

Investor Presentation

April 2024



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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, LISTED ON SGX-ST IN DECEMBER 2006, IS SINGAPORE'S FIRST HEALTHCARE REIT WITH S\$1.14 BILLION AUM ⁽¹⁾

**Our vision is to become
Asia's premier healthcare trust.**

**Our mission is to deliver stable
and sustainable distributions
to Unitholders.**

SPONSORS ⁽²⁾

OUE



Asset
Size

S\$1.14
billion



Total GFA
of 32 Properties

448,744
square metres



Weighted Average
Lease Expiry

11.5
years



Max. No.
Rooms/Beds

6,522



Total No.
of Tenants

11



Occupancy
Rate

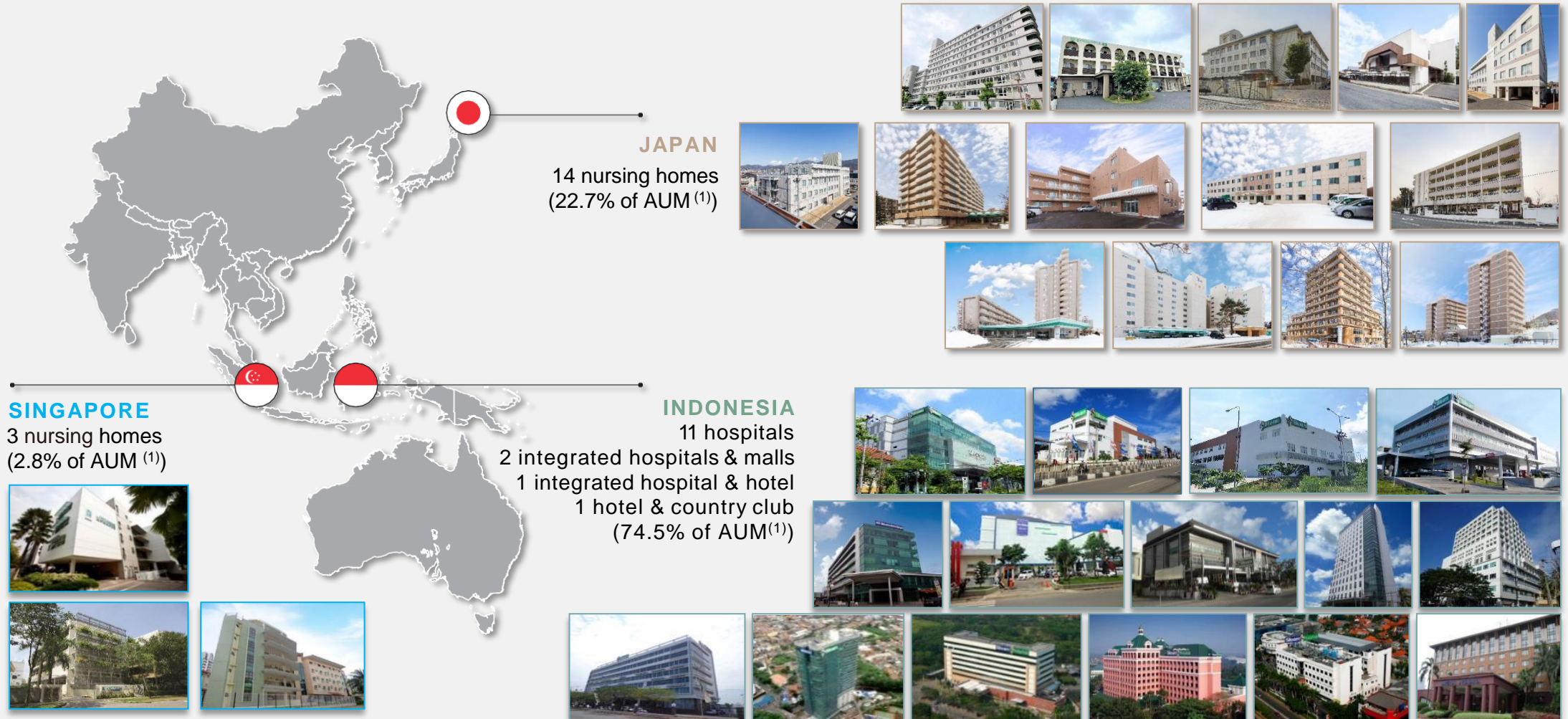
100%

Notes

(1) Based on appraised values as at 31 December 2023.

(2) As at 31 December 2023, First REIT's Sponsors hold 44.7% of First REIT units and 100% of the Manager, reflecting a strong alignment of interests with Unitholders.

A PORTFOLIO OF 32 PROPERTIES COMPRISING HOSPITALS, NURSING HOMES, AND HEALTHCARE-RELATED ASSETS ACROSS ASIA



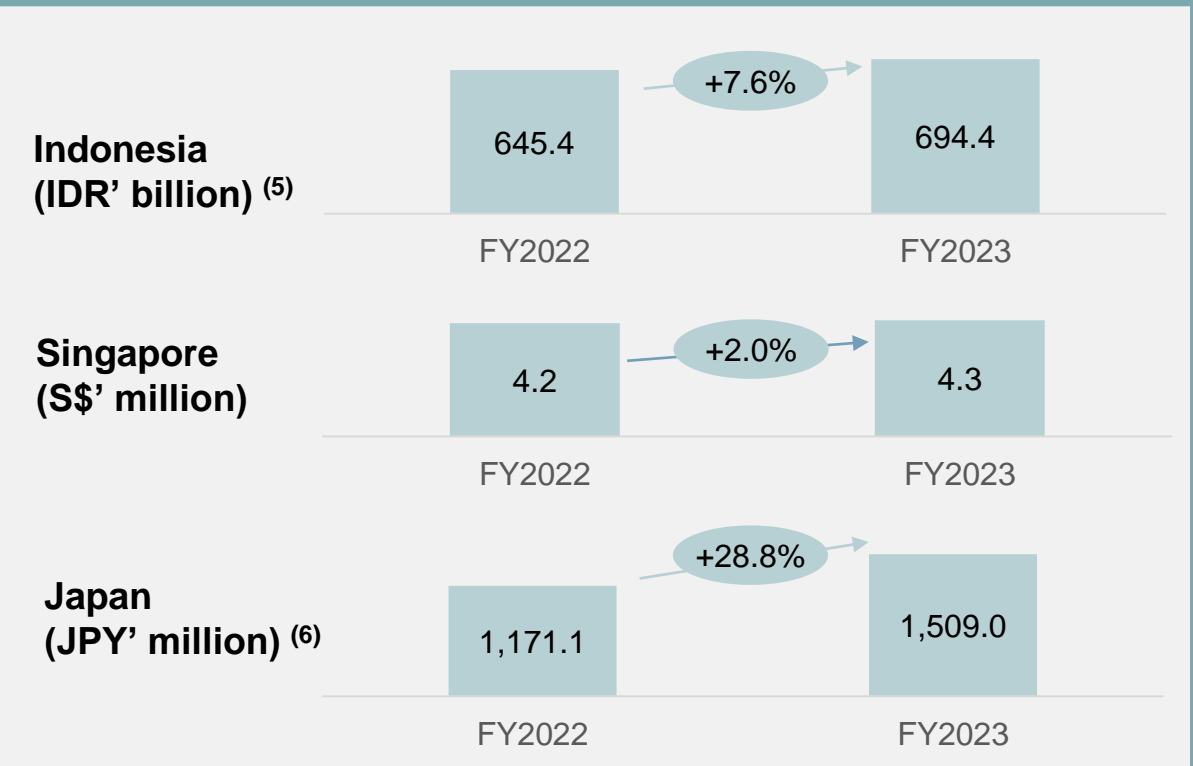
Note

(1) Based on appraised values as at 31 December 2023.

MASTER LEASES FOR HEALTHCARE ASSETS

Healthcare Assets	Indonesia ⁽¹⁾	Singapore	Japan
Rent escalation in local currencies	<ul style="list-style-type: none"> Higher of 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 	<ul style="list-style-type: none"> Fixed base rental with annual increment of 2%. 	<ul style="list-style-type: none"> Annual rental may be revised upwards upon negotiation every 2 to 3 years for 12 assets, and every 5 years for 2 assets ⁽²⁾

FY2023 Rental and Other Income (In local currency) ^{(3), (4)}



Notes

- (1) Excluding Siloam Hospitals Lippo Cikarang, of which rent is denominated in SGD with a fixed base rental, an annual base rental escalation (2x percentage increase of Singapore CPI, capped at 2%), and an additional variable rental growth component that is a function of the year-on-year increase in its gross revenue.
- (2) Negotiation based on the increase in Japan's consumer price index and interest rates.
- (3) Without FRS 116 Adjustment on rental straight-lining.
- (4) Based on average exchange rates, SGDIDR depreciated from 10,638 in FY2022 to 11,364 in FY2023, and SGDJPY depreciated from 90.09 in FY2022 to 102.04 in FY2023.
- (5) Excluding Siloam Hospitals Surabaya which was divested in September 2022, and excluding properties with rent denominated in SGD
- (6) 12 nursing homes were acquired in March 2022 and 2 nursing homes were acquired in September 2022.

KEY FINANCIALS

Financial Highlights (\$\$' million)	FY2023	FY2022	Change (%)
Rental and Other Income	108.6	111.3	(2.4%)
Without FRS 116 Adjustment ⁽¹⁾	93.4	91.9 ⁽²⁾	1.6%
Net Property and Other Income	105.3	108.6	(3.0%)
Without FRS 116 Adjustment ⁽¹⁾	90.1	89.2 ⁽²⁾	1.1%
Distributable Amount	51.4	52.4	(1.9%)
Total Issued And Issuable Units (Millions) ⁽³⁾	2,081.5	2,063.6	0.9%
DPU (Cents)	2.48	2.64	(6.1%)

Notes

(1) Without FRS 116 Adjustment on rental straight-lining

(2) Includes rental income from Siloam Hospitals Surabaya before its divestment in September 2022

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

HEALTHY BALANCE SHEET, FINANCIAL POSITION AND RATIOS

	As at 31 December 2022	As at 31 December 2023
Total Assets ⁽¹⁾	S\$1,198.6 million	S\$1,187.3 million
Total Units in Issue	2,058.6 million	2,076.9 million
NAV/Unit	30.70 cents	30.18 cents
Total Debt ^{(1), (2)}	S\$461.2 million	S\$458.9 million
% Debt, Fixed Rates or Hedged	59.6%	87.2%
All-in Cost of Debt Per Annum	3.7%	5.0%
Gearing Ratio ⁽³⁾	38.5%	38.7%
Interest Coverage Ratio ⁽⁴⁾	5.0 times	4.1 times

Notes

(1) Based on end of period exchange rates, SGDIDR depreciated from 11,494 as at 31 December 2022 to 11,628 as at 31 December 2023, while SGDJPY depreciated from 98 to 109 over the same period.

(2) Total debt before transaction costs.

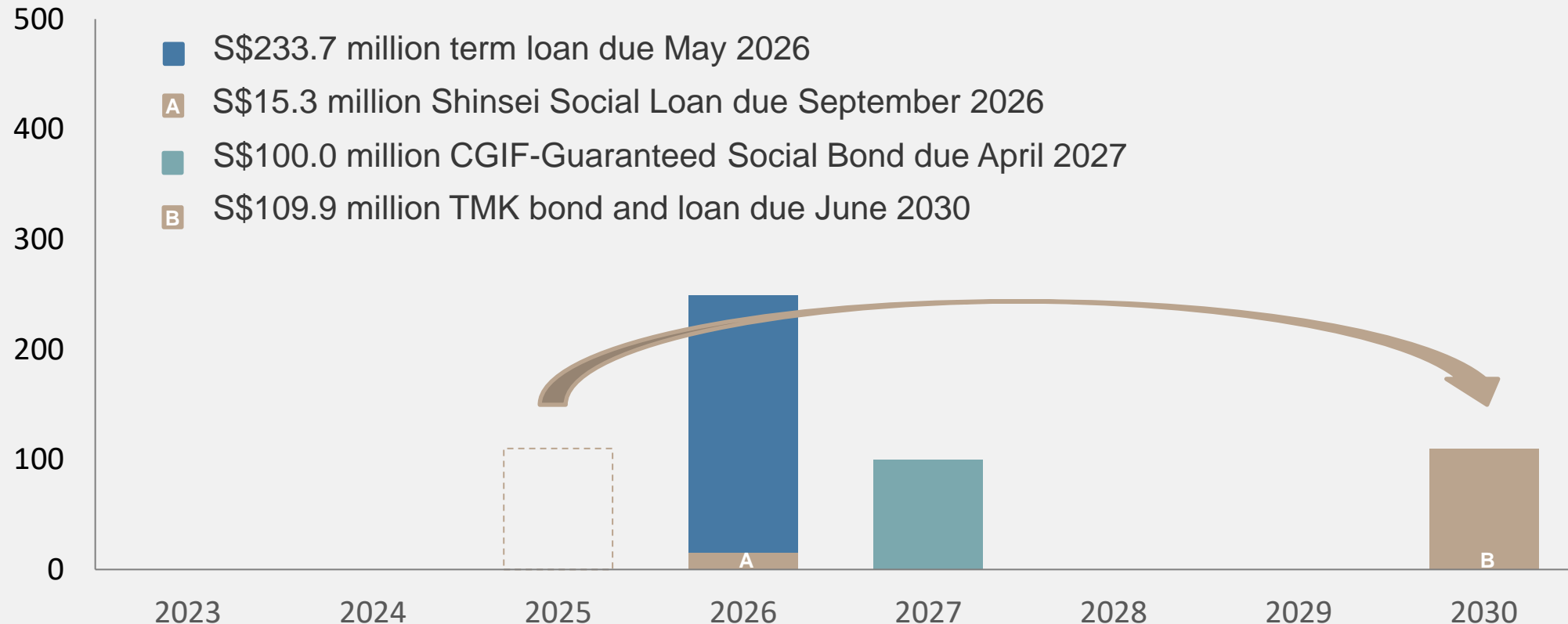
(3) Computed based on gross debt to deposited property.

(4) Adjusted interest cover ratio, including distribution to perpetual securities holders, is 3.9 times as at 31 December 2023 and 4.4 times as at 31 December 2022.

DEBT MATURITY PROFILE

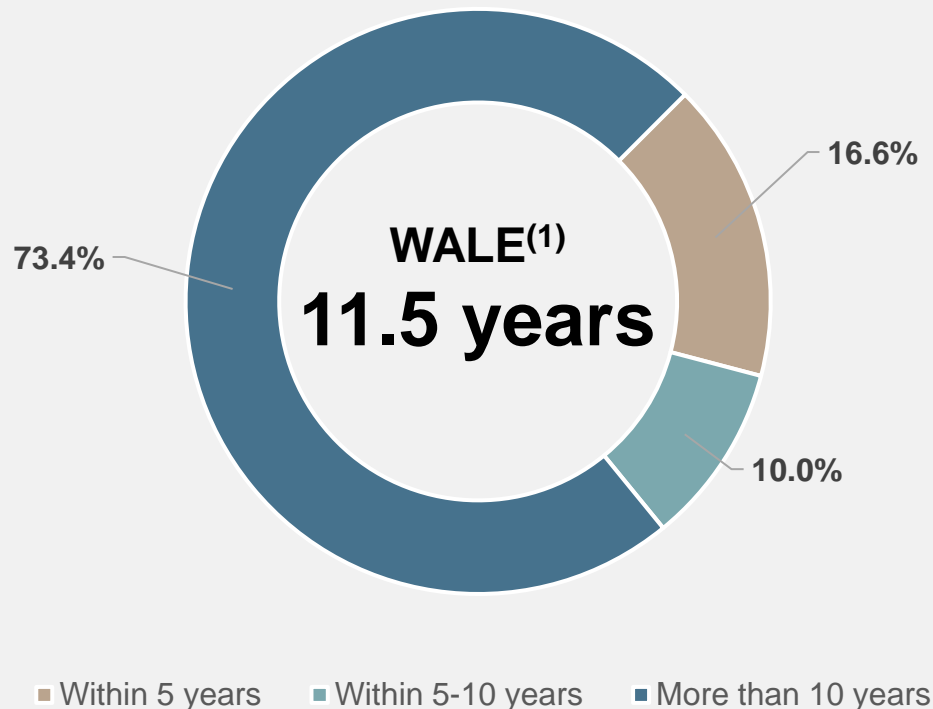
- In June 2023, First REIT completed the early refinancing of TMK bond due May 2025.
- As a result, the weighted average term to maturity increased to 3.6 years as at 31 December 2023, from 3.4 years as at 31 December 2022, and there are no refinancing requirements until May 2026.

(S\$' million)



WALE & LEASE EXPIRY PROFILE

Lease Expiry Profile as % of GFA
(As at 31 December 2023)



Lease Expiry within 5 Years

Property	Expiry
Imperial Aryaduta Hotel & Country Club ⁽²⁾	Dec 2024
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 Séjour 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 of 448,744 sqm as at 31 December 2023.

(2) As announced on 29 December 2023, the master lease of Imperial Aryaduta Hotel & Country Club had been renewed up to 31 December 2024 and a further term of one year may be granted upon mutual agreement. The Manager intends to continue to market IAHCC for divestment and believes it is prudent to have in place a short-term lease in line with market terms while this process remains ongoing. The renewed lease provides some revenue stability from IAHCC while still allowing the Manager strategic flexibility as it further refines its longer-term business plans.

PORTFOLIO VALUATIONS

(S\$'million)	In Singapore Dollars		In Local Currency	
	As at 31 December 2023	Y-O-Y change	As at 31 December 2023	Y-O-Y change
Indonesia	849.1	2.8%	IDR 8,293.1 billion ⁽¹⁾	3.7% ⁽¹⁾
Japan	258.7	(9.9%)	JPY 28.1 billion	(0.4%)
Singapore	31.7	(2.5%)		
Total	1,139.5	(0.5%)		

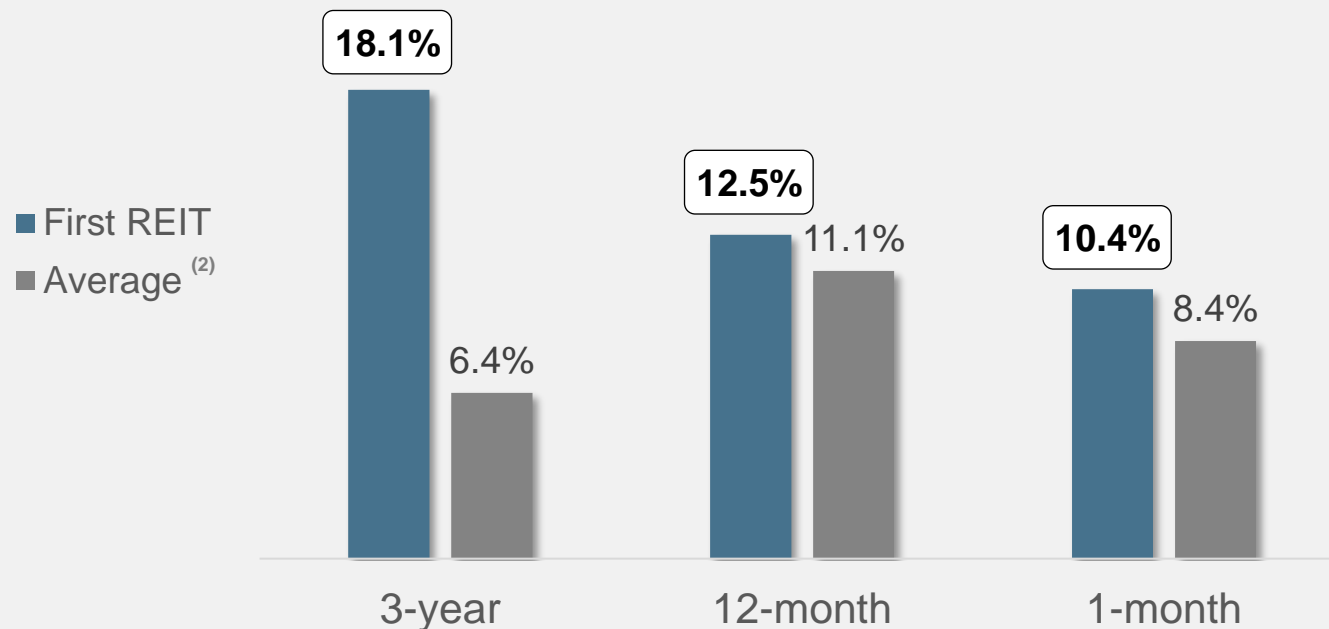
- ❖ Valuation derived using discounted cash flow methodology
 - Indonesia Portfolio's valuation improved largely from a broad-based increase in rent, and lower discount rate and terminal rate
 - Japan Portfolio's valuation dipped mainly due to a weaker Japanese Yen against the Singapore Dollar
 - Singapore Portfolio's valuation lower as due to a decreasing land tenure
- ❖ Valuation derived using direct comparison methodology: IAHC

Note

(1) Annual change in local currency terms excludes properties that contribute rental income denominated in SGD: Siloam Hospitals Lippo Cikarang, Hotel Aryaduta Manado, Lippo Plaza Kupang, and Lippo Plaza Baubau.

FIRST REIT CONSISTENTLY DELIVERED POSITIVE TOTAL RETURNS, UNDERPINNED BY SUSTAINABLE QUARTERLY DISTRIBUTIONS

S-REITs WITH POSITIVE TOTAL RETURNS ⁽¹⁾



OVERVIEW OF FIRST REIT ⁽³⁾

Listing Date	December 2006
Tickers	SGX: AW9U Bloomberg: FIRT:SP
Market Cap	S\$550.4 million
Units Outstanding	2,076.9 million
Unit Price	S\$0.265
Distribution Frequency	Quarterly
Distribution Yield	9.4%
Price-to-book Ratio	0.88x

Notes

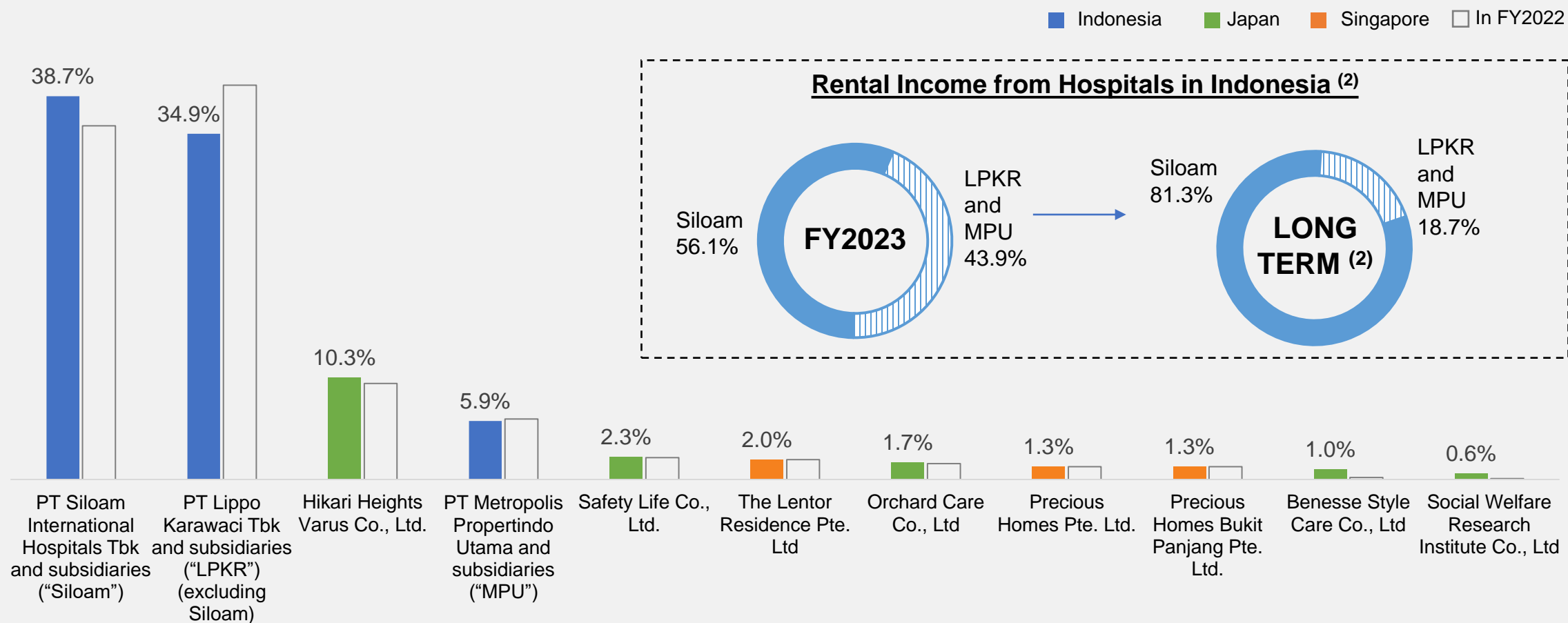
(1) Source: Bloomberg Finance L.P., as at 31 December 2023

(2) Average of 13 S-REITs that delivered positive total returns over the 1-month, 12-month, and 3-year periods.

(3) As at 31 December 2023

IMPROVING DIVERSIFICATION OF TENANT MIX OVER THE LONG TERM

TENANT MIX BY RENTAL INCOME IN FY2023 (1)



Notes

(1) Without 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.

HEALTHCARE REAL ESTATE A RESILIENT ASSET CLASS WITH ROBUST DEMAND FUNDAMENTALS AND LONG-RUN GROWTH PROSPECTS

2.0 GROWTH STRATEGY

1 Diversify into Developed Markets

Increase portfolio in developed markets to **>50% of AUM by FY2027**

25.5% of AUM in developed markets as at 31st December 2023

2 Reshape Portfolio for Capital Efficient Growth

Recycle capital from non-core, or mature assets

Completed divestment of Siloam Hospitals Surabaya in September 2022

Identified IAHCC ⁽¹⁾ 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

Successfully priced Singapore's first healthcare social bond in April 2022

No refinancing requirements until May 2026

4 Continue to Pivot to Ride Megatrends

Improve ESG, ride on opportunities in ageing demographics and under-penetrated healthcare sector

Note

(1) Imperial Aryaduta Hotel & Country Club.



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

Thank You



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