

ANNUAL GENERAL MEETING

21 April 2023



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Investors have no right to request the Manager to redeem their Units while the Units are listed. It is intended that Unitholders may only deal in their Units through trading on the SGX-ST. Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.

The value of units in First REIT (“**Units**”) and the income from them may fall as well as rise. 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.

This presentation may contain forward-looking statements that involve assumptions, risks and uncertainties based on the Manager’s current view of future events. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of risks, uncertainties and assumptions – representative examples include, without limitation, general economic and industry conditions, interest rate trends, cost of capital, capital availability, shifts in expected levels of property rental income, change in operating expenses, property expenses and government and public policy changes and continued availability of financing in the amounts and the terms necessary to support future business. You are cautioned not to place undue reliance on these forward-looking statements, which are based on the Manager’s current view of future events.

The past performance of First REIT is not necessarily indicative of the future performance of First REIT.

This presentation has not been reviewed by the Monetary Authority of Singapore.

First REIT is the first healthcare REIT in Singapore

AUM ⁽¹⁾
S\$1.15 billion

TOTAL GFA
447,738 sqm

TOTAL BEDS/ ROOMS
6,539

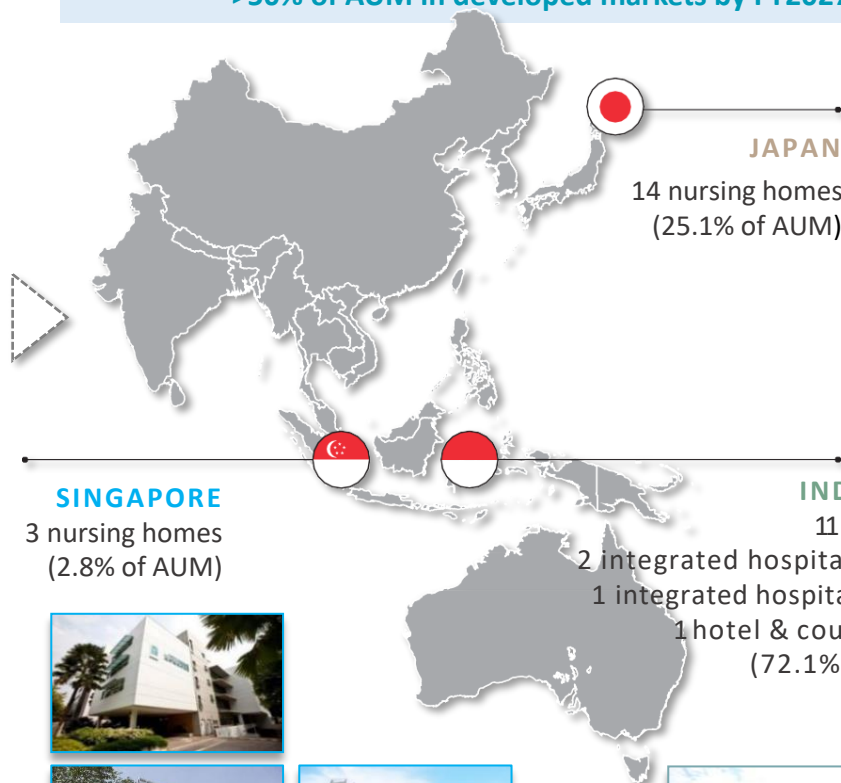
COMMITTED OCCUPANCY
100%

WALE BY GFA
12.5 years

(As at 31 December 2022)

32 ASSETS ACROSS ASIA

Our vision is to become Asia's premier healthcare trust, with >50% of AUM in developed markets by FY2027



Note

(1) Assets-under-management based on appraised values

SGX-listed Sponsors aligned with unitholders

As at 31 December 2022, First REIT's sponsors' combined stake in First REIT was 44.22%.

OUE

OUE Limited

- A leading pan-Asian, full service real estate development, investment and management company with assets across the commercial, hospitality, retail, residential and healthcare sectors.
- As at 31 December 2022, OUE's total assets were valued at S\$9.5 billion.

**OUE LIPPO
Healthcare**

OUE Lippo Healthcare Limited ("OUELH")

- A Pan-Asian healthcare group that owns, operates and invests in quality healthcare businesses in high-growth Asian markets including three major cities in China, in Singapore through medical partnerships with specialists, and in Myanmar through a joint venture.
- Itochu Corporation, listed on the Tokyo Stock Exchange and amongst the largest and most diversified trading companies in the world, holds close to 20% stake in OUELH as at 31 December 2022

2018

- Sponsors completed acquisition of the Manager of First REIT

2020

- Sponsors provided irrevocable undertakings in respect of a S\$158 million rights issue
- Leveraging on Sponsor Network for S\$260 million debt refinancing ⁽¹⁾

2022

- 12 out of the 14 Japan nursing homes in First REIT's portfolio were acquired from OUELH ⁽²⁾
 - Agreed Purchase Price was at a 2.9% - 3.8% discount to valuations
 - Approximately 78.3% of purchase price were funded by issuance of new units to OUELH, conserving cash and ensuring acquisition is DPU accretive
 - 431,147,541 Units issued at S\$0.305: S\$0.305 was 9.3% premium to the 3-month VWAP of S\$0.279 as at 6 December 2021
 - Manager voluntarily waive the acquisition fee of approximately S\$3.0 million

Notes

(1) S\$260mm debt refinancing to refinance a S\$400 million secured loan facilities including a \$196.6 million repayment which was due on 1 March 2021

(2) For more information, please see https://firstreit.listedcompany.com/newsroom/20211208_075636_AW9U_IT2DTH6ZCC47TB4X.3.pdf

Positive results achieved in FY2022

FINANCIAL HIGHLIGHTS

Rental & Other Income

S\$111.3 million

+8.7% Y-O-Y

Net Property & Other Income

S\$108.6 million

+8.3% Y-O-Y

Distributable amount

S\$52.4 million

+24.4% Y-O-Y

FINANCIAL RATIOS

Aggregate leverage

38.5%

+4.9%pt Y-O-Y

% debt fixed/hedged

59.6%

+3.7%pt Y-O-Y

Weighted average debt to expiry

0.94 years **>** **3.38** years

FY2021

FY2022

% debt, social finance instruments

76.5%

FY2021: N/A

HEALTHY BALANCE SHEET

Total Assets

S\$1,198.6 million

+14.2% Y-O-Y

Total Borrowings ⁽¹⁾

S\$461.2 million

+30.9% Y-O-Y

Unitholders' Funds

S\$632.1 million

+6.9% Y-O-Y

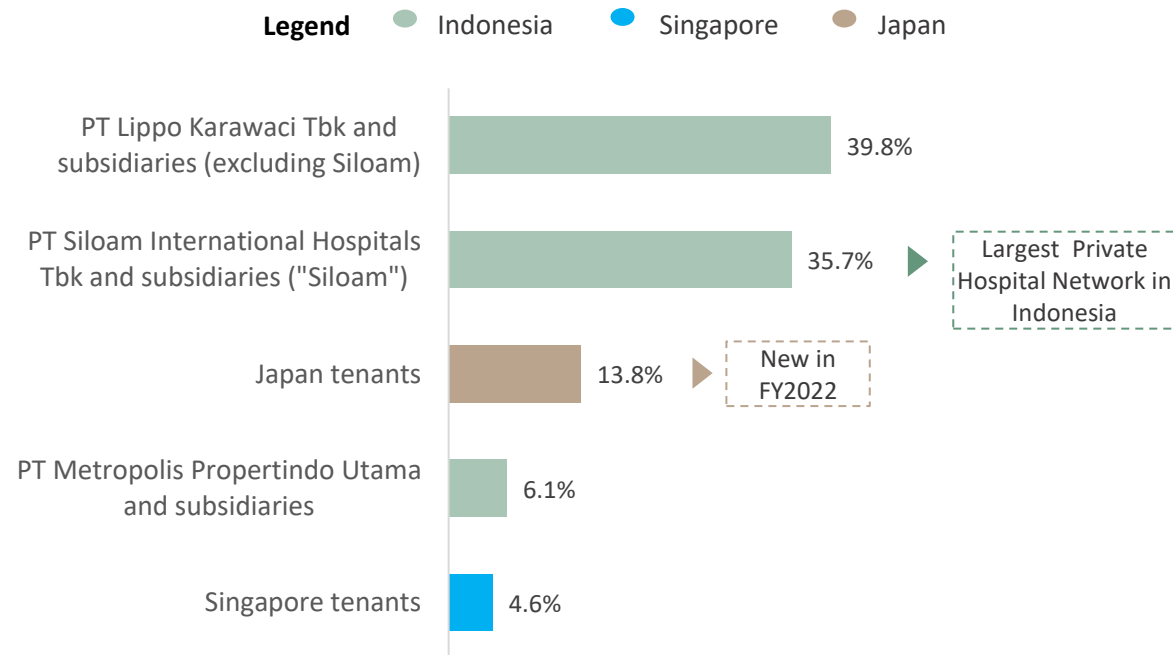
Note

(1) Before transaction costs

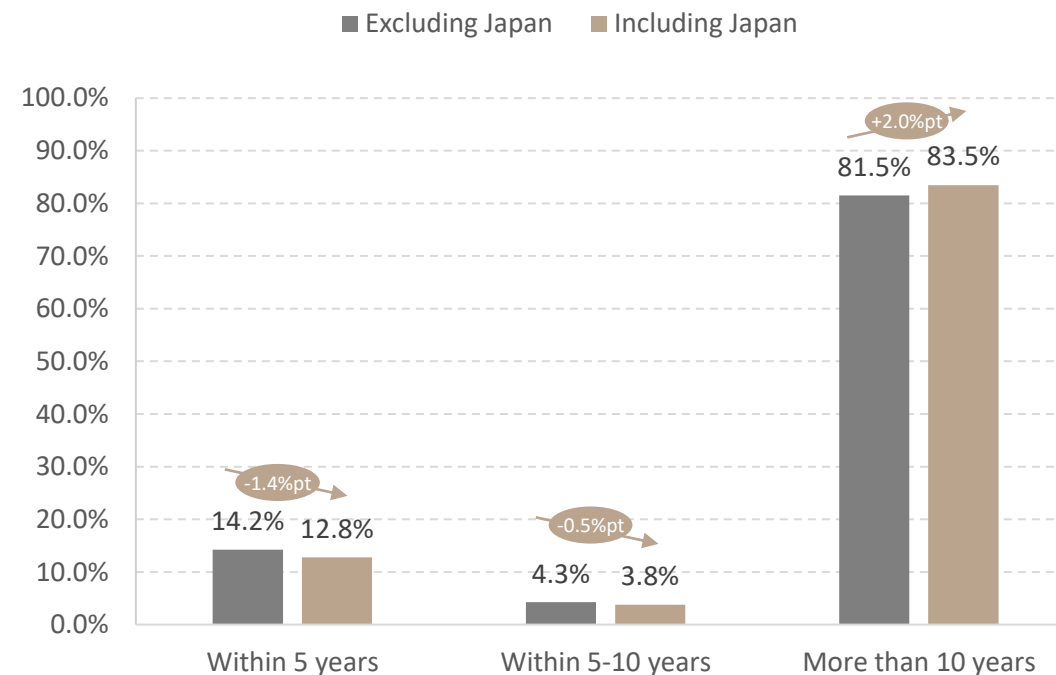
Diversification improves resilience

- ✓ Diversification of tenant mix and extension of lease expiry profile improves First REIT's resilience
 - Japan: Entry into Japan adds five tenants, and increased Weighted Average Lease to Expiry ("WALE") ^{(1), (2)} from 11.5 years to 12.5 years ⁽³⁾
 - Indonesia: Rental Income from Siloam increases after restructuring of master lease agreements ⁽⁴⁾

FY2022 RENTAL INCOME BY TENANT ⁽²⁾



LEASE EXPIRY PROFILE, % OF PORTFOLIO ^{(1), (2)}

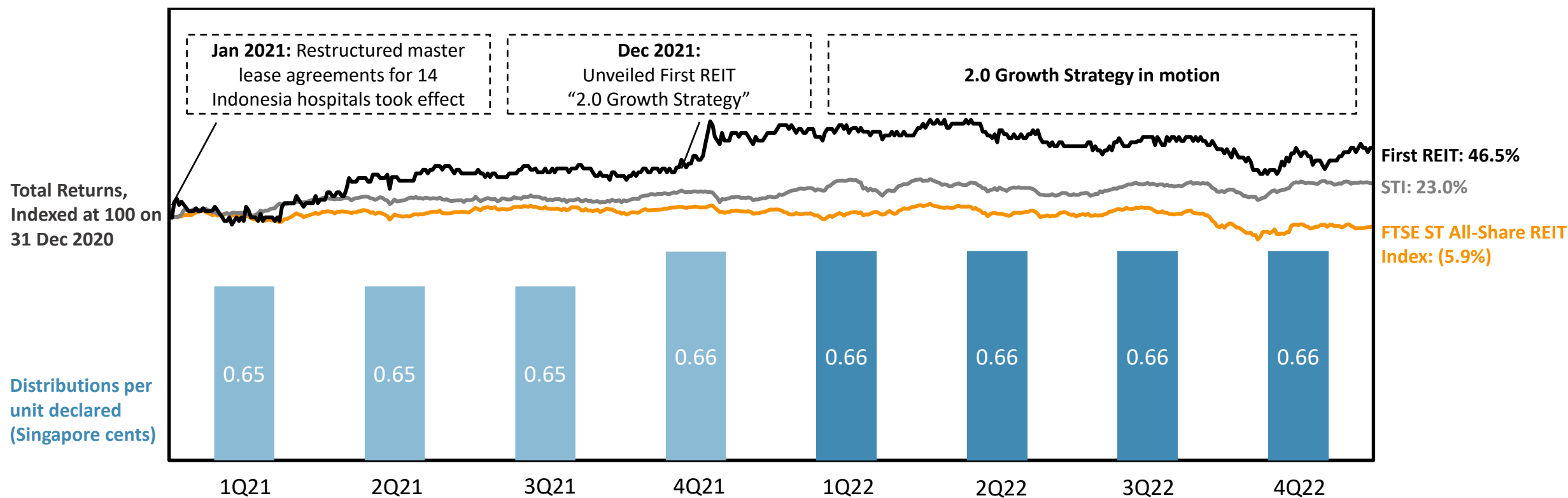


Notes

(1) Weighted by FY2022 Rental Income
 (2) Before straight-lining adjustments.
 (3) As at 31 December 2022
 (4) For more information, please see https://firstreit.listedcompany.com/newsroom/20201129_202002_AW9U_UOKSQCO9QRZCYAQF.1.pdf

Stable distributions delivered each quarter

- ✓ Declared DPU of 0.66 cent in 4Q22, and total of 2.64 cents in FY2022 (+1.1% Y-O-Y)
- ✓ With closing price of 26.00¢ and net asset value per unit of 30.70¢, price-to-book ratio was 0.85x and distribution yield was 10.2% ⁽¹⁾.
- ✓ Delivered a total return of 46.5% since Jan 2021, and stable distributions contributed 26.7 percentage points ⁽²⁾



Notes

(1) As at 31 December 2022

(2) Source: Bloomberg Finance L.P, as at 31 December 2022

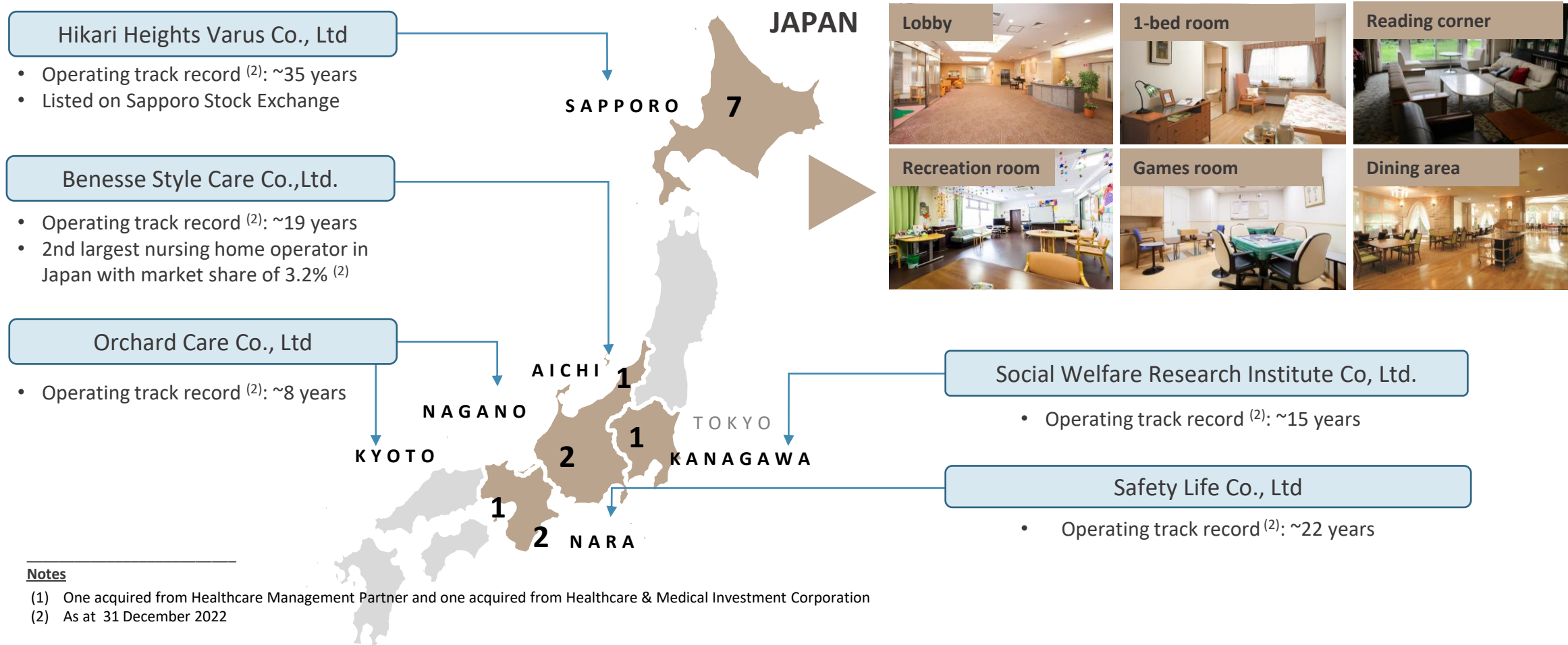


POSITIVE RESULTS UNDERPINNED BY 2.0 GROWTH STRATEGY

Diversify into developed markets

✓ Entry into Japan with acquisition of 14 nursing homes

- March 2022: Completed the acquisition of 12 well established freehold nursing homes from OUELH for JPY 24.2 billion
- September 2022: Completed the acquisition of two more high-quality freehold nursing homes from third parties⁽¹⁾ for JPY 2.6 billion
- 14 nursing homes operated by five independent, well-established and experienced operators



Notes

(1) One acquired from Healthcare Management Partner and one acquired from Healthcare & Medical Investment Corporation
 (2) As at 31 December 2022

Reshape portfolio for capital efficient growth

Recycle capital from non-core, non-healthcare assets, mature assets

June 2022



- A Road Subsidence took place in close proximity to Siloam Hospitals Surabaya. Development works were halted.
- June 30th : Received amount of S\$30.6 million for the proposed settlement in respect of the terminated development works adjacent to Siloam Hospitals Surabaya

September 2022



- Opportunity to recycle a mature asset instead of taking on excessive development risk, and a holistic approach to resolve downstream complications
- September 27th: Completed the divestment of SHS for S\$40.3 million

For Divestment



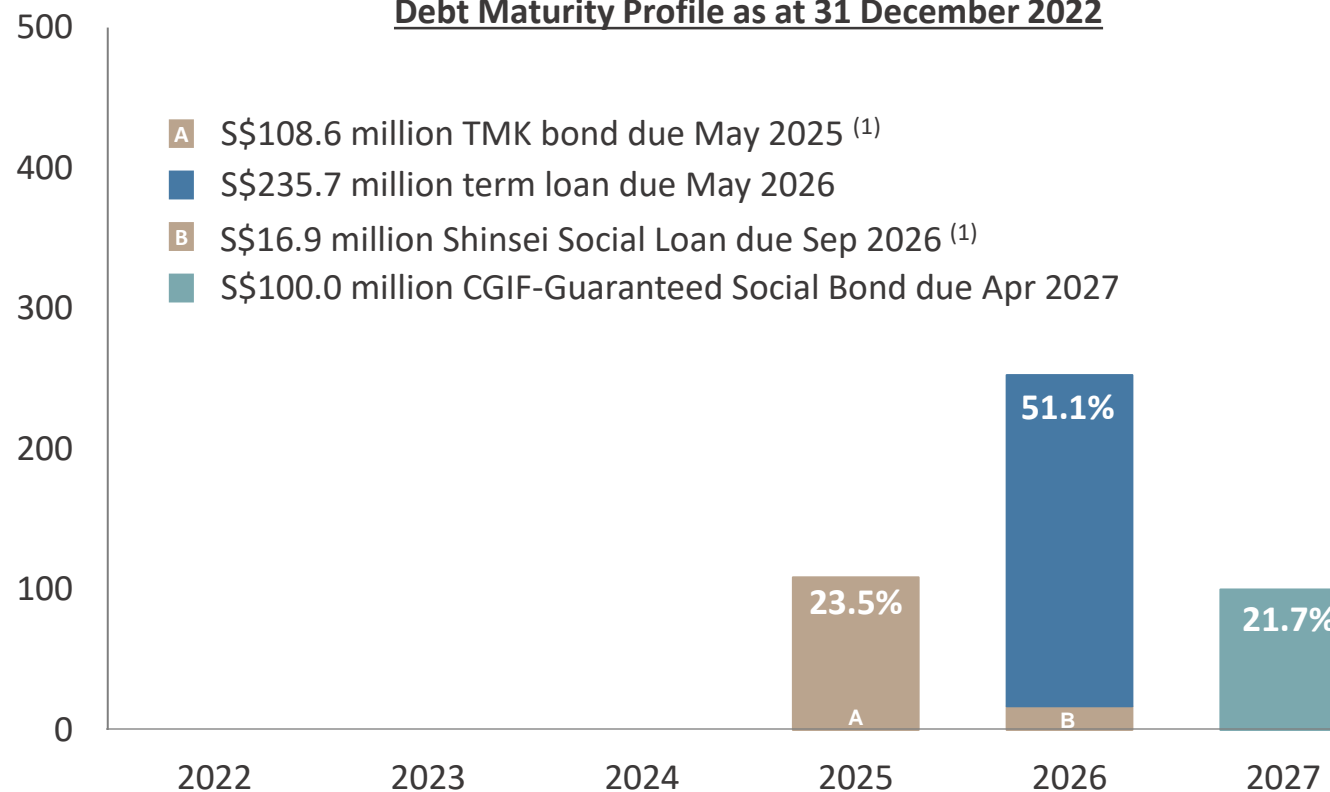
- Imperial Aryaduta Hotel & Country Club (IAHCC) is a non-core asset which is being marketed for divestment.
- December 22nd: Renewed lease for a 1-year term ending 31 December 2023. Short term lease provides revenue stability while still allowing strategic flexibility.
- Appraised value of S\$27.5 million (IDR 316.7 billion) as at 31 December 2022

Strengthen capital structure to remain resilient

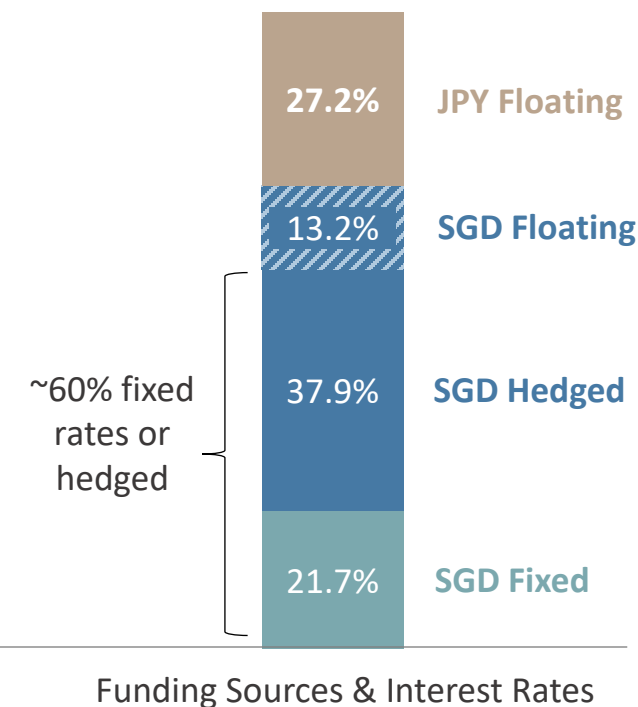
- ✓ No refinancing requirements until May 2025: Completed early refinancing of a secured term loan and revolving credit facilities due in March 2023.
- ✓ Entered into Non Deliverable Forwards (“NDFs”) and Call Spreads to hedge IDR net cashflow

(S\$' million)

Debt Maturity Profile as at 31 December 2022



Total Debt⁽²⁾: S\$461.2 million



Notes

(1) Computed based on December 2022 exchange rate of SGD 1 = JPY 98.04

(2) Total debt before transaction costs

Continue to pivot to ride megatrends

Aligning financing strategy with sustainability strategy; Deliver social impact in accordance with frameworks

First REIT's social finance instruments comprise 76.5% of total debt in FY2022

SGX
Fixed Income

Recognised as
Sustainable Fixed Income

- CGIF-Guaranteed Social Bond due Apr 2027
 - Shinsei Social Loan due Sep 2026
- Term Loan and Revolving Credit Facility due May 2026

Deliver social impact in accordance with Social Finance Frameworks ⁽¹⁾ that are aligned with ICMA Social Bond Principles ⁽²⁾, LMA Social Loan Principles ⁽³⁾

- Provide access to essential services for the elderly
- Provide access to essential healthcare services to countries with hospital beds below regional average

Contribute to the achievement of United Nations Sustainable Development Goals



Notes

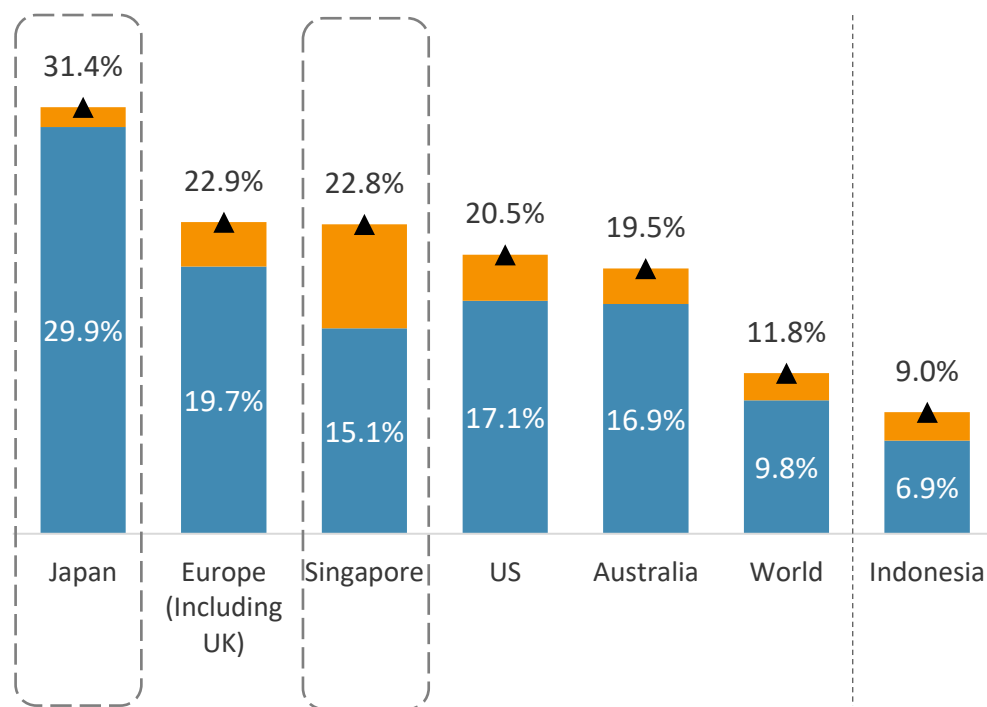
- (1) First REIT's Social Finance Framework and Shinsei Bank Limited's Social Finance Framework
- (2) Social Bond Principles published by International Capital Market Association (ICMA)
- (3) Social Loan Principles published by Loan Market Association

Immense opportunities in healthcare industry

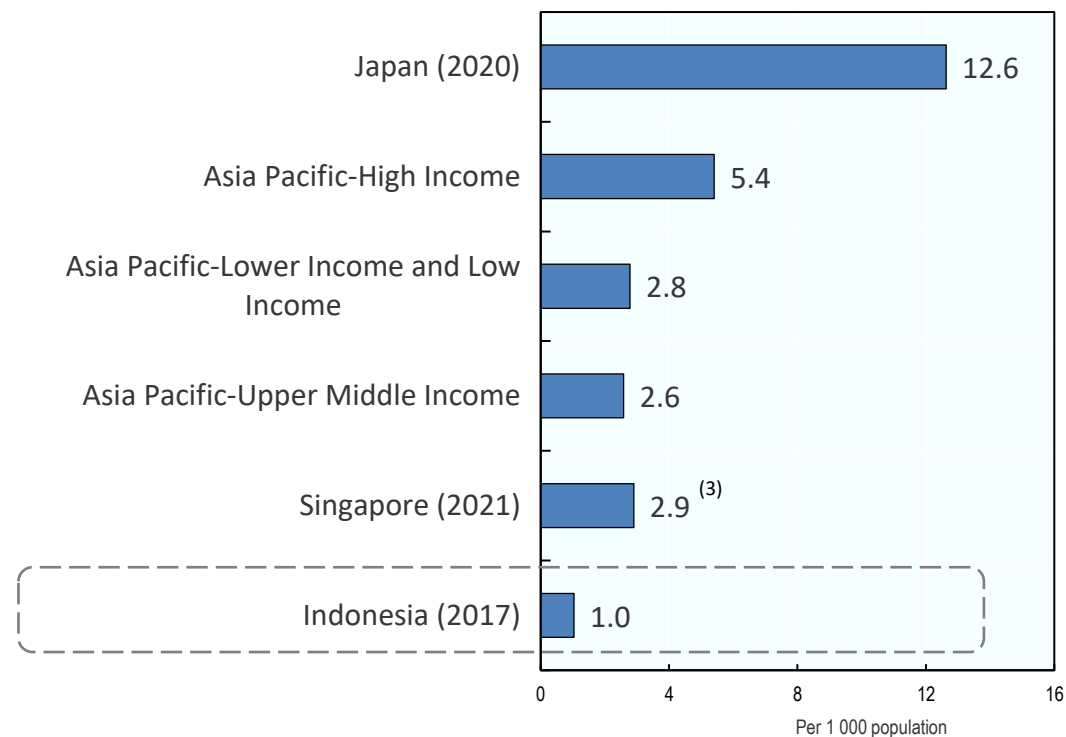
- Developed markets including Singapore and Japan have a percentage of population aged 65 years or older higher than the world average ⁽¹⁾
- Average number of hospital beds of 1.0 per 1,000 people remains below regional averages

% POPULATION AGED 65 YEARS AND ABOVE ⁽¹⁾

■ 2022 ■ Projected Increase ▲ By 2030



HOSPITAL BEDS PER 1,000 PEOPLE, LATEST YEAR AVAILABLE ⁽²⁾

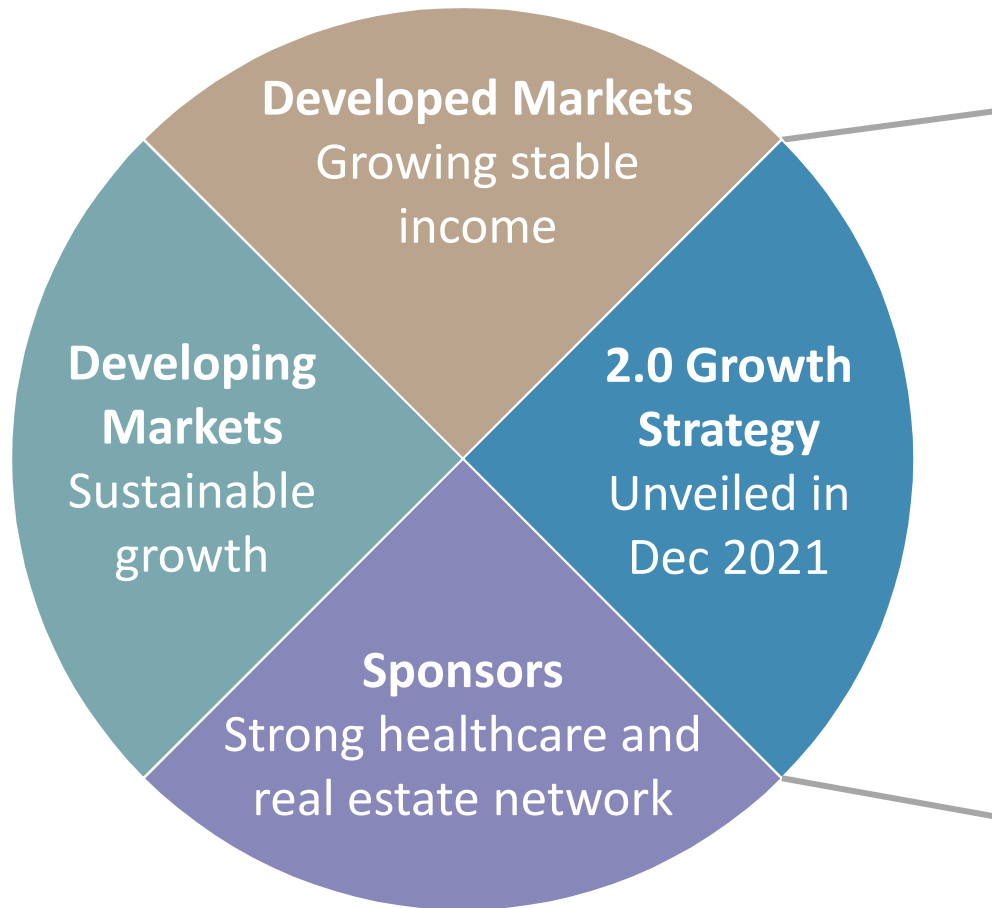


Notes

- (1) United Nations, Department of Economic and Social Affairs, Population Division (2023). Available from <https://population.un.org/DataPortal/>
 (2) Source: [OECD Health Statistics 2022](#)
 (3) Source: [Singapore Department Of Statistics, Ministry of Health](#)

2.0 Growth Strategy in place to ride tailwinds

First REIT '2.0 Growth Strategy' prioritises the sustainability of distributions to unitholders



GROWING FROM A POSITION OF STRENGTH

1) Diversify into Developed Markets

Increase portfolio in developed markets to >50% of AUM by FY2027
(currently 27.9% as at 31 December 2022)

2) Reshape Portfolio For Capital Efficient Growth

Recycle capital from non-core, non-healthcare assets, mature assets

3) Strengthen Capital Structure to Remain Resilient

Diversify funding sources and continue to optimise financial position

4) Continue to Pivot to Ride Megatrends

Environmental, Social and Governance ("ESG"), ageing population demographics and under-penetrated healthcare sector

THANK YOU

For enquiries, please contact:
Investor Relations and Communications
Email: ir@first-reit.com
Website: www.first-reit.com
LinkedIn: www.linkedin.com/company/first-reit