

PRESS RELEASE

For Immediate Release

FIRST REIT MAINTAINS DPU OF 0.60 SGD CENT IN 2Q 2024

- In local currency terms, Rental and Other Income increased 4.4% Y-O-Y for properties in Indonesia, and 2.0% Y-O-Y for nursing homes in Singapore, while nursing homes in Japan remained stable
- 1H 2024 DPU of 1.20 Singapore cents is lower Y-O-Y due to currency translation impact
- Overall financial position remains resilient with a gearing ratio of 39.5% and 86.6% of debt on fixed rates or hedged

Summary of Financial Results for the period ended 30 June 2024

(\$' million)	1H 2024	1H 2023	Change (%)
Rental and Other Income	52.0	54.0	(3.7%)
Without FRS 116 Adjustment on rental straight-lining	45.7	46.4	(1.4%)
Net Property and Other Income	50.3	52.4	(4.1%)
Without FRS 116 Adjustment on rental straight-lining	44.0	44.8	(1.8%)
Distributable Amount	25.0	25.5	(2.1%)
Total issued and issuable units (millions)	2,090.2	2,072.3	0.9%
Distribution per unit (cents)	1.20	1.24	(3.2%)

SINGAPORE – 26 July 2024 – First REIT Management Limited, as manager (the “**Manager**”) of First Real Estate Investment Trust (“**First REIT**” or the “**Trust**”), today reported distribution per unit (“**DPU**”) of 1.20 Singapore cents for the half year ended 30 June 2024 (“**1H 2024**”), as compared to 1.24 Singapore cents for the half year ended 30 June 2023 (“**1H 2023**”), mainly due to a stronger Singapore dollar against the Indonesian Rupiah and Japanese Yen¹. On a quarter-on-quarter basis, DPU for the quarter ended 30 June 2024 (“**2Q 2024**”) was maintained at 0.60 Singapore cent.

¹ Based on average exchange rates, SGD/IDR depreciated 3.5% from 11,364 in 1H 2023 to 11,765 in 1H 2024, while SGD/JPY depreciated 11% from 100 to 111 over the same period.

Mr Victor Tan, Executive Director and Chief Executive Officer of the Manager, said, “Amidst uncertainties surrounding interest rate and currency movements, the Manager is closely monitoring and strengthening First REIT’s capital structure. Operationally, First REIT’s portfolio of high-quality healthcare properties continue to deliver sustainable performance in the first half of 2024. As we execute First REIT’s 2.0 Growth Strategy, we are optimistic that the Trust will be able to navigate the challenging market conditions with resilience.”

In 1H 2024, Rental and Other Income dipped 3.7% year-on-year (“**Y-O-Y**”) to S\$52.0 million. However, in local currency, Rental and Other Income increased 4.4% Y-O-Y for properties in Indonesia, and 2.0 % Y-O-Y for nursing homes in Singapore, while nursing homes in Japan remained stable. Property operating expenses increased by S\$0.1 million Y-O-Y to S\$1.7 million. Hence, Net Property and Other Income was 4.1% lower Y-O-Y at S\$50.3 million in 1H 2024. Finance costs grew only by S\$0.1 million to S\$11.3 million due to interest rate risk and currency risk management. As a result, Distributable Amount dipped 2.1% Y-O-Y to S\$25.0 million in 1H 2024.

As at 30 June 2024, rentals outstanding from a tenant PT Metropolis Propertindo Utama (“**MPU**”) in relation to three Hospital Master Lease Agreements (“**MLA**”) amounted to approximately S\$6.4 million². First REIT holds a security deposit of approximately S\$2.2 million from MPU which comprises S\$1.7 million for the mall and S\$0.5 million for the hospitals, as well as a security deposit of approximately S\$3.8 million from PT Siloam International Hospitals Tbk (“**Siloam**”) for the hospitals. The Manager is engaging closely with MPU on repayments and there are no rentals outstanding from Siloam.

First REIT’s overall financial position is healthy with a gearing of 39.5%. Interest coverage ratio was at 4.0 times; including distribution to perpetual securities holders, the adjusted interest coverage ratio is 3.7 times. The proportion of debt on fixed rates or hedged is 86.6%, and the all-in cost of debt is 5.0%. With a depreciation of the Japanese Yen and the Indonesia Rupiah

² On 18 May 2021, First REIT entered into a deed of novation and variation with MPU and Siloam to add Siloam as a joint tenant with MPU for three Hospital MLAs; a fourth MLA for a mall is only with PT Bumi Sarana Sejahtera, a subsidiary of MPU.

against the Singapore Dollar, Net Asset Value (“NAV”) per unit was 28.33 Singapore cents as at 30 June 2024, as compared to 29.48 Singapore cents as at 31 March 2024³.

Outlook

In Japan, the reliance on social infrastructure for healthcare and long-term care is resilient as the number of households with elderly aged 65 years old or older will increase from 20.97 million in 2020 to 24.31 million in 2045⁴. The number of single-person households is expected to reach 23.3 million in 2050, accounting for 44.3% of total households⁵. In Singapore, senior-care facilities like nursing homes are also expected to see sustained demand in the long-term due to a rapidly ageing population: seniors aged 65 and above living alone notably increased from 58,000 in 2018 to 78,135 in 2023⁶.

In Indonesia, where demand for quality healthcare in Indonesia is increasing with rising affluence, there is also an under-supply and an uneven geographical distribution of specialist doctors. In response to the situation, the government has launched a hospital-based specialists doctor programme in May 2024 to train more specialist doctors. Currently, some 2,700 specialist doctors are produced annually, in contrast to Indonesia’s requirement of around 29,000⁷.

Overall, structural tailwinds from a rapidly greying population in Asia has compelled a heightened and long-term demand for elderly-friendly infrastructure and quality healthcare services; First REIT’s healthcare portfolio is well-positioned to ride on this demographic megatrend.

To deliver sustainable distributions to unitholders, First REIT remains focused on its 2.0 Growth Strategy, with a target for developed markets to comprise more than 50% of its portfolio by FY2027. Together with strong sponsor support from OUE Limited and OUE Healthcare Limited, First REIT is well-positioned to ride the tailwinds in the healthcare sector.

³ Based on end of period exchange rates, SGD/IDR depreciated 3.6% from 11,627 in 1H 2023 to 12,048 in 1H 2024, while SGD/JPY depreciated 6.4% from 109 to 116 over the same period.

⁴ [National Institute of Population and Social Security Research](#), April 2024

⁵ Reuters, April 2024, ‘[Japan’s elderly population living alone to jump 47% by 2050 – research](#)’

⁶ The Straits Times, April 2024, ‘[From family care to future care: Do we have what it takes to look after older S’poreans?](#)’

⁷ Antara, May 2024, ‘[Indonesia launches hospital-based specialists doctor program](#)’

Distribution Details

Distribution	1 April 2024 to 30 June 2024
Distribution type	(a) Taxable income (b) Tax-Exempt income (c) Capital distribution
Distribution rate	Total: 0.60 cents per unit (a) Taxable income: 0.03 cents per unit (b) Tax-exempt income: 0.05 cents per unit (c) Capital distribution: 0.52 cents per unit
Ex-distribution date	6 August 2024 at 9.00 am
Book closure date	7 August 2024 at 5.00 pm
Payment date	25 September 2024

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About First REIT

First Real Estate Investment Trust (“**First REIT**” or the “**Trust**”), is a healthcare real estate investment trust focused on investing in income producing real estate properties which are primarily used for healthcare and healthcare related purposes. First REIT is managed by First REIT Management Limited (the “**Manager**”), which is headquartered in Singapore. The Manager is 40% directly held by OUE Healthcare Limited and 60% directly held by OUE Limited, who together are its Sponsors.

As at 31 December 2023, the Trust has a portfolio of 32 properties across Asia, with a total asset value of S\$1.14 billion. These include 15 properties in Indonesia comprising 11 hospitals, two integrated hospitals & malls, an integrated hospital & hotel and a hotel & country club; three nursing homes in Singapore; and 14 nursing homes in Japan. The Trust’s healthcare properties in Indonesia are operated by PT Siloam International Hospitals Tbk while healthcare properties in Singapore and Japan are operated by well-established third-party operators.

With a vision to become Asia’s premier healthcare trust, First REIT is actively executing its ‘2.0 Growth Strategy’ of four well-defined strategic pillars to drive sustainable long-term growth. The four pillars are to diversify into developed markets, reshape portfolio for capital efficient growth, strengthen capital structure to remain resilient, and continue to pivot to ride megatrends.

For the latest news from First REIT, visit www.first-reit.com

About OUE Limited

OUE Limited (SGX: LJ3) is a leading real estate and healthcare group, growing strategically to capitalise on growth trends across Asia.

OUE's real estate activities include the development, investment and management of real estate assets across the commercial, hospitality, retail, residential and healthcare sectors. OUE manages two SGX-listed REITs: OUE REIT, one of Singapore's largest diversified REITs, and First REIT, a pan-Asian healthcare REIT. As of 31 December 2023, OUE's real estate portfolio was valued at S\$9.3 billion, with S\$7.9 billion in funds under management across OUE's two REIT platforms and managed accounts.

OUE Healthcare, an SGX Catalist-listed subsidiary of OUE, operates and owns high-quality healthcare assets in high-growth Asian markets. With a vision of creating a regional healthcare ecosystem that is anchored on Singapore's medical best practices, OUE Healthcare's portfolio of owned and operated businesses includes hospitals, medical centres, clinics and senior care facilities in Singapore, Japan, Indonesia and China.

Anchored by its "Transformational Thinking" philosophy, OUE has built a strong reputation for developing iconic projects, transforming communities, providing exceptional service to customers and delivering long-term value to stakeholders.

For more information, please visit www.oue.com.sg.

About OUE Healthcare Limited

OUE Healthcare Limited (“**OUE Healthcare**”) is a regional healthcare group focused on building a sustainable healthcare ecosystem in Asia anchored on Singapore’s medical excellence. OUE Healthcare is the healthcare arm of OUE Limited, which is a leading real estate and healthcare group based in Singapore. OUE Healthcare is a Singapore-incorporated company and has been listed on the Catalist Board of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) since 8 July 2013.

Currently, OUE Healthcare’s regional network comprises healthcare operations in Singapore, China and Myanmar. In Singapore, OUE Healthcare operates and manages O2 Healthcare Group, a lung specialist group with expertise in respiratory care and cardiothoracic surgeries. OUE Healthcare also owns a strategic stake in Healthway Medical Corporation, a respected medical group with extensive networks of clinics and medical centres in Singapore. In Myanmar, OUE Healthcare jointly operates and manages Pun Hlaing Hospitals, one of the leading private hospital groups in the country. In China, OUE Healthcare operates a grade-I general hospital in Wuxi and is jointly developing and operating two grade-II hospitals with China Merchants Group, in Changshu and Shenzhen, respectively.

Additionally, OUE Healthcare is the largest unitholder of First Real Estate Investment Trust (“**First REIT**”), Singapore’s first listed healthcare real estate investment trust, holding a direct stake of about 33% and a 40% stake in its manager, First REIT Management Limited.

OUE Healthcare continually seeks to grow its healthcare businesses in Asia via its three-pronged strategy comprising strategic partnerships, asset-light business model and regional expansion.

For the latest news from OUE Healthcare, visit www.ouehealthcare.com

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 of First REIT may only deal in their Units through trading on Singapore Exchange Securities Trading Limited (the “**SGX-ST**”). Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.

This document 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 document 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.