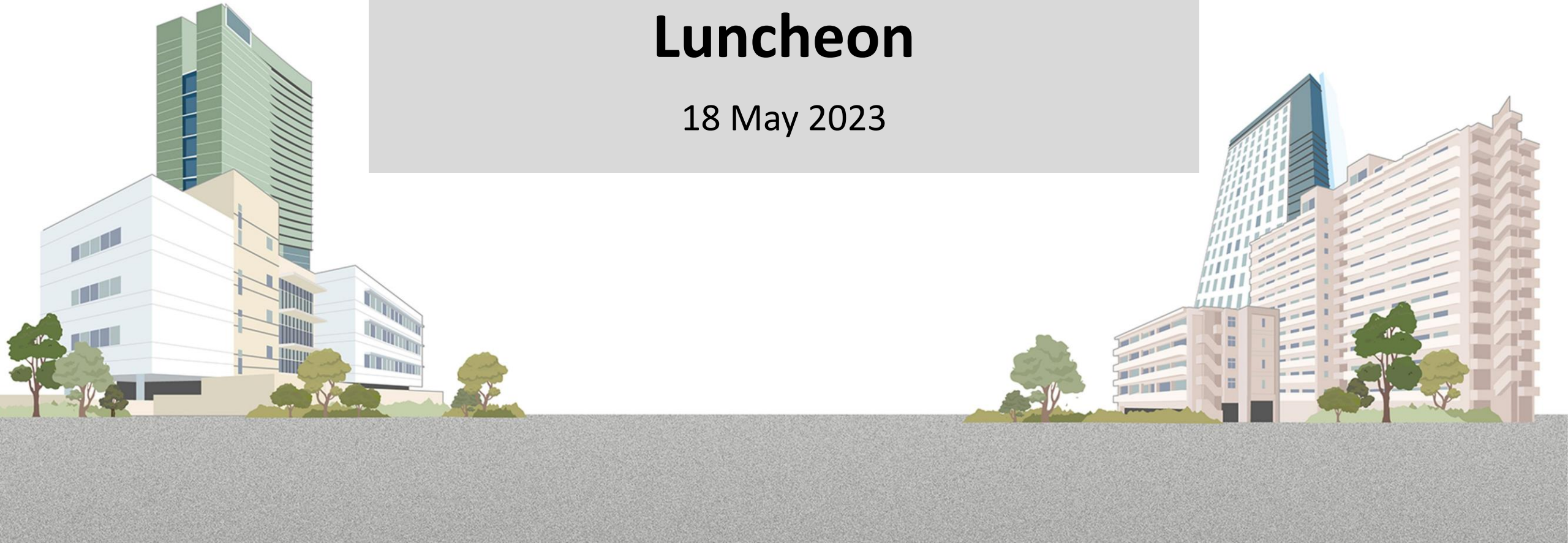
FIRST REIT
ASIA'S PREMIER HEALTHCARE TRUST

DBS-REITAS Private Banking Luncheon

18 May 2023



DISCLAIMER

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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.

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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 – BALANCING GROWTH WITH STABILITY

FIRST REIT
ASIA'S PREMIER HEALTHCARE TRUST

BUILT-IN RENT INCREMENT

72.5% of AUM [2]

WALE BY GFA [1]

12.2 years

COMMITTED OCCUPANCY [1]

100%

% DEBT FIXED OR HEDGED [1]

62.8%

WEIGHTED AVERAGE DEBT TO MATURITY [1]

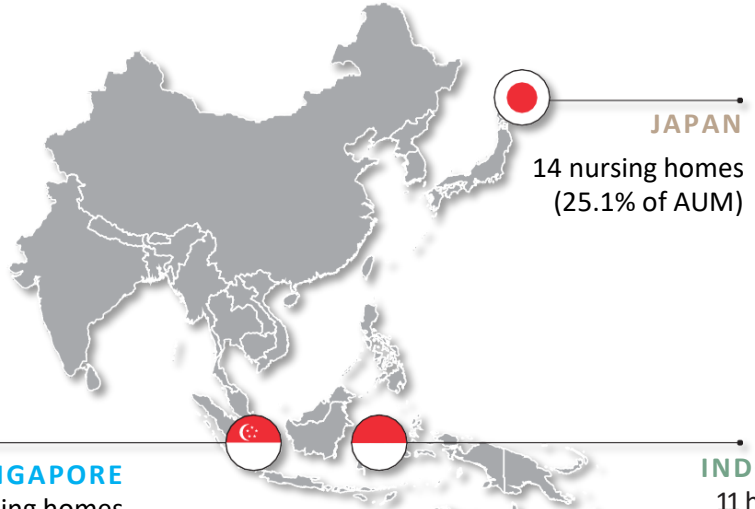
3.1 years

AGGREGATE LEVERAGE [1]

39.0%

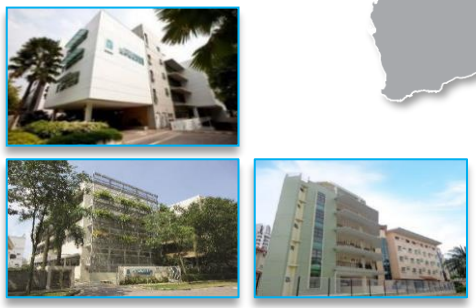
32 assets across Asia with assets-under-management ("AUM") of S$1.15 billion [2]

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



JAPAN
14 nursing homes
(25.1% of AUM)

SINGAPORE
3 nursing homes
(2.8% of AUM)



INDONESIA
11 hospitals
2 integrated hospitals & malls
1 integrated hospital & hotel
1 hotel & country club
(72.1% of AUM)

Notes

(1) As at 31 March 2023
(2) Based on Appraised Values as at 31 December 2022

KEY FINANCIAL HIGHLIGHTS

FINANCIAL HIGHLIGHTS (S$' MILLION)	1Q 2023	1Q 2022	% Change (Y-o-Y)
RENTAL & OTHER INCOME	26.8	25.5	4.9%
NET PROPERTY & OTHER INCOME	25.8	25.2	2.7%
DISTRIBUTABLE AMOUNT	12.7	11.7	8.3%
TOTAL ISSUED AND ISSUABLE UNITS (MILLIONS) (1)	2,068.0	2,050.9	0.8%
DPU (CENTS)	0.62	0.66	(6.1%)

- Rental and Other Income increased 4.9% y-o-y to S$26.8 million, largely attributed to:
  - A full quarter of rental income contribution from 14 Japan nursing homes
  - Higher rental income from built-in rent increment in Indonesia and in Singapore
  - Offset by the absence of rental income from Siloam Hospitals Surabaya and the depreciation of foreign currencies against the Singapore Dollar
- DPU in 1Q 2023 was 6.1% lower y-o-y mainly due to higher financing costs and a depreciation of foreign currencies against the Singapore Dollar

Note

(1) Total issued and issuable units include the issuance of 431.1 million Units in early March 2022 to partially fund an acquisition of 12 nursing homes.

BALANCE SHEET & FINANCIAL POSITION

S$' MILLION	AS AT 31 MARCH 2023	AS AT 31 DECEMBER 2022
ASSETS		
NON-CURRENT [1]	1,136.0	1,146.6
CURRENT	54.2	52.0
TOTAL	**1,190.2**	**1,198.6**
LIABILITIES		
NON-CURRENT	516.5	512.1
CURRENT	21.0	21.2
TOTAL	**537.5**	**533.3**
UNITHOLDERS' FUNDS	619.8	632.1
TOTAL ISSUED AND ISSUABLE UNITS (MILLIONS)	2,068.0	2,050.9
NAV/UNIT (CENT)	30.04	30.70

- Total assets was lower at S$1,190.2 million due to the depreciation of Japanese Yen and Indonesian Rupiah in 1Q23 vs 1Q22
- Total issued and issuable units include 431.1 million new units to our sponsor OUE Lippo Healthcare in early March 2022 to partially fund an acquisition of 12 nursing homes.
- As at 31 March 2023, First REIT's sponsors' combined stake in First REIT was 44.35% and has strong alignment with other unitholders of First REIT

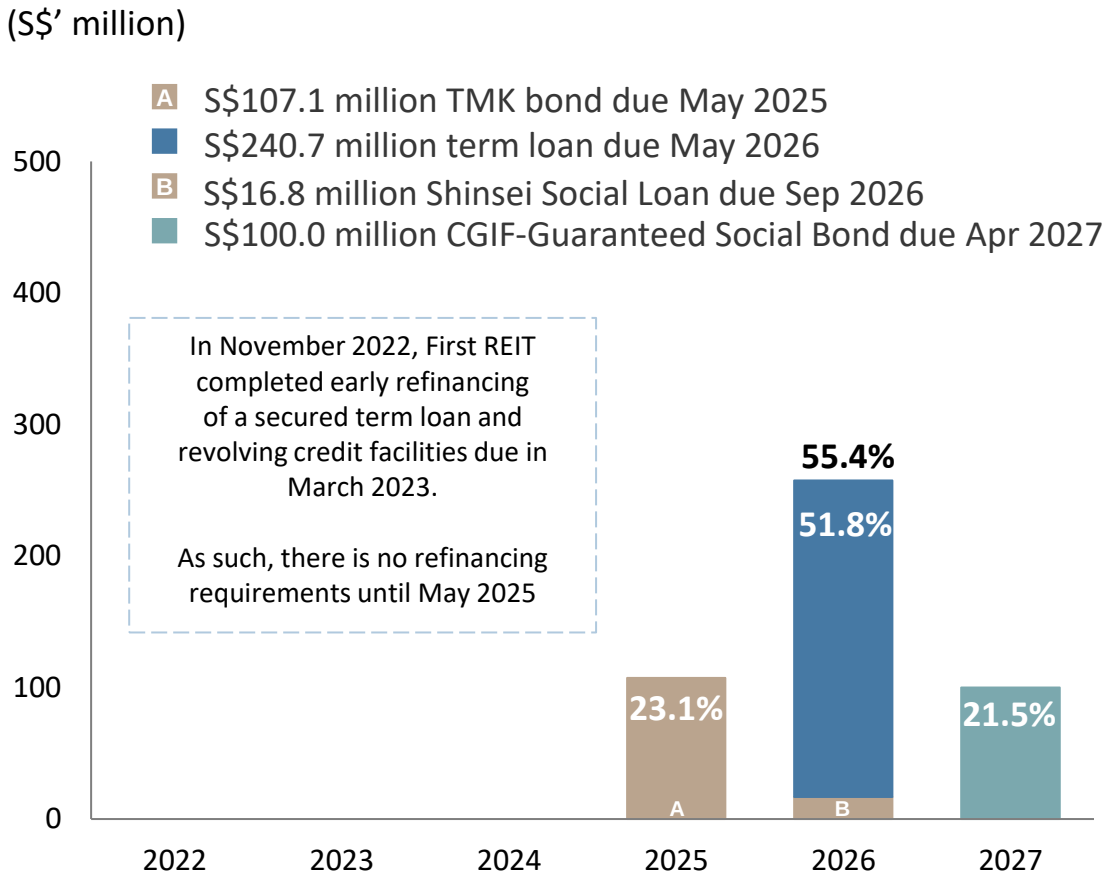
Note

(1) Non-current assets comprise investment properties which declined from S$1,145.3 million as at 31 December 2022 to S$1,135.3 million as at 31 March 2023 due to the depreciation of foreign currencies against the Singapore Dollar.

DEBT MATURITY PROFILE & CAPITAL MANAGEMENT

	AS AT 31 MARCH 2023	AS AT 31 DECEMBER 2022
TOTAL DEBT [1]	S$464.6 million	S$461.2 million
GEARING RATIO [2]	39.0%	38.5%
WEIGHTED AVERAGE DEBT TO MATURITY	3.1 years	3.4 years
COST OF DEBT (ON AN ALL-IN COST BASIS)	4.7% per annum	3.7% per annum
INTEREST COVER RATIO	4.2x	5.0x
% DEBT, FIXED RATES OR HEDGED	62.8%	59.6%

Debt Maturity Profile as at 31 March 2023 [1]



Notes

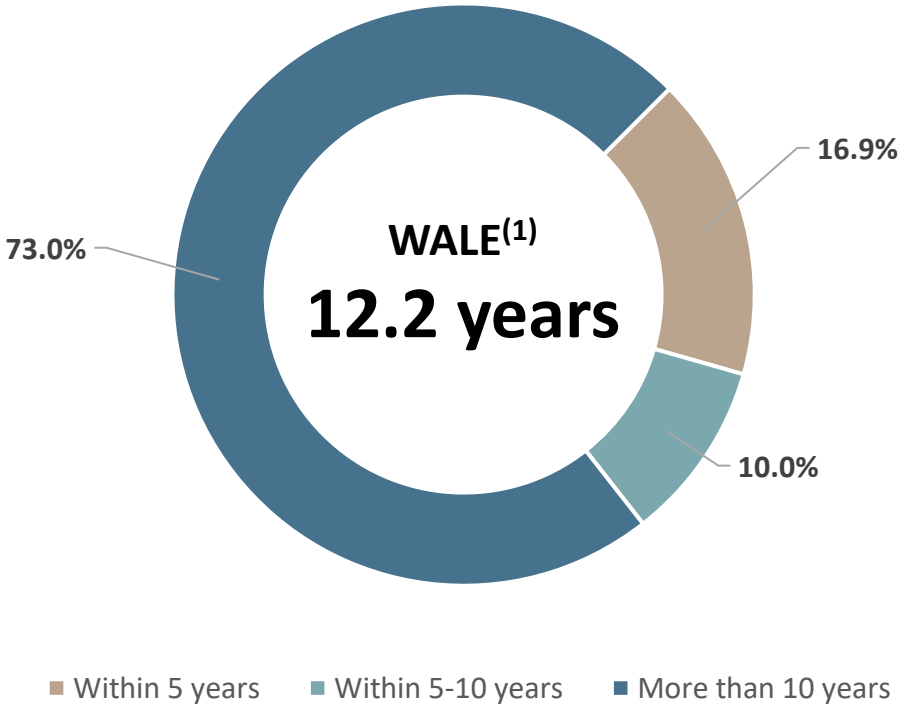
(1) Total debt before transaction costs
(2) Computed based on gross debt to deposited property

WALE & LEASE EXPIRY PROFILE

Long WALE with stable revenue streams

LEASE EXPIRY PROFILE AS % OF GFA

(AS AT 31 MARCH 2023)



Lease Expiry within 5 Years	
Property	**Expiry**
Imperial Aryaduta Hotel & Country Club	Dec 2023
Siloam Hospitals Lippo Cikarang	Dec 2025
Pacific Healthcare Nursing Home @ Bukit Merah	Apr 2027
Pacific Healthcare Nursing Home II @ Bukit Panjang	Apr 2027
Medical and Rehabilitation Home Bon Sejour Komaki	May 2027
The Lentor Residence	Jun 2027
Hotel Aryaduta Manado	Nov 2027

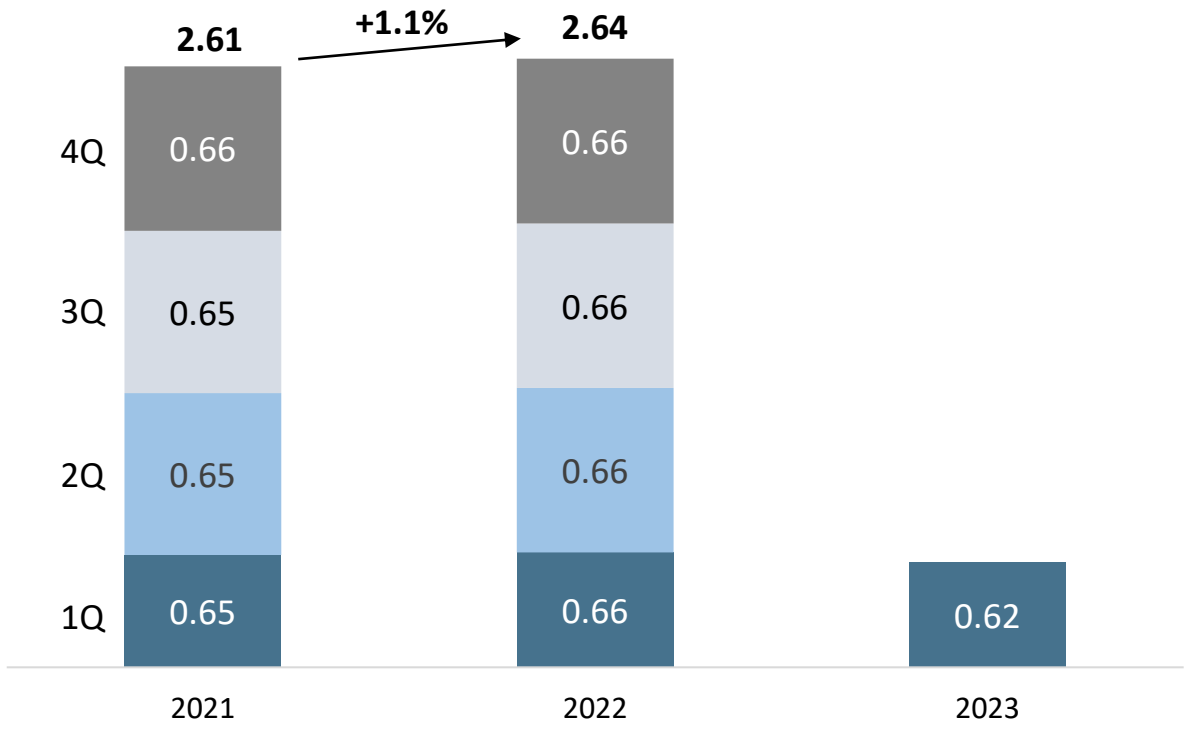
Notes

(1) The WALE is calculated on a gross floor area basis and as at 31 March 2023

DELIVERING SUSTAINABLE DISTRIBUTIONS

Distribution Yield of 9.5% and Price-to-book ratio of 0.87x as at 31 March 2023 (1), (2)

DISTRIBUTION PER UNIT (DPU)
(Singapore cents)



1Q 2023 Distribution Details	
Last trading day quoted on a "cum" distribution basis	**8 May 2023**
Ex-distribution date	**9 May 2023 at 9.00 am**
Book Closure Date	**10 May 2023 at 5.00 pm**
Distribution Payment Date	**26 June 2023**

Notes

(1) Distribution Yield based on annualised DPU of 2.48 Singapore cents and closing price of 26.0 Singapore cents as at 31 March 2023
(2) Price-to-book ratio based on closing price of 26.0 Singapore cents and NAV per unit of 30.04 Singapore cents as at 31 March 2023

FIRST REIT
ASIA'S PREMIER HEALTHCARE TRUST

A BALANCE OF GROWTH AND STABILITY IN OUR PORTFOLIO

INDONESIA

15
INDONESIA

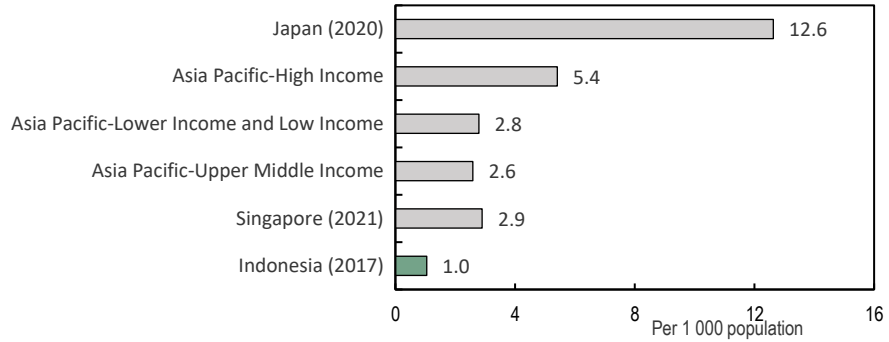
VALUATION [1]
S$825.6
million

GROSS FLOOR AREA
333,343
square metres

HOSPITAL BEDS
3,762

1. Siloam Hospitals Yogyakarta
2. Siloam Hospitals Buton & Lippo Plaza Buton
3. Siloam Hospitals Labuan Bajo
4. Siloam Hospitals Kupang & Lippo Plaza Kupang
5. Siloam Sriwijaya
6. Siloam Hospitals Purwakarta
7. Siloam Hospitals Bali
8. Siloam Hospitals TB Simatupang
9. Siloam Hospitals Manado & Hotel Aryaduta Manado
10. Siloam Hospitals Makassar
11. Mochtar Riady Comprehensive Cancer Centre
12. Siloam Hospitals Lippo Cikarang
13. Siloam Hospitals Lippo Village
14. Siloam Hospitals Kebon Jeruk
15. Imperial Aryaduta Hotel & Country Club

Average number of hospital beds in Indonesia of 1.0 per 1,000 people remains below regional averages [2], [3]



Indonesia hospitals are strategically located within large catchment areas of potential patients and each hospital has a "Centre of Excellence" or area of specialty.

Built-in Rent Increment for 13 Hospitals

- Higher base rent escalation of **4.5%**; OR
- Performance-based rent escalation of **8.0%** of hospital's gross operating revenue in the preceding financial year

Triple net lease agreements ensures inflation managed by Master Lessee

- Cost of utilities and repair managed by Master Lessee

Notes

(1) Based on appraised values as at 31 December 2022
(2) Source: OECD Health Statistics 2022
(3) Source: Singapore Department Of Statistics, Ministry of Health

JAPAN

14 JAPAN

VALUATION [1]
S$287.2 million

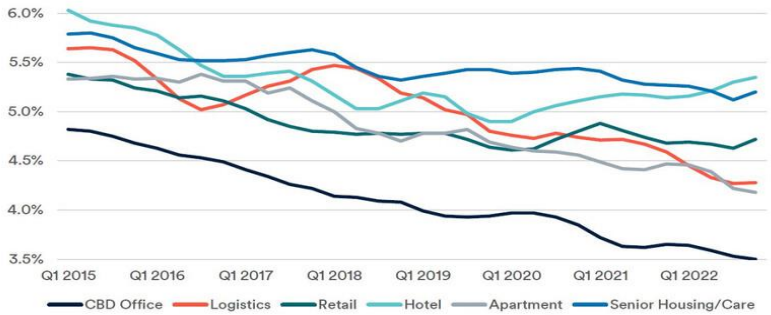
GROSS FLOOR AREA
103,234 square metres

ROOMS
1,655

1. Hikari Heights Varus Ishiyama
2. Hikari Heights Varus Tsukisamu-Koen
3. Hikari Heights Varus Fujino
4. Hikari Heights Varus Kotoni
5. Hikari Heights Varus Makomanai-Koen
6. Varus Cuore Yamanote
7. Varus Cuore Sapporo-Kita & Annex
8. Elysion Mamigaoka & Annex
9. Elysion Gakuenmae
10. Orchard Amanohashidate
11. Orchard Kaichi North
12. Orchard Kaichi West
13. Loyal Residence Ayase
14. Medical Rehabilitation Home Bon Séjour Komaki

Cap rates of all asset classes in Japan have trended down over the past 5 years; senior housing cap rates higher than other asset classes

Cap rates (%) by market segment, Japan (all cities) [2]



March 2023: Completed the acquisition of FRM Japan Management Co., Ltd, a licensed asset management company which will support existing portfolio and future growth [3]

14 Japan nursing homes which were newly acquired in FY2022 are high-quality freehold assets and 100% master-leased

Scope for Rent Increment for 14 Nursing Homes upon negotiation, based on the increase in Japan's consumer price index and interest rates [4]; Utilities costs managed by Master Lessee in single and triple net lease agreements

Notes

(1) Based on appraised values as at 31 December 2022
(2) Source: MSCI RCA (March 2023)
(3) FRM Japan Management Co., Ltd is licensed by the Tokyo Metropolitan Government
(4) Every 2 to 3 years for 12 properties, and every 5 years for 2 properties

SINGAPORE

3
SINGAPORE

VALUATION [1]
S$32.5
million

GROSS FLOOR AREA
11,161
square metres

ROOMS
732

1. Pacific Healthcare Nursing Home @ Bukit Merah
2. Pacific Healthcare Nursing Home II @ Bukit Panjang
3. The Lentor Residence

By 2026, Singapore is expected to become "super aged" society, when those aged 65 and above is expected to form 21% per cent of the population[(2)].

Ministry of Health also plans to increase the number of nursing home beds to more than 31,000 in the next 10 years, vs ~16,900 beds in 2021 [(3)]

Singapore properties are well-run nursing homes staffed by well-qualified, dedicated and experienced healthcare professionals.

Built-in Rent Increment for 3 Nursing Homes
- Fixed base rental
- Annual increment of 2%

Cost of utilities managed by Master Lessees in double net lease and triple net lease agreements

Notes

(1) Based on appraised values as at 31 December 2022
(2) The Business Times, 20 April 2023, Ageing Singapore can stay economically vibrant by growing workforce, productivity: Ong Ye Kung, Singapore
(3) The Straits Times, 13 June 2022, 'Singapore to double number of eldercare centres by 2025, expand their services', Ministry of Health

ACTIVE EXECUTION OF 2.0 GROWTH STRATEGY

2.0 GROWTH STRATEGY HIGHLIGHTS

FIRST REIT
ASIA'S PREMIER HEALTHCARE TRUST

1 Diversify into Developed Markets → **Increase portfolio in developed markets to >50% of AUM by FY2027**

27.9% of AUM in developed markets as at 31 December 2022; Reduced geographical and tenant concentration risk

- March 2022: Acquired 12 Japan nursing homes from sponsor OUELH
- September 2022: Acquired 2 Japan nursing homes from third parties

2 Reshape Portfolio For Capital Efficient Growth → **Recycle capital from non-core, non-healthcare assets, mature assets**

- June 2022: 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: Completed the the divestment of Siloam Hospitals Surabaya for S$40.3 million.
- Ongoing: Identified Imperial Aryaduta Hotel & Country Club ("**IAHCC**") as a non-core asset which is being marketed for divestment

3 Strengthen Capital Structure to Remain Resilient → **Diversify funding sources, Continue to optimise financial position**

No refinancing requirements until May 2025

- April 2022: Successfully priced Singapore's first healthcare social bond
- November 2022: Completed early refinancing of a secured term loan and revolving credit facilities due in March 2023.

4 Continue to Pivot to Ride Megatrends → **Improve ESG; Ride on opportunities in ageing demographics and under-penetrated healthcare sector**

- Aligned financing strategy with sustainability strategy through:
  - CGIF-Guaranteed Social Bond due April 2027
  - Shinsei Social Loan due September 2026
  - Term Loan and Revolving Facility due May 2026
- March 2023: Published first TCFD report and impact reporting update in Sustainability Report 2022

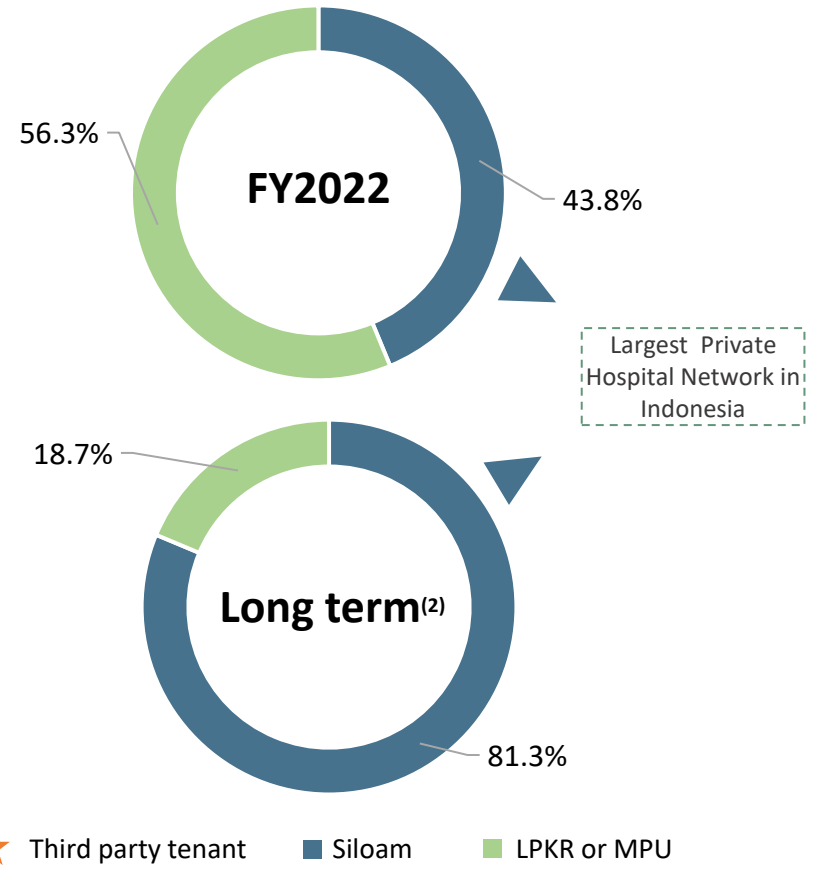
First REIT 2.0 Growth Strategy:
www.first-reit.com/about-growth-strategy.html

DIVERSIFYING TENANT MIX

Increase in third-party tenants and higher direct contribution from Siloam, the largest private hospital network in Indonesia

	#	Tenants	% FY2022 Rental Income (1)
	Indonesia		
	1	PT Lippo Karawaci Tbk and subsidiaries ("**LPKR**") (excluding Siloam)	39.8%
	2	PT Siloam International Hospitals Tbk and subsidiaries ("**Siloam**")	35.7%
★	3	PT Metropolis Propertindo Utama and subsidiaries ("**MPU**")	6.1%
	Japan		
★	1	Hikari Heights Varus Co., Ltd.	9.7%
★	2	Safety Life Co., Ltd.	2.2%
★	3	Orchard Care Co., Ltd	1.6%
★	4	Benesse Style Care Co., Ltd	0.2%
★	5	Social Welfare Research Institute Co., Ltd	0.1%
	Singapore		
★	1	The Lentor Residence Pte. Ltd	2.0%
★	2	Pacific Healthcare Nursing Home Pte. Ltd	1.3%
★	3	Pacific Eldercare And Nursing Pte. Ltd	1.3%

Rental Contribution from Indonesia Mix (%)



Notes

(1) Before recognition of FRS 116 rental straight-lining adjustments

(2) Based on the terms of the Tripartite MLAs, from 1 October 2026, Siloam will pay 6.5% of the preceding year's gross operating revenue ("**GOR**"), leaving LPKR or MPU to pay 1.5% of the preceding year's GOR. The percentages represented in this projection assumes that the rentals for each of the Tripartite MLAs beyond year 2026 are calculated based on the performance-based rent of 8.0% of each hospital's preceding year's GOR

STRONG SPONSORS SUPPORT

As at 31 March 2023, First REIT's sponsors' combined stake in First REIT was 44.35%.

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 Limited ("**OUELH**")

- A Pan-Asian healthcare group that owns, operates and invests in quality healthcare businesses in high-growth markets including:
  - Operating and managing a respiratory and cardiothoracic specialist group in Singapore;
  - Jointly developing and operating two hospitals in China with China Merchants Group; as well as
  - Jointly operating and managing Myanmar's leading private hospital group.
- 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 OUEH 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

EXPERIENCED MANAGEMENT

Management has extensive experience in accounting and finance and real estate asset management

MR TAN KOK MIAN, VICTOR
EXECUTIVE DIRECTOR AND
CHIEF EXECUTIVE OFFICER

- More than 25 years of experience in the healthcare industry
- Full executive responsibilities over the business directions and operational decisions concerning the management of First REIT

MS NG CHWEE NGOR, VALERIE
CHIEF FINANCIAL OFFICER

- More than 20 years of experience in financial matters
- Oversees all matters relating to financial reporting, taxation, capital management, treasury and risk management.

MR CHAN SENG LEONG, JACKY
SENIOR VICE PRESIDENT,
ASSET & INVESTMENT MANAGEMENT

- Extensive real estate and property experience in cities where First REIT is invested in, Hong Kong, as well as the People's Republic of China.
- Leads the Manager's Asset & Investment Management team.

MR KOJI OTANI
GENERAL MANAGER,
FRM JAPAN MANAGEMENT CO., LTD.

- More than 17 years of experience in real estate asset management and investment management in Japan.
- Leads the Manager's asset management activities in Japan.

IN SUMMARY

- **First REIT's portfolio has a balance of growth and stability**
  - Built-in rent increment for 72.5% of portfolio [(1)] and long WALE of 12.2 years [(2)]
  - 100% committed occupancy
- **First REIT is entrenched in large, growing markets**
  - Ageing population in Japan and Singapore, and demand for quality healthcare services in Indonesia
- **First REIT 2.0 Growth Strategy in place to ride tailwinds**
  - Target to achieve >50% of AUM in developed markets by FY2027 (FY2022: 27.9%)
  - Reducing geographical and tenant concentration risk
- **Prudent capital management**
  - ~63% of debt on fixed rates or hedged as at 31 March 2023
  - Managing the foreign currency exposures arising from future IDR-denominated dividend income
- **Strong sponsors support, and experienced management with boots on the ground**
- **Positioned to deliver sustainable distributions per unit**

Notes

(1) Based on Appraised Values as at 31 December 2022
(2) As at 31 March 2023

FIRST REIT
ASIA'S PREMIER HEALTHCARE TRUST

THANK YOU

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