

**NEWS RELEASE**  
**FOR IMMEDIATE RELEASE**

**PLIFE REIT DPU RISES 7.4% Y-O-Y TO 3.57 CENTS IN 1Q 2021**

- DPU growth mainly due to contribution from the Japan acquisition in December 2020 and the absence of one-off retention for COVID-19 related relief measures
- Strengthened growth potential of Japan portfolio through divestment of non-core asset at attractive sale yield of 4.3%
- Enhanced capital structure with successful refinancing of existing JPY3.3 billion notes due in 2022

<b>Total Portfolio</b>	<b>1Q 2021</b>	<b>1Q 2020</b>	<b>Increase</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>%</b>
<b>Gross revenue</b>	<b>29,999</b>	<b>29,869</b>	<b>0.4</b>
<b>Net property income</b>	<b>28,029</b>	<b>27,746</b>	<b>1.0</b>
<b>Amount available for distribution</b> (net of amount retained for capital expenditure)	<b>21,583</b>	<b>20,951</b>	<b>3.0</b>
<b>Distributable income to Unitholders</b> (net of amount retained for capital expenditure and COVID-19 related relief measures <sup>1</sup> )	<b>21,583</b>	<b>20,101</b>	<b>7.4</b>
<b>Distribution Per Unit (cents)<sup>2</sup></b>			
- DPU for the period	3.57	3.32	7.4
- Annualised DPU	14.28	13.28	7.4
<b>Annualised distribution yield (%)</b> (based on closing market price of S\$4.08 as at 31 March 2021)	<b>3.50</b>	<b>3.25</b>	<b>7.4</b>

**Singapore, 23 April 2021** – Parkway Trust Management Limited (the “Manager”), as manager of Parkway Life Real Estate Investment Trust (“PLife REIT” or the “Group”), one of Asia’s

<sup>1</sup> S\$850,000 was retained in 1Q 2020 as part of the S\$1.7 million COVID-19 related relief measures for tenants announced in the same period.

<sup>2</sup> In computing the Distribution per Unit, the number of units in issue as at the end of each period is used.

largest listed healthcare REITs, today announced its results for first quarter ended 31 March 2021 (“1Q 2021”).

Notwithstanding the divestment of P-Life Matsudo on 29 January 2021, gross revenue rose 0.4% year-on-year (“Y-O-Y”) to S\$30.0 million in 1Q 2021. The growth is mainly due to rent contribution from a nursing home acquired in December 2020, as well as and higher rent from the Singapore properties.

Property expenses reduced 7.2% Y-O-Y to S\$1.97 million in 1Q 2021, resulting in a 1.0% increase in Net Property Income to S\$28.0 million over the same period. Overall, Distributable Income (“DI”) to Unitholders grew 7.4% to S\$21.6 million in 1Q 2021, as compared with S\$20.1 million in the previous corresponding period. In 1Q 2020, the Group has retained S\$850,000 as part of the S\$1.7 million COVID-19 related relief measures for tenants announced in the same period. Excluding the one-off retention for COVID-19 related relief measures, DI for 1Q 2021 would have risen 3% Y-O-Y.

### **Strengthened Growth Potential of Japan Portfolio**

On 29 January 2021, the Group has completed the divestment of the non-core asset, a pharmaceutical manufacturing and distributing facility in Japan, for S\$37.1 million at attractive sale yield of 4.3%. The sale price represented approximately 12% premium over original purchase price. The proceeds received from the divestment will provide greater financial strength and flexibility for PLife REIT to acquire other quality assets to strengthen its position in the existing key markets.

### **Enhanced Capital Structure**

As part of PLife REIT’s ongoing efforts to strengthen its balance sheet through proactive debt management, the Group successfully issued 6-year JPY3.3 billion (approximately S\$40.1 million) 0.51% senior unsecured fixed rate notes on 29 March 2021. The proceeds were used to repurchase existing notes issued at fixed rate 0.58% due in 1Q 2022 at par (without penalty). As a result, about 18% of the loans due in 2022 has been refinanced for another 6 years to 2027, and the weighted average term to maturity was extended from 3.2 years<sup>3</sup> to 3.5 years. The Group continues to enjoy an effective low all-in cost of debt of 0.55%.

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<sup>3</sup> As at 31 March 2021.

With approximately 85% of its interest rate exposure hedged, PLife REIT's interest coverage ratio stood at 20.9 times<sup>4</sup>. As at 31 March 2021, gearing remained healthy at 37.8%.

Commenting on the results, Mr. Yong Yean Chau, Chief Executive Officer of the Manager, said: "We are pleased to have navigated through COVID-19 well to deliver yet another quarter of recurring DPU growth since our IPO in 2007. This attests to the defensive nature and resilience of our assets. During the pandemic, our properties will have to maintain operations to ensure the well-being of the community. Post pandemic, our properties will remain critically essential in a rapidly aging population within the Asia-Pacific region.

Looking ahead, there remains uncertainty about the recovery from COVID-19, but we will continue to collaborate with and support our healthcare sector tenants, while staying prudent about financial management, and focused on our growth strategy of strengthening our portfolio."

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<sup>4</sup> Interest coverage ratio as prescribed under the Monetary Authority of Singapore's Property Funds Appendix (last revised on 16 April 2020)

## **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 with a total portfolio size of approximately S\$1.99 billion<sup>5</sup> as at 31 March 2021. 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 private nursing homes located in Japan across various prefectures of Japan. It also owns strata-titled units/lots in MOB Specialist Clinics Kuala Lumpur in Malaysia.

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<sup>5</sup> Based on latest appraised values (excludes right-of-use assets), translated at the exchange rates as at 31 December 2020.

**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.