

FOR IMMEDIATE RELEASE

First REIT posts DPU of 2.30 cents for 1H 2020

SINGAPORE – 22 July 2020 – First REIT Management Limited (formerly known as Bowsprit Capital Corporation Limited), as manager (the “**Manager**”) of First Real Estate Investment Trust (“**First REIT**” or the “**Trust**”), today announced a distribution per unit (“**DPU**”) of 2.30 Singapore cents for the half year ended 30 June 2020 (“**1H 2020**”) compared to 4.30 Singapore cents for the corresponding half year period last year (“**1H 2019**”). For the second quarter ended 30 June 2020 (“**2Q 2020**”), the Trust posted DPU of 0.44 Singapore cents compared to 2.15 Singapore cents in the same quarter last year (“**2Q 2019**”).

Income available for distribution for 1H 2020 was S\$18.4 million, down 46.0% from S\$34.2 million in 1H 2019, while the distributable amount for 2Q 2020 was S\$3.5 million.

The rental and other income for 1H 2020 was S\$38.6 million, a decline of 33.0% from S\$57.6 million in 1H 2019, mainly due to rental relief extended to all tenants to cushion the strains caused by the COVID-19 pandemic. Property operating expenses for the first half slipped 15.7% year-on-year (“**y-o-y**”) to S\$1.1 million due to property tax rebates received for its Singapore property. Net property and other income slid to S\$37.5 million in 1H 2020 from S\$56.4 million in 1H 2019.

As at 30 June 2020, the Trust’s gearing remained stable at 34.9% while interest cover stood at 3.3 times.

The Manager’s Chief Executive Officer, Mr Victor Tan, said, “The first half of the year marked a particularly challenging time with the COVID-19 outbreak affecting businesses across all markets including our healthcare and integrated assets comprising malls, hotels and country club. To alleviate the financial stress of our tenants, the Trust has extended two months of rental relief to all our tenants in the second quarter. Our strong relationship with our tenants has been the bedrock of the Trust’s stable performance over the years. We are committed to sharing the burden with our tenants and working cooperatively to ride through such unprecedented times and to continue to build a sustained relationship for the long term.”

The rental relief, extended in the month of May and June 2020, to all of First REIT's tenants in Singapore, Indonesia and South Korea, amounted to a total of S\$19.6 million. Additionally, First REIT will also pass on all property tax rebates announced by the Singapore government, through rental relief or capital expenditure works, where applicable, to all its Singapore properties which include Pacific Healthcare Nursing Home @ Bukit Merah, Pacific Healthcare Nursing Home II @ Bukit Panjang and The Lentor Residence.

The Manager will monitor the situation closely and it is possible that a further relief similar to that announced for the first half of the year may be considered for the second half of the year. The Manager will keep unitholders of First REIT apprised of any further rental relief or updates as and when there are material developments in accordance with the listing manual of the Singapore Exchange Securities Trading Limited.

PT Lippo Karawaci Tbk ("**LPKR**"), lessee of most of First REIT's properties in Indonesia, announced that it will initiate a rental restructuring process with First REIT in view of the economic distress caused by the pandemic. The Manager will consider any reasonable and commercially viable proposal from LPKR carefully, with any agreement to be mutually agreeable and beneficial in the long-term interest of the Trust in mind and having regard to applicable legal and regulatory requirements. The Manager will provide an update when there are any material developments.

In respect of the road subsidence incident in Surabaya that has halted all development works for the new Siloam Hospitals Surabaya ("**SHS**") since 2018, PT Tata Prima Indah ("**PT TPI**") (which is an indirect wholly-owned subsidiary of First REIT) has on 29 June 2020 served a termination notice to terminate the development works agreement entered into in 2015 for the development of the new SHS. The Manager is in active discussions with all stakeholders to reach a settlement on this matter, and will provide an update as and when there are material developments.

Outlook

The Indonesian government expects gross domestic product to contract 0.4% this year under the worst-case scenario or grow 1% under the baseline scenario, with second half growth expected to range between 0.3% and 2.2%¹. The country is now looking to accelerate state spending in the second half of the year to mitigate impacts of COVID-19. It has announced an increase in fiscal spending to IDR695.2 trillion, as part of the national economic recovery programme², as well as the gradual loosening of restrictions in the country since early June.

Amid the ongoing COVID-19 that has affected patient visits to hospitals in Indonesia, First REIT will continue to work closely with its tenants to weather the headwinds of the pandemic. Its healthcare assets in Indonesia, Singapore and South Korea continue to carry on its business under strict precautionary measures and regulations that put the health and safety of all its staff, tenants and visitors first.

Summary of Financial Results for period ended 30 June 2020

(\$'000)	1H 2020	1H 2019	Change (%)
Rental and Other Income	38,598	57,636	(33.0%)
Net Property and Other Income	37,528	56,366	(33.4%)
Distributable Amount to Unitholders	18,435¹	34,167	(46.0%)
Distribution per unit (cents)	2.30	4.30	(46.5%)

¹ The distributable amount to Unitholders included the 1Q 2020 distribution of S\$14.9 million paid on 18 June 2020, while 2Q 2020 distributable amount to Unitholders was S\$3.5 million.

¹ 10 July 2020, The Jakarta Post - Indonesia's economy could enter recession in Q3: Sri Mulyani

² 15 July 2020, The Jakarta Post - Government, lawmakers set 2021 state budget deficit at up to 4.7% of GDP

Distribution Details

Distribution	1 April 2020 to 30 June 2020
Distribution type	(a) Taxable income (b) Capital distribution
Distribution rate	Total: 0.44 cents per unit (a) Taxable income distribution: 0.02 cents per unit (b) Capital distribution: 0.42 cents per unit
Book closure date	7 August 2020 at 5.00 pm
Ex-dividend date	6 August 2020 at 9.00 am
Payment date	25 September 2020

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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’s portfolio consists of 20 properties located in Indonesia, Singapore and South Korea, namely 1) Siloam Hospitals Lippo Village, 2) Siloam Hospitals Kebon Jeruk, 3) Siloam Hospitals Surabaya, 4) Imperial Aryaduta Hotel & Country Club, 5) Mochtar Riady Comprehensive Cancer Centre, 6) Siloam Hospitals Lippo Cikarang, 7) Siloam Hospitals Manado & Hotel Aryaduta Manado, 8) Siloam Hospitals Makassar, 9) Siloam Hospitals Bali, 10) Siloam Hospitals TB Simatupang, 11) Siloam Hospitals Purwakarta, 12) Siloam Sriwijaya, 13) Siloam Hospitals Kupang & Lippo Plaza Kupang, 14) Siloam Hospitals Labuan Bajo, 15) Siloam Hospitals Buton & Lippo Plaza Buton, 16) Siloam Hospitals Yogyakarta,

17) Pacific Healthcare Nursing Home @ Bukit Merah, 18) Pacific Healthcare Nursing Home II @ Bukit Panjang, 19) The Lentor Residence and 20) Sarang Hospital.

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 Lentor Residence is operated by The Lentor Residence Pte. Ltd. In South Korea, the Sarang Hospital is operated by a private doctor.

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 and the rest of Southeast Asia.

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.