



(Constituted in the Republic of Singapore pursuant to a trust deed dated 12 July 2007 (as amended))

## RESPONSE TO SGX-ST'S QUERY ON THE UNAUDITED FULL YEAR FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

Parkway Trust Management Limited, the manager of Parkway Life Real Estate Investment Trust ("PLife REIT" and together with its subsidiaries, the "Group"), wishes to announce the information set out below in response to query received from the Singapore Exchange Securities Trading Limited ("SGX-ST") on 7 February 2023 in relation to PLife REIT's unaudited full year financial statements for the financial year ended 31 December 2022.

### **Query:**

In respect of the Group's trade and other payables amounting to S\$23,697,000, please provide the reason(s) for the significant trade and other payables when the Group recorded cash and cash equivalents of S\$40,010,000. Please also disclose a breakdown of the trade and other payables. For other payables, please disclose the aging and nature of these other payables as well as the identity of the counterparties and whether they are related parties.

### **Response:**

On 6 December 2022, the Group has issued a 6-year JPY5,000 million (approximately S\$50.9 million<sup>1</sup>) fixed rate note to pre-emptively term out a fixed rate note of JPY3,000 million (approximately S\$30.5 million) in advance of its maturity in June 2023, and to term out a fixed rate note of JPY2,000 million (approximately S\$20.4 million) upon its maturity in June 2023. The Group has, on the same day, repurchased the JPY3,000 million fixed rate note. Further information of the notes issue and repurchase can be referred in the announcements made on 1 December 2022 and 6 December 2022.

Consequently, the Group's cash and cash equivalents as of 31 December 2022 of S\$40,010,000 had included the residual proceeds from the note issue set aside for the JPY2,000 million fixed rate note maturing on 6 June 2023.

A breakdown of the Group's trade and other payables as of 31 December 2022 are as follows:

Trade payables and accrued operating expenses	\$6,532,000
Amounts due to related parties:	
- the Manager (trade)	\$6,510,000
- the Manager (non-trade)	\$66,000
- the Trustee (trade)	\$62,000
Interest payable	\$835,000
Advance rent received	\$9,692,000
	<u>\$23,697,000</u>

The non-trade amounts due to the Manager are not past due and relate to travelling expenses reimbursable to the Manager.

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<sup>1</sup> All JPY to SGD conversion in this announcement is based on an exchange rate of S\$1.00 to JPY98.33

By Order of the Board  
Parkway Trust Management Limited  
(Company registration no. 200706697Z)  
As manager of Parkway Life Real Estate Investment Trust

Chan Wan Mei  
Company Secretary  
8 February 2023

### **Important Notice**

This Announcement 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 (“Parkway Life REIT” and the units in Parkway Life 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 Parkway Life REIT (the “Manager”), 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 Parkway Life 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 Parkway Life REIT or the Manager is not necessarily indicative of the future performance of Parkway Life REIT or the Manager. An investment in Units is subject to investment risks, including the possible loss of the principal amount invested.

This announcement may contain forward-looking statements that involve assumptions, risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition, shifts in expected levels of property rental income, changes in operating expenses, property expenses, governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business.

Investors are cautioned not to place undue reliance on these forward-looking statements, which are based on the Manager’s current view of future events.