

NEWS RELEASE**FOR IMMEDIATE RELEASE****PLIFE REIT STRENGTHENS JAPAN PORTFOLIO WITH ACQUISITION OF A NEWLY-BUILT NURSING HOME PROPERTY IN OSAKA**

- **Yield-accretive acquisition of a new and quality nursing home**
- **Fortifying strategic partnership with K.K. FDS, an established real estate developer, in a second collaboration**
- **Deepening working relationship with K.K. BISSUSS, an existing partner and credible nursing and care service provider**

Singapore, 30 July 2024 – Parkway Trust Management Limited (the “**Manager**”), as manager of Parkway Life Real Estate Investment Trust (“**PLife REIT**”), one of Asia’s largest listed healthcare real estate investment trusts, is pleased to announce the acquisition of a nursing home property in the Osaka Prefecture — HIBISU Higashi Sumiyoshi (the “**Property**”) from K.K. FDS (“**FDS**”) for a total purchase consideration of JPY2,446.15 million (approximately S\$20.7 million¹) (the “**Purchase Price**”).

HSBC Institutional Trust Services (Singapore) Limited, as trustee of PLife REIT, has through its wholly-owned subsidiary, Parkway Life Japan2 Pte. Ltd., entered into a *Tokumei Kumiai* agreement (or silent partnership, similar to the holding structure for PLife REIT’s previous acquisitions in Japan) for the acquisition of the Property. The acquisition will be made at approximately 9.1% below valuation and is expected to complete by Q3 2024, bringing PLife REIT’s Japan portfolio to 60 properties, totalling to approximately S\$676.8 million² in value.

Reinforce PLife REIT’s Japan Portfolio with a New and Quality Asset

Newly-built in June 2024, HIBISU Higashi Sumiyoshi, is a freehold property that is well-located in the residential area in Osaka City and is Building-Housing Energy-efficiency Labelling System (BELS)³ certified. The acquisition will see PLife REIT taking over the existing master lease agreement from FDS. With a long and stable balance lease term of approximately 30 years, PLife REIT’s weighted average lease expiry (by gross revenue) will improve from 16.05 years to 16.17 years⁴, further enhancing the resiliency of PLife REIT’s earnings.

¹ All JPY to SGD conversion in this press release is based on an assumed exchange rate of S\$1.00 to JPY117.92.

² Based on the latest appraised values of the existing portfolio and the Property.

³ BELS is a third party certification system in Japan that evaluates the energy saving performance of buildings based on the Building Energy Efficiency Act of Japan.

⁴ PLife REIT’s lease expiry profile as at 30 June 2024.

Fortify Strategic Alliance with an Established Real Estate Developer and Strengthen Existing Partnership with a Credible Tenant

The Property was developed by FDS, an established real estate developer in the Kansai region of Japan, whom PLife REIT had transacted with last year. Recognising the importance of developing strong strategic alliances in the furtherance of its growth trajectory in Japan, PLife REIT has entered into a Memorandum of Understanding on Strategic Alliance (“**Strategic MOU**”) with FDS in 2023. This acquisition will mark the second collaboration between the parties and PLife REIT will continue to leverage on the Strategic MOU to gain access to future pipelines of high-quality assets in Japan.

In addition, through this acquisition, PLife REIT will also be propelling its partnership with an existing tenant – K.K. BISCOUSS (“**BISCOUSS**”). Founded in 2015, BISCOUSS is a reputable nursing and care service provider that currently operates 22 nursing and/or aged care facilities in Osaka, Hyogo and Kumamoto Prefectures, including two nursing homes owned by PLife REIT. The acquisition will enable PLife REIT to strengthen its long-term working relationship with a credible tenant within Japan.

Commenting on the acquisition, Mr. Yong Yean Chau, Chief Executive Officer of the Manager, said: “Japan remains a crucial core market for PLife REIT as we drive our next phase of growth. This second collaboration with FDS and BISCOUSS strengthens our existing working relations and also signifies PLife REIT as a preferred partner of FDS and BISCOUSS. This will allow us to secure a pipeline of quality and new assets in Japan amid increasing competition in the sector.”

Acquisition Funding

The acquisition will be fully funded by JPY debts. Similar to previous acquisitions, the deployment of JPY funding provides a natural hedge for the foreign exchange risks arising from JPY-denominated assets and mitigates against potential currency volatility.

Following the acquisition, PLife REIT’s leverage ratio will increase from 35.3% (as at 30 June 2024) to 35.9%, which is within the regulatory gearing limit⁵ for Singapore real estate investment trusts (“**S-REITs**”) under the Code on Collective Investment Schemes issued by the Monetary Authority of Singapore.

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⁵ With effect from 1 January 2022, the gearing limit for S-REITs shall be 45% and 50% for adjusted interest coverage ratio (ICR) of below 2.5x or at least 2.5x respectively.



About Parkway Life REIT

Parkway Life Real Estate Investment Trust (“PLife REIT”) is one of Asia’s largest listed healthcare S-REITs by asset size. It invests in income-producing real estate and real estate related assets that are used primarily for healthcare and healthcare-related purposes (including but are not limited to, hospitals, healthcare facilities and real estate and/or real estate assets used in connection with healthcare research, education, and the manufacture or storage of drugs, medicine and other healthcare goods and devices).

PLife REIT owns a well-diversified portfolio of 63 properties located in the Asia Pacific region, with a total portfolio size of approximately S\$2.3 billion as at 31 December 2023. It owns the largest portfolio of strategically located private hospitals in Singapore comprising Mount Elizabeth Hospital, Gleneagles Hospital and Parkway East Hospital. In addition, it has 59 assets of high-quality nursing home and care facility properties in various prefectures of Japan. It also owns strata-titled units/lots in MOB Specialist Clinics Kuala Lumpur in Malaysia.

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**Important Notice**

This press release is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for units in Parkway Life Real Estate Investment Trust ("PLife REIT" and the units in PLife REIT, the "Units").

The value of the Units and the income derived from them may fall as well as rise. The Units are not obligations of, deposits in, or guaranteed by, Parkway Trust Management Limited, as Manager of PLife REIT, or any of its affiliates. Investors have no right to request the Manager to redeem their Units while the Units are listed. It is intended that Unitholders of PLife 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. The past performance of PLife REIT or the Manager is not necessarily indicative of the future performance of PLife REIT or the Manager. An investment in Units is subject to investment risks, including the possible loss of the principal amount invested.