

PRESS RELEASE

For Immediate Release

FIRST REIT 1H 2022 DPU INCREASES 1.5% TO 1.32 CENTS

- Rental and Other Income increases 38.2% to S\$53.8 million mainly due to new income contribution from 12 Japan Nursing Homes¹
- Stable rental income growth from Indonesia after restructuring of master lease agreements
- Exploring yield accretive acquisitions in developed markets in line with First REIT 2.0 Growth Strategy

Summary of Financial Results for the period ended 30 June 2022

(\$' million)	1H 2022	1H 2021	Change (%)
Rental and Other Income	53.8	38.9	38.2
Net Property and Other Income	52.7	37.6	40.2
Distributable Amount	25.3	20.9	20.9
Distribution Per Unit (cents)	1.32	1.30	1.5
Annualised Distribution Per Unit (cents)	2.64	2.60	1.5

SINGAPORE – 29 July 2022 – 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 1.32 Singapore cents for the first half ended 30 June 2022 (“**1H 2022**”), up 1.5% from 1.30 Singapore cents of the corresponding period a year ago (“**1H 2021**”), while DPU for the second quarter ended 30 June 2022 (“**2Q 2022**”) increased at the same quantum to 0.66 Singapore cent from 0.65 Singapore cent for the same quarter in 2021 (“**2Q 2021**”).

The Trust’s Rental and Other Income grew 38.2% to S\$53.8 million in 1H 2022 from S\$38.9 million in 1H 2021, due to new income contribution from the 12 Japan nursing homes acquired on 1 March 2022, as well as from the restructured master lease agreements (“**MLA**”) for 14 Indonesia hospitals to reflect a minimum 4.5% annual escalation². With the divestment of Sarang Hospital in FY 2021, property operating

¹ Acquired on 1 March 2022

² The restructured MLAs are recognised on a straight-line basis for the entire lease term as per accounting treatment under FRS116 - lease

expenses decreased 19.5% to S\$1.06 million. Correspondingly, Net Property and Other Income rose 40.2% to S\$52.7 million in 1H 2022 from S\$37.6 million in 1H 2021. Net Property and Other Income in 1H 2022 of S\$52.7 million comprised 88.1% from Indonesia, 8.4% from Japan and 3.5% from Singapore.

Distributable Amount grew 20.9% to S\$25.3 million in 1H 2022, mainly due to new income contribution from the 12 Japan nursing homes acquired.

Commented Mr Victor Tan, Executive Director and Chief Executive Officer of the Manager, "We are pleased to deliver positive DPU growth since unveiling our 2.0 Growth Strategy last December. The injection of the 12 well-established nursing homes in Japan operated by high quality local operators has not only delivered accretive DPU to our Unitholders, but also increased the geographical and tenant diversification in our portfolio. Having restructured the master lease agreements for the bulk of our Indonesia portfolio, we are also in a stronger financial position."

The Trust remained prudent with its capital structure. Gearing ratio is at a stable 35.6% with interest cover at 5.6 times as at 30 June 2022. Following the successful issuance in April 2022 of S\$100 million 3.25% guaranteed bonds (the "**Social Bond**") due 2027 unconditionally and irrevocably guaranteed by Credit Guarantee and Investment Facility, a trust fund of the Asian Development Bank ("**CGIF**"), First REIT also now has a new channel to raise new loans and bonds tied to social outcomes.

Mr Victor Tan added, "As we continue to harness our 2.0 Growth Strategy, we will continue to explore more yield-accretive acquisition opportunities, especially in developed markets including Japan where we now have a foothold in, to boost the Trust's income streams. In the search for more yield-accretive acquisition opportunities in developed markets, we will remain committed to delivering stable cash distributions for our Unitholders."

Outlook

As a new COVID-19 wave from newer and more infectious strains spreads, most of Asia's governments are sticking to reasonably strict health protocols. Apart from grappling with COVID-19, rising interest rates and exchange rate volatility amid global and regional geopolitical uncertainties also pose headwinds. However, demand for quality healthcare services is rising, underpinned by the structural demographic megatrend of

ageing population in Japan and Singapore, as well as increasing affluence in Indonesia. To tap on these opportunities First REIT will continue to carry out its 2.0 Growth Strategy and is in a position of strength to continue its focus on diversifying into developed markets, reshaping its portfolio for capital efficient growth, strengthening its capital structure to remain resilient, and continuing to pivot to ride megatrends such as ageing population demographics.

First REIT targets for developed markets to comprise more than 50% of its portfolio in 3 to 5 years' time. This is being carried out through the divestment of non-core, non-healthcare, or mature assets such as Siloam Hospitals Surabaya³. The divestment of Siloam Hospitals Surabaya is a strategic and timely opportunity to realise capital appreciation of this ageing property and the divestment proceeds will boost the financial position of the Trust. First REIT will continue to seek accretive prospects from its strong healthcare network from its sponsor group, comprising OUE Limited and OUE Lippo Healthcare, and also assets from third parties within and outside Asia to boost future growth.

Distribution Details

Distribution	1 April 2022 to 30 June 2022
Distribution type	(a) Taxable income (b) Tax-Exempt income (c) Capital distribution
Distribution rate	Total: 0.66 cents per unit (a) Taxable Income: 0.03 cents per unit (b) Tax-Exempt Income: 0.32 cents per unit (c) Capital: 0.31 cents per unit
Ex-distribution date	12 August 2022 at 9.00 am
Book closure date	15 August 2022 at 5.00 pm
Payment date	26 September 2022

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³ As at 30 June 2022, the Trust has received the full and final settlement amounting to approximately S\$30.6 million in respect of the terminated development works adjacent to Siloam Hospitals Surabaya, strengthening its cash and cash equivalents to S\$78.8 million. Unitholders' approval was received for the proposed divestment of Siloam Hospitals Surabaya at the extraordinary general meeting held on 25 July 2022.

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First REIT

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About First REIT

First Real Estate Investment Trust (“**First REIT**”) is a real estate investment trust constituted by the Trust Deed entered into on 19 October 2006 between First REIT Management Limited (formerly Bowsprit Capital Corporation Limited) as the Manager and HSBC Institutional Trust Services (Singapore) Limited as the Trustee. First REIT was listed on the Singapore Exchange Securities Trading Limited on 11 December 2006. On 1 March 2018, HSBC Institutional Trust Services (Singapore) Limited retired as the Trustee of First REIT in favour of Perpetual (Asia) Limited.

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 31 properties with 12 hospitals, two integrated hospital & malls, one integrated hospital & hotel and one hotel & country club, located in Indonesia, three nursing homes in Singapore and 12 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 Buton are managed by PT Lippo Malls Indonesia. In Singapore, the nursing homes at Bukit Merah and Bukit Panjang are operated by Pacific Healthcare Nursing Home Pte. Ltd. and Pacific Eldercare and Nursing Pte. Ltd., respectively. The Lantor Residence is operated by The Lantor 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 and four nursing homes are operated by Orchard Care 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 Southeast Asia.

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

About OUE Limited

OUE Limited (“OUE”) is a leading pan-Asian, full service real estate development, investment and management company with assets across the commercial, hospitality, retail, residential and healthcare sectors. Best known for its landmark property portfolio in Singapore, OUE consistently leverages its expertise in property development and asset management to maximise yields and unlock value. As at 31 December 2021, OUE’s total assets were valued at S\$9.0 billion.

OUE is the manager of two SGX-listed REITs: OUE Commercial Real Estate Investment Trust and First Real Estate Investment Trust. As at 31 December 2021, OUE managed S\$7.8 billion in funds under management across its two REIT platforms and its managed accounts.

Since 2017, OUE has expanded its business activities into the complementary and highgrowth healthcare and consumer sectors. OUE is the controlling shareholder of OUE Lippo Healthcare Limited, an SGX-listed, integrated healthcare services provider that owns, operates and invests in quality healthcare assets in high-growth Asian markets.

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

For the latest news from OUE, visit www.oue.com.sg

About OUE Lippo Healthcare Limited

OUE Lippo Healthcare Limited (“OUELH”) is a subsidiary company of OUE Limited. OUELH is a Pan-Asian healthcare group that owns, operates and invests in quality healthcare assets in high-growth Asian markets. Currently, OUELH owns and operates a hospital in Wuxi, China and has formed a 50:50 joint venture with China Merchants Group to develop and operate a hospital in Shenzhen, China as well as lease and operate a hospital in Changshu, Jiangsu Province, China; is in partnership with First Myanmar Investment to operate and/or own seven medical facilities in Myanmar; holds a 40% stake in First REIT Management Limited, which is the manager of First Real Estate Investment Trust (“First REIT”, Singapore’s first listed healthcare real estate investment trust); holds a direct stake of about 32% in First REIT; and has formed medical partnerships with three specialist groups in Singapore.

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

For the latest news from OUELH, visit www.ouelh.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.