

NEWS RELEASE
FOR IMMEDIATE RELEASE

**PLIFE REIT REPORTS CONTINUED SOLID PERFORMANCE
AND INCREASED DPU OF 3.54 CENTS in 3Q 2020**

- Distributable income grew 7.4% (3Q Y-O-Y); 3.8% (YTD 3Q Y-O-Y)
- Strong capital structure where gearing remains optimal at 38.6% with an interest cover ratio of 17.0 times
- All properties continued to be in stable operations as COVID-19 outbreak persisted into 3Q 2020

Total Portfolio	3Q 2020 S\$'000	3Q 2019 S\$'000	Variance %	YTD 3Q 2020 S\$'000	YTD 3Q 2019 S\$'000	Variance %
Gross revenue	30,180	29,929	0.8	90,326	87,183	3.6
Net property income	28,101	27,553	2.0	84,069	80,902	3.9
Amount available for distribution (net of amount retained for capital expenditure)	21,387	19,916	7.4	63,200	59,577	6.1
Distributable income to Unitholders (net of amount retained for capital expenditure and COVID-19 related relief measures)	21,387	19,916	7.4	61,817	59,577	3.8
Distribution per Unit (cents)¹						
- DPU for the period	3.54	3.30	7.4	10.22	9.85	3.8
Annualised DPU	14.16	13.20	7.4	13.63	13.13	3.8
Annualised distribution yield (%) , based on closing market price of S\$4.15 as at 30 September 2020	3.41	3.18	7.4	3.28	3.16	3.8

Singapore, 4 November 2020 – Parkway Trust Management Limited (the “Manager”), as manager of Parkway Life Real Estate Investment Trust (“PLife REIT” or the “Group”), one of

¹ In computing the Distribution per Unit (“DPU”), the number of units in issue as at the end of each period is used.

Asia's largest listed healthcare REITs, is pleased to announce a Distribution per Unit ("DPU") of 3.54 Singapore cents for the third quarter ended 30 September 2020 ("3Q 2020") and 10.22 Singapore cents for the nine months ended 30 September 2020 ("YTD 3Q 2020"), representing an increase of 7.4% and 3.8% year-on-year ("Y-O-Y") respectively.

Quarterly gross revenue rose 0.8% Y-O-Y to S\$30.2 million in 3Q 2020 and YTD 3Q 2020 gross revenue rose 3.6% to reach S\$90.3 million compared to the same period last year. Growth is largely comprised of contribution from three nursing rehabilitation facilities in Japan, which were acquired in 4Q 2019, and higher rent from the Singapore properties as well as the appreciation of Japanese Yen ("JPY"). The higher rent was partially offset by the one-off receipt of insurance proceeds for the reimbursement of property repair expenses incurred by certain Japanese assets in 2019. Consequently, net property income for 3Q 2020 grew 2.0% to S\$28.1 million, from S\$27.6 million in 3Q 2019. YTD 3Q 2020 net property income reached S\$84.1 million, a 3.9% increase over YTD 3Q 2019.

Strong Capital Structure

With a portfolio of 49 healthcare properties in Japan, the Group remains proactive in managing its exposure to interest rate risk and foreign exchange risk. As at 30 September 2020, the Group continues to enjoy an effective low all-in cost of debt of 0.54% and there were no long-term debt refinancing needs for the Group till June 2021. To mitigate refinancing risk, the Group targets to put in place loan facilities by 4Q 2020 to term out all maturing debts due in 2021. With approximately 88% of its interest rate exposure hedged, PLife REIT's interest coverage ratio stood at 17.0 times, with optimal gearing at 38.6%. The Group has also put JPY net income hedges in place till 2Q 2025, as a shield against JPY currency volatility.

Commenting on the results, Mr. Yong Yean Chau, Chief Executive Officer of the Manager, said: "Our tenants continue to adhere to strict COVID-19 guidelines and their operations remain stable during this pandemic. With a strong portfolio of quality assets combined with active capital management strategies, PLife REIT can continue to deliver improved returns to Unitholders.

"Additionally, during the quarter, PLife REIT was included in the FTSE EPRA NAREIT Global Developed Index and we have been encouraged with this global recognition from the market. We will strive to achieve long-term growth and deliver sustainable returns for our Unitholders."

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About Parkway Life REIT

Parkway Life Real Estate Investment Trust (“PLife REIT”) is one of Asia’s largest listed healthcare 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 53 properties located in the Asia Pacific region, with a total portfolio size of approximately S\$1.96 billion² as at 30 September 2020. 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 49 assets located in Japan, including one pharmaceutical product distributing and manufacturing facility in Chiba Prefecture as well as 48 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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² Based on latest appraised values (excludes right-of-use assets).

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.