confirmed that, to the best of their knowledge, nothing has come to their attention which may render these interim financial results to be false or misleading in any material aspect.

**On behalf of the Board**  
**United Hampshire US REIT Management Pte. Ltd.**  
**(Company Registration Number: 201916768W)**  
**As Manager of United Hampshire US REIT**

Mr. Tan Tong Hai  
Chairman

Mr. Chua Teck Huat Bill  
Director

12 August 2023

UNITED HAMPSHIRE US REAL ESTATE INVESTMENT TRUST  
FINANCIAL STATEMENTS ANNOUNCEMENT  
FOR THE HALF YEAR ENDED 30 JUNE 2023

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This announcement may contain forward-looking statements that involve assumptions, risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in 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, governmental and public policy changes, and the continued availability of financing in the amounts and terms necessary to support future business.

Investors are cautioned not to place undue reliance on these forward-looking statements, which are based on the current view of management on future events. The value of Units in UHREIT (the "Units") and the income derived from them may fall as well as rise. Units are not obligations of, deposits in, or guaranteed by, the Manager, Perpetual (Asia) Limited (as Trustee of United Hampshire US Real Estate Investment Trust) or any of their affiliates.

An investment in Units is subject to investment risks, including the possible loss of the principal amount invested. Holders of Units (the "Unitholder") have no right to request the Manager to redeem or purchase 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 (the "SGX-ST"). Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.

This announcement is not to be distributed or circulated outside of Singapore. Any failure to comply with this restriction may constitute a violation of United State securities laws or the laws of any other jurisdiction.

The past performance of UHREIT is not necessarily indicative of its future performance.

**By Order of the Board**

**United Hampshire US REIT Management Pte. Ltd.**

**(Company Registration Number: 201916768W)**

**As Manager of United Hampshire US REIT**

**Boardroom Corporate & Advisory Services Pte. Ltd.**

**Company Secretary**

**12 August 2023**