

**Parkway Life Real Estate Investment Trust  
and its subsidiaries  
(Constituted in the Republic of Singapore pursuant to  
a trust deed dated 12 July 2007)**

Interim Financial Statements  
For the Half Year ended 30 June 2024

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**PARKWAY LIFE REAL ESTATE INVESTMENT TRUST**  
**INTERIM FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 30 JUNE 2024**

**A. CONSOLIDATED STATEMENTS OF TOTAL RETURN**

	<b>1H 2024</b> <b>S\$'000</b>	<b>1H 2023</b> <b>S\$'000</b>	<b>Inc/ (Dec)</b> <b>%</b>
<b>Gross revenue</b>	<b>72,420</b>	<b>74,402</b>	<b>(2.7)</b>
Property expenses	(4,065)	(4,318)	(5.9)
<b>Net property income</b>	<b>68,355</b>	<b>70,084</b>	<b>(2.5)</b>
Management fees	(7,161)	(7,312)	(2.1)
Trust expenses	(1,876)	(1,795)	4.5
Net foreign exchange gain	5,130	3,579	43.3
Interest income	137	16	756.3
Finance costs	(5,588)	(5,095)	9.7
<b>Non-property expenses</b>	<b>(9,358)</b>	<b>(10,607)</b>	<b>(11.8)</b>
<b>Total return before changes in fair value of financial derivatives and investment properties</b>	<b>58,997</b>	<b>59,477</b>	<b>(0.8)</b>
Net change in fair value of financial derivatives	8,188	5,179	58.1
Net change in fair value of investment properties	(12,023)	(13,705)	(12.3)
<b>Total return for the period before tax and distribution</b>	<b>55,162</b>	<b>50,951</b>	<b>8.3</b>
Income tax expense	(3,334)	(3,542)	(5.9)
<b>Total return for the period after tax before distribution</b>	<b>51,828</b>	<b>47,409</b>	<b>9.3</b>
<b>Earnings per unit (cents)</b>			
Basic and diluted	8.57	7.84	

**Distribution Statements**

	<b>Note</b>	<b>1H 2024</b> <b>S\$'000</b>	<b>1H 2023</b> <b>S\$'000</b>	<b>Inc/ (Dec)</b> <b>%</b>
<b>Amount available for distribution to Unitholders at the beginning of the period</b>		<b>45,264</b>	<b>44,314</b>	<b>2.1</b>
Total return for the period		51,828	47,409	9.3
Distribution adjustments	A	(4,721)	(1,825)	158.7
Rollover adjustment	2	–	–	n.m.
Amount retained for capital expenditure	B	(1,500)	(1,500)	–
<b>Distributable income to Unitholders</b>		<b>45,609</b>	<b>44,084</b>	<b>3.5</b>
<b>Amount available for distribution to Unitholders</b>		<b>90,873</b>	<b>88,398</b>	<b>2.8</b>
<b>Distributions to Unitholders during the period:</b>				
- Distribution of 7.32 cents per unit for period from 1 July 2022 to 31 December 2022		–	44,286	
- Distribution of 7.48 cents per unit for period from 1 July 2023 to 31 December 2023		45,254	–	
		45,254	44,286	
<b>Rounding adjustment</b>		<b>(10)</b>	<b>(28)</b>	
<b>Amount available for distribution to Unitholders at the end of the period</b>	C	<b>45,609</b>	<b>44,084</b>	<b>3.5</b>
<b>Number of units entitled to distribution ('000)</b>		<b>605,002</b>	<b>605,002</b>	
<b>Distribution per unit based on Distributable income to Unitholders (cents)</b>		<b>7.54</b>	<b>7.29</b>	<b>3.5</b>

**PARKWAY LIFE REAL ESTATE INVESTMENT TRUST**  
**INTERIM FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 30 JUNE 2024**

**Note:**

A. Distribution adjustments comprise:

		<b>1H 2024</b> <b>S\$'000</b>	<b>1H 2023</b> <b>S\$'000</b>	<b>Inc/ (Dec)</b> <b>%</b>
(Non-taxable)/non-tax deductible items:				
Trustee's fees		186	185	0.5
Finance costs	D	2,580	1,829	41.1
Net change in fair value of financial derivatives		(8,188)	(5,179)	58.1
Net change in fair value of investment properties		12,023	13,705	(12.3)
Effects of recognising rental income on a straight-line basis over the lease terms		(12,016)	(13,694)	(12.3)
Foreign exchange gain		(458)	(250)	83.2
Temporary differences	E	1,262	1,369	(7.8)
Others		(110)	210	(152.4)
<b>Net effect of non-taxable items</b>		<b>(4,721)</b>	<b>(1,825)</b>	<b>158.7</b>

- B. An amount of \$3.0 million is retained for capital expenditure on existing properties each year.
- C. Parkway Life REIT's distribution policy is to distribute at least 90% of its taxable income and net overseas income, with the actual level of distribution to be determined at the Manager's discretion.
- D. Finance costs comprised amortisation of lease liabilities and transaction costs relating to debt facilities and borrowing costs incurred on the funding of capital expenditure.
- E. This relates to deferred tax expense provided on the temporary difference between the fair value and the tax written down value at the applicable income tax rate in respect of the Japan investment properties.

**PARKWAY LIFE REAL ESTATE INVESTMENT TRUST**  
**INTERIM FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 30 JUNE 2024**

**B. CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**

	Note	Group 30/06/24 S\$'000	Group 31/12/23 S\$'000	Trust 30/06/24 S\$'000	Trust 31/12/23 S\$'000
<b>Current assets</b>					
Trade and other receivables		6,952	6,316	3,494	2,831
Financial derivatives	5	4,877	1,341	4,877	1,341
Cash and cash equivalents		57,067	28,499	27,765	4,651
Advance payment		9,247	27,740	9,247	27,740
		<b>78,143</b>	<b>63,896</b>	<b>45,383</b>	<b>36,563</b>
<b>Non-current assets</b>					
Investment properties	3	2,194,883	2,230,981	1,531,007	1,506,000
Interests in subsidiaries		–	–	733,702	733,702
Financial derivatives	5	46,488	39,257	46,488	39,257
		<b>2,241,371</b>	<b>2,270,238</b>	<b>2,311,197</b>	<b>2,278,959</b>
<b>Total assets</b>		<b>2,319,514</b>	<b>2,334,134</b>	<b>2,356,580</b>	<b>2,315,522</b>
<b>Current liabilities</b>					
Financial derivatives	5	–	1,820	–	1,820
Trade and other payables		26,361	30,723	20,961	24,138
Current portion of security deposits		461	440	–	–
Lease liabilities		15	15	–	–
Loans and borrowings	4	94,258	53,544	94,258	53,544
		<b>121,095</b>	<b>86,542</b>	<b>115,219</b>	<b>79,502</b>
<b>Non-current liabilities</b>					
Financial derivatives	5	240	3,572	240	3,572
Non-current portion of security deposits		15,130	16,889	–	–
Lease liabilities		2,062	2,069	–	–
Loans and borrowings	4	720,677	772,843	720,677	772,843
Deferred income		1,506	1,506	–	–
Deferred tax liabilities		34,175	36,156	–	–
		<b>773,790</b>	<b>833,035</b>	<b>720,917</b>	<b>776,415</b>
<b>Total liabilities</b>		<b>894,885</b>	<b>919,577</b>	<b>836,136</b>	<b>855,917</b>
<b>Net assets</b>		<b>1,424,629</b>	<b>1,414,557</b>	<b>1,520,444</b>	<b>1,459,605</b>
<b>Represented by:</b>					
<b>Unitholders' funds</b>		<b>1,424,629</b>	<b>1,414,557</b>	<b>1,520,444</b>	<b>1,459,605</b>
Units in issue ('000)	6	605,002	605,002	605,002	605,002
Net asset value per unit (\$)	7	2.35	2.34	2.51	2.41

**PARKWAY LIFE REAL ESTATE INVESTMENT TRUST  
INTERIM FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 30 JUNE 2024**

**C. CONSOLIDATED STATEMENTS OF MOVEMENT IN UNITHOLDERS' FUNDS**

	<b>Group 1H 2024 S\$'000</b>	<b>Group 1H 2023 S\$'000</b>
<b>Unitholders' funds at beginning of period</b>	<b>1,414,557</b>	<b>1,410,486</b>
<b>Operations</b>		
Total return after tax	51,828	47,409
<b>Translation transactions</b>		
Net movement in foreign currency translation reserve	1,517	(2,206)
<b>Hedging reserve</b>		
Net movement in hedging reserve	2,501	(2,758)
<b>Cost of hedging reserve</b>		
Net movement in cost of hedging reserve	(520)	(579)
<b>Unitholders' transactions</b>		
Distribution to Unitholders	(45,254)	(44,286)
<b>Unitholders' funds at end of period</b>	<b>1,424,629</b>	<b>1,408,066</b>

**PARKWAY LIFE REAL ESTATE INVESTMENT TRUST**  
**INTERIM FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 30 JUNE 2024**

**D. PORTFOLIO STATEMENTS**  
**As at 30 June 2024**

Description of property	Tenure of land	Term of lease (years)	Remaining term of lease (years)	Location	Existing use	Carrying Value		Percentage of Net Assets	
						30/06/24 \$'000	31/12/23 \$'000	30/06/24 %	31/12/23 %
<b>Group</b>									
<b>Singapore</b>									
The Mount Elizabeth Hospital Property <sup>(1)</sup>	Leasehold	67	51	3 Mount Elizabeth, Singapore 228510	Hospital and medical centre	919,932	897,000	64.6	63.4
The Gleneagles Hospital Property <sup>(1)</sup>	Leasehold	75	59	6 Napier Road, Singapore 258499; and 6A Napier Road, Singapore 258500	Hospital and medical centre	512,532	512,000	36.0	36.2
The Parkway East Hospital Property <sup>(1)</sup>	Leasehold	75	59	319 Joo Chiat Place, Singapore 427989; and 321 Joo Chiat Place, Singapore 427990	Hospital and medical centre	98,543	97,000	6.9	6.9
						1,531,007	1,506,000	107.5	106.5

**PARKWAY LIFE REAL ESTATE INVESTMENT TRUST  
INTERIM FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 30 JUNE 2024**

**Portfolio statements (cont'd)  
As at 30 June 2024**

Description of property	Tenure of land	Term of lease (years)	Remaining term of lease (years)	Location	Existing use	Carrying Value		Percentage of Net Assets	
						30/06/24 \$'000	31/12/23 \$'000	30/06/24 %	31/12/23 %
<b>Group</b>									
<b>Japan</b>									
Bon Sejour Yokohama Shin-Yamashita <sup>(2)</sup>	Freehold	N.A.	N.A.	2-12-55 Shin Yamashita, Naka-Ku, Yokohama City, Kanagawa Prefecture, Japan	Nursing home with care service	14,162	15,531	1.0	1.1
More Habitation Akashi <sup>(2)</sup>	Freehold	N.A.	N.A.	486, Yagi, Okubo-cho, Akashi City, Hyogo Prefecture, Japan	Nursing home with care service	15,555	17,019	1.1	1.2
More Habitation Suma Rikyu <sup>(2)</sup>	Freehold	N.A.	N.A.	1-5-23, Chimori-cho, Suma-ku, Kobe City, Hyogo Prefecture, Japan	Nursing home with care service	9,299	9,951	0.7	0.7
Senior Chonaikai Makuhari Kan <sup>(2)</sup>	Freehold	N.A.	N.A.	5-370-4, Makuhari-cho, Hanamigawa-ku, Chiba City, Chiba Prefecture, Japan	Nursing home with care service	15,773	17,298	1.1	1.2
<b>Balance carried forward</b>						<b>54,789</b>	<b>59,799</b>	<b>3.9</b>	<b>4.2</b>



**PARKWAY LIFE REAL ESTATE INVESTMENT TRUST**  
**INTERIM FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 30 JUNE 2024**

**Portfolio statements (cont'd)**  
**As at 30 June 2024**

Description of property Group	Tenure of land	Term of lease (years)	Remaining term of lease (years)	Location	Existing use	Carrying Value		Percentage of Net Assets	
						30/06/24 \$'000	31/12/23 \$'000	30/06/24 %	31/12/23 %
<b>Japan (cont'd)</b>									
<b>Balance brought forward</b>						54,789	59,799	3.9	4.2
Smiling Home Medis Musashi Urawa <sup>(2)</sup>	Freehold	N.A.	N.A.	5-5-6, Shikatebukuro, Minami-ku, Saitama City, Saitama Prefecture, Japan	Nursing home with care service	7,106	7,793	0.5	0.6
Smiling Home Medis Koshigaya Gamo <sup>(2)</sup>	Freehold	N.A.	N.A.	2-2-5, Gamonishimachi, Koshigaya City, Saitama Prefecture, Japan	Nursing home with care service	13,992	15,345	1.0	1.1
Sompo no Ie Nakasyo <sup>(2)</sup>	Freehold	N.A.	N.A.	923-1 Aza Miyata, Hirata, Kurashiki City, Okayama Prefecture, Japan	Nursing home with care service	6,213	6,808	0.4	0.5
Maison des Centenaire Ishizugawa <sup>(2)</sup>	Freehold	N.A.	N.A.	2-1-9, Hamadera Ishizuchonishi, Nishi-Ku, Sakai City, Osaka Prefecture, Japan	Nursing home with care service	8,358	9,068	0.6	0.6
Maison des Centenaire Haruki <sup>(2)</sup>	Freehold	N.A.	N.A.	12-20, Haruki- Miyakawacho, Kishiwada City, Osaka Prefecture, Japan	Nursing home with care service	6,255	6,696	0.4	0.5
<b>Balance carried forward</b>						<b>96,713</b>	<b>105,509</b>	<b>6.8</b>	<b>7.5</b>

**PARKWAY LIFE REAL ESTATE INVESTMENT TRUST**  
**INTERIM FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 30 JUNE 2024**

**Portfolio statements (cont'd)**  
**As at 30 June 2024**

Description of property	Tenure of land	Term of lease (years)	Remaining term of lease (years)	Location	Existing use	Carrying Value		Percentage of Net Assets	
						30/06/24 \$'000	31/12/23 \$'000	30/06/24 %	31/12/23 %
<b>Group</b>									
<b>Japan (cont'd)</b>									
<b>Balance brought forward</b>						96,713	105,509	6.8	7.5
Hapine Fukuoka Noke <sup>(2)</sup>	Freehold	N.A.	N.A.	4-35-9, Noke, Sawaraku, Fukuoka City, Fukuoka Prefecture, Japan	Nursing home with care service	8,247	9,040	0.6	0.6
Fiore Senior Residence Hirakata <sup>(2)</sup>	Freehold	N.A.	N.A.	4-10, Higashikori-Shinmachi, Hirakata City, Osaka Prefecture, Japan	Nursing home with care service	4,747	5,199	0.3	0.4
Iyashi no Takatsuki Kan <sup>(2)</sup>	Freehold	N.A.	N.A.	3-19, Haccho-Nishimachi, Takatsuki City, Osaka Prefecture, Japan	Nursing home with care service	14,755	16,182	1.0	1.1
Sawayaka Obatake Ichibankan <sup>(2)</sup>	Freehold	N.A.	N.A.	3-3-51 Obatake, Kokura-kita-ku, Kita-kyushu City, Fukuoka Prefecture, Japan	Nursing home with care service	7,191	7,886	0.5	0.6
Sawayaka Sakurakan <sup>(2)</sup>	Freehold	N.A.	N.A.	126-2 Nakadomari, Nishi-nagano, Kakunodate-machi, Senboku City, Akita Prefecture, Japan	Nursing home with care service	7,725	8,472	0.5	0.6
Sawayaka Nogatakan <sup>(2)</sup>	Freehold	N.A.	N.A.	442-1 Yamabe-Oaza, Nogata City, Fukuoka Prefecture, Japan	Nursing home with care service	7,021	7,700	0.5	0.5
<b>Balance carried forward</b>						146,399	159,988	10.2	11.3

**PARKWAY LIFE REAL ESTATE INVESTMENT TRUST**  
**INTERIM FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 30 JUNE 2024**

**Portfolio statements (cont'd)**  
**As at 30 June 2024**

Description of property	Tenure of land	Term of lease (years)	Remaining term of lease (years)	Location	Existing use	Carrying Value		Percentage of Net Assets	
						30/06/24 \$'000	31/12/23 \$'000	30/06/24 %	31/12/23 %
<b>Group</b>									
<b>Japan (cont'd)</b>									
<b>Balance brought forward</b>						146,399	159,988	10.2	11.3
Sawayaka Shinmojikan <sup>(2)</sup>	Freehold	N.A.	N.A.	1543-1 Oaza Hata, Moji-ku, Kita-kyushu City, Fukuoka Prefecture, Japan	Nursing home with care service	9,413	10,323	0.7	0.7
Sawayaka Obatake Nibankan <sup>(2)</sup>	Freehold	N.A.	N.A.	1-6-26 Obatake, Kokura-kita-ku, Kita-kyushu City, Fukuoka Prefecture, Japan	Short stay/Day care home	3,426	3,757	0.2	0.3
Sawayaka Fukufukukan <sup>(2)</sup>	Freehold	N.A.	N.A.	1-24-4 Fukuyanagi, Tobata-ku, Kita-kyushu City, Fukuoka Prefecture, Japan	Nursing home with care service	6,165	6,761	0.4	0.5
As Heim Nakaurawa <sup>(2)</sup>	Freehold	N.A.	N.A.	2-21-9 Nishibori, Sakura-ku, Saitama Prefecture, Japan	Nursing home with care service	9,416	10,323	0.7	0.7
Hanadama no Ie Nakahara <sup>(2)</sup>	Freehold	N.A.	N.A.	5-14-25 Shimo Kotanaka Nakahara-ku, Kawasaki, Kanagawa Prefecture, Japan	Nursing home with care service	7,920	8,686	0.6	0.6
<b>Balance carried forward</b>						<b>182,739</b>	<b>199,838</b>	<b>12.8</b>	<b>14.1</b>

**PARKWAY LIFE REAL ESTATE INVESTMENT TRUST**  
**INTERIM FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 30 JUNE 2024**

**Portfolio statements (cont'd)**  
**As at 30 June 2024**

Description of property Group	Tenure of land	Term of lease (years)	Remaining term of lease (years)	Location	Existing use	Carrying Value		Percentage of Net Assets	
						30/06/24 \$'000	31/12/23 \$'000	30/06/24 %	31/12/23 %
<b>Japan (cont'd)</b>									
<b>Balance brought forward</b>						182,739	199,838	12.8	14.1
Sawayaka Higashikagurakan <sup>(2)</sup>	Freehold	N.A.	N.A.	2-351-4 Kitaichijo Higashi, Higashikagura-cho Kamikawa-gun, Hokkaido Prefecture, Japan	Nursing home with care service	8,904	9,765	0.6	0.7
Happy Life Toyonaka <sup>(2)</sup>	Freehold	N.A.	N.A.	15-14, Kozushima 2-chome, Toyonaka City, Osaka Prefecture, Japan	Nursing home with care service	4,754	5,199	0.3	0.4
More Habitation Kobe Kitano <sup>(2)</sup>	Freehold	N.A.	N.A.	13-7, Kanocho 2-chome, Chuo-ku, Kobe City, Hyogo Prefecture, Japan	Nursing home with care service	14,077	15,438	1.0	1.1
Sawayaka Seaside Toba <sup>(2)</sup>	Freehold	N.A.	N.A.	300-73 Aza Hamabe, Ohamacho Toba City, Mie Prefecture, Japan	Nursing home with care service	13,653	14,973	1.0	1.1
<b>Balance carried forward</b>						<b>224,127</b>	<b>245,213</b>	<b>15.7</b>	<b>17.4</b>

**PARKWAY LIFE REAL ESTATE INVESTMENT TRUST  
INTERIM FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 30 JUNE 2024**

**Portfolio statements (cont'd)  
As at 30 June 2024**

Description of property Group	Tenure of land	Term of lease (years)	Remaining term of lease (years)	Location	Existing use	Carrying Value		Percentage of Net Assets	
						30/06/24 \$'000	31/12/23 \$'000	30/06/24 %	31/12/23 %
<b>Japan (cont'd)</b>									
<b>Balance brought forward</b>						224,127	245,213	15.7	17.4
Sawayaka Niihamakan <sup>(2)</sup>	Freehold	N.A.	N.A.	Otsu 11-77, Higashida 3-chome, Niihama City, Ehime Prefecture, Japan	Nursing home with care service	12,974	14,229	0.9	1.0
Sawayaka Mekari Nibankan <sup>(2)</sup>	Freehold	N.A.	N.A.	2720-2, Okubo 1- chome, Mojiku, Kitakyushushi City, Fukuoka Prefecture, Japan	Nursing home with care service	3,038	3,311	0.2	0.2
Sawayaka Kiyotakan <sup>(2)</sup>	Freehold	N.A.	N.A.	16-7, Kiyota 3-chome, Yahatahigashi-ku, Kitakyushushi, Fukuoka Prefecture, Japan	Nursing home with care service	8,992	9,858	0.6	0.7
Sawayaka Minatokan <sup>(2)</sup>	Freehold	N.A.	N.A.	5155-3 Jyusanbancho, Furumachidori, Chuo-ku, Niigata City, Niigata Prefecture, Japan	Nursing home with care service	6,564	7,198	0.5	0.5
Maison des Centenaire Hannan <sup>(2)</sup>	Freehold	N.A.	N.A.	8-423-29 Momonokidai, Hannan City, Osaka Prefecture, Japan	Nursing home with care service	16,625	18,228	1.2	1.3
<b>Balance carried forward</b>						<u>272,320</u>	<u>298,037</u>	<u>19.1</u>	<u>21.1</u>

**PARKWAY LIFE REAL ESTATE INVESTMENT TRUST**  
**INTERIM FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 30 JUNE 2024**

**Portfolio statements (cont'd)**  
**As at 30 June 2024**

Description of property	Tenure of land	Term of lease (years)	Remaining term of lease (years)	Location	Existing use	Carrying Value		Percentage of Net Assets	
						30/06/24 \$'000	31/12/23 \$'000	30/06/24 %	31/12/23 %
<b>Group</b>									
<b>Japan (cont'd)</b>									
<b>Balance brought forward</b>						272,320	298,037	19.1	21.1
Maison des Centenaire Ohhama <sup>(2)</sup>	Freehold	N.A.	N.A.	3-11-18 Ohhama Kitamachi Sakai-Ku, Sakai City, Osaka Prefecture, Japan	Nursing home with care service	7,110	7,477	0.5	0.5
Sunhill Miyako <sup>(2)</sup>	Freehold	N.A.	N.A.	8-423-30 Momonokidai, Hannan City, Osaka Prefecture, Japan	Extended stay lodging facility	8,184	8,965	0.6	0.6
Habitation Jyosui <sup>(2)</sup>	Freehold	N.A.	N.A.	4-1-26 Yakuin, Chuo-ku Fukuoka City, Fukuoka Prefecture, Japan	Nursing home with care service	31,013	33,945	2.2	2.4
Ocean View Shonan Arasaki <sup>(2)</sup>	Freehold	N.A.	N.A.	5-25-1 Nagai, Yokosuka City, Kanagawa Prefecture, Japan	Nursing home with care service	18,409	20,181	1.3	1.4
Habitation Hakata I, II and III <sup>(2)</sup>	Freehold	N.A.	N.A.	23-10 Kanenokuma 3-chome Hakata-ku, Fukuoka City, Fukuoka Prefecture, Japan	Nursing home with care service	35,918	38,874	2.5	2.7
Excellent Tenpaku Garden Hills <sup>(2)</sup>	Freehold	N.A.	N.A.	141-3 Tsuchihara 2-chome, Tenpaku-ku, Nagoya City, Aichi Prefecture, Japan	Nursing home with care service	15,688	17,205	1.1	1.2
<b>Balance carried forward</b>						<b>388,642</b>	<b>424,684</b>	<b>27.3</b>	<b>29.9</b>

**PARKWAY LIFE REAL ESTATE INVESTMENT TRUST**  
**INTERIM FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 30 JUNE 2024**

**Portfolio statements (cont'd)**  
**As at 30 June 2024**

Description of property	Tenure of land	Term of lease (years)	Remaining term of lease (years)	Location	Existing use	Carrying Value		Percentage of Net Assets	
						30/06/24 \$'000	31/12/23 \$'000	30/06/24 %	31/12/23 %
<b>Group</b>									
<b>Japan (cont'd)</b>									
<b>Balance brought forward</b>						388,642	424,684	27.3	29.9
Liverari Shiroishi Hana Ichigo-kan <sup>(2)</sup>	Freehold	N.A.	N.A.	1-18 Kitago 3jyo, Shiraishi-ku, Sapporo City, Hokkaido Prefecture, Japan	Nursing home with care service	3,155	3,460	0.2	0.2
Liverari Shiroishi Hana Nigo-kan <sup>(2)</sup>	Freehold	N.A.	N.A.	5-10 Kitago 2jyo 5-chome, Shiraishi-ku, Sapporo City, Hokkaido Prefecture, Japan	Nursing home with care service	1,577	1,730	0.1	0.1
Sunny Spot Misono <sup>(2)</sup>	Freehold	N.A.	N.A.	4-24 Misono 7jyo 3-chome, Toyohira-ku, Sapporo City, Hokkaido Prefecture, Japan	Group home with care service	1,826	2,000	0.1	0.1
Silver Heights Hitsujigaoka (Ichibankan and Nibankan) <sup>(2)</sup>	Freehold	N.A.	N.A.	6-1 Fukuzumi, 3jyo 3-chome, Toyohira-ku, Sapporo City, Hokkaido Prefecture, Japan	Nursing home with care service	11,287	12,369	0.8	0.9
Habitation Wakaba <sup>(2)</sup>	Freehold	N.A.	N.A.	1763-12 Oguramachi Wakabaku, Chiba City, Chiba Prefecture, Japan	Nursing home with care service	18,910	20,739	1.3	1.5
Habitation Hakusho <sup>(2)</sup>	Freehold	N.A.	N.A.	301 Hijikai, Yachimata City, Chiba Prefecture, Japan	Nursing home with care service	14,170	15,531	1.0	1.1
<b>Balance carried forward</b>						<b>439,567</b>	<b>480,513</b>	<b>30.8</b>	<b>33.8</b>

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**Portfolio statements (cont'd)**  
**As at 30 June 2024**

Description of property	Tenure of land	Term of lease (years)	Remaining term of lease (years)	Location	Existing use	Carrying Value		Percentage of Net Assets	
						30/06/24 \$'000	31/12/23 \$'000	30/06/24 %	31/12/23 %
<b>Group</b>									
<b>Japan (cont'd)</b>									
<b>Balance brought forward</b>						439,567	480,513	30.8	33.8
Group Home Hakusho <sup>(2)</sup>	Freehold	N.A.	N.A.	1345-16 Toyoma, Yachimata City, Chiba Prefecture, Japan	Group home with care service	907	995	0.1	0.1
Kikuya Warakuen <sup>(2)</sup>	Freehold	N.A.	N.A.	1404-10 Nishitoyoi, Oaza, Kudamatsu City, Yamaguchi Prefecture, Japan	Nursing home with care service	7,318	8,026	0.5	0.6
Sanko <sup>(2)</sup>	Freehold	N.A.	N.A.	4-16-16 Mizuhomachi, Kudamatsu City, Yamaguchi Prefecture, Japan	Nursing home with care service	4,732	5,189	0.3	0.4
Konosu Nursing Home Kyoseien <sup>(2)</sup>	Freehold	N.A.	N.A.	3409-1 Shimoya, Konosu, Saitama Prefecture, Japan	Nursing rehabilitation facility	15,020	16,461	1.1	1.2
Haru no Sato <sup>(2)</sup>	Freehold	N.A.	N.A.	1-2-23 Hajima, Shunan, Yamaguchi Prefecture, Japan	Nursing rehabilitation facility	11,363	12,462	0.8	0.9
Hodaka no Niwa <sup>(2)</sup>	Freehold	N.A.	N.A.	205 Hitoegane, Okuhida Onsen, Takayama, Gifu Prefecture, Japan	Nursing rehabilitation facility	12,144	13,299	0.9	0.9
Orange no Sato <sup>(2)</sup>	Leasehold	99	96	522 Yoshiwara, Aridagawa-machi, Arida, Wakayama Prefecture, Japan	Nursing rehabilitation facility	10,542	11,253	0.7	0.8
Habitation Kamagaya <sup>(2)</sup>	Freehold	N.A.	N.A.	12-1 Shin-Kamagaya 4-chome, Kamagaya City, Chiba Prefecture, Japan	Nursing home with care service	15,897	17,391	1.1	1.2
<b>Balance carried forward</b>						<b>517,490</b>	<b>565,589</b>	<b>36.3</b>	<b>39.9</b>



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**Portfolio statements (cont'd)**  
**As at 30 June 2024**

Description of property	Tenure of land	Term of lease (years)	Remaining term of lease (years)	Location	Existing use	Carrying Value		Percentage of Net Assets	
						30/06/24 \$'000	31/12/23 \$'000	30/06/24 %	31/12/23 %
<b>Group</b>									
<b>Japan (cont'd)</b>									
<b>Balance brought forward</b>						517,490	565,589	36.3	39.9
Will-Mark Kashiihama <sup>(2)</sup>	Freehold	N.A.	N.A.	2-1 Kashiihama 3-chome, Fukuoka City, Fukuoka Prefecture, Japan	Nursing home with care service	27,523	29,853	1.9	2.1
Crea Adachi <sup>(2)</sup>	Freehold	N.A.	N.A.	19-10 Iriya 2-chome Adachi City, Tokyo Prefecture, Japan	Nursing home with care service	11,448	12,555	0.8	0.9
Habitation Kisarazu Ichiban-kan <sup>(2)</sup>	Freehold	N.A.	N.A.	11-1, Kaneda Higashi 4-chome, Kisarazu City, Chiba, Japan	Nursing home with care service	30,952	33,945	2.2	2.4
Blue Rise Nopporo <sup>(2)</sup>	Freehold	N.A.	N.A.	39-1 Suehirocho, Nopporo, Ebetsu City, Hokkaido Prefecture, Japan	Nursing home with care service	6,770	7,412	0.5	0.5
Blue Terrace Kagura <sup>(2)</sup>	Freehold	N.A.	N.A.	9-2-27 Kagura 2jyo, Asahikawa City, Hokkaido Prefecture, Japan	Nursing home with care service	11,194	12,276	0.8	0.9
Blue Terrace Taisetsu <sup>(2)</sup>	Freehold	N.A.	N.A.	506-16 Taisetsudori 7-chome, Asahikawa City, Hokkaido Prefecture, Japan	Nursing home with care service	6,520	7,151	0.5	0.5
Assisted Living Edogawa <sup>(2)</sup>	Freehold	N.A.	N.A.	3-27-17 Nishi-Ichinoe, Edogawa-ku, Tokyo Prefecture, Japan	Nursing home with care service	16,112	17,670	1.1	1.2
Assisted Living Toke <sup>(2)</sup>	Freehold	N.A.	N.A.	299-4 Tokecho, Midori-ku, Chiba City, Chiba Prefecture, Japan	Nursing home with care service	11,024	12,090	0.8	0.9
						<b>639,033</b>	<b>698,541</b>	<b>44.9</b>	<b>49.3</b>

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**Portfolio statements (cont'd)**  
**As at 30 June 2024**

Description of property	Tenure of land	Term of lease (years)	Remaining term of lease (years)	Location	Existing use	Carrying Value		Percentage of Net Assets	
						30/06/24 \$'000	31/12/23 \$'000	30/06/24 %	31/12/23 %
<b>Group</b>									
<b>Japan (cont'd)</b>									
<b>Balance brought forward</b>						639,033	698,541	44.9	49.3
HIBISU Shirokita Koendori <sup>(4)</sup>	Freehold	N.A.	N.A.	4-30-18, Akagawa, Asahi-ku, Osaka City, Osaka Prefecture, Japan	Nursing home with care service	8,078	8,872	0.6	0.6
HIBISU Suita <sup>(4)</sup>	Freehold	N.A.	N.A.	9-19, Higashiomitabi-cho, Suita City, Osaka Prefecture, Japan	Nursing home with care service	8,904	9,765	0.6	0.7
						656,015	717,178	46.1	50.6
<b>Malaysia</b>									
MOB Specialist Clinics, Kuala Lumpur <sup>(3)</sup>	Freehold	N.A.	N.A.	282, Jalan Ampang 50450 Kuala Lumpur, Malaysia	Medical Centre	5,784	5,719	0.4	0.4
<b>Investment properties, at carrying value</b>						2,192,806	2,228,897	154.0	157.5
Other assets and liabilities (net)						(768,177)	(814,340)	(54.0)	(57.5)
Net assets						1,424,629	1,414,557	100.0	100.0

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**Portfolio statements (cont'd)**  
**As at 30 June 2024**

Description of property	Tenure of land	Term of lease (years)	Remaining term of lease (years)	Location	Existing use	Carrying Value		Percentage of Net Assets	
						30/06/24 \$'000	31/12/23 \$'000	30/06/24 %	31/12/23 %
<b>Trust</b>									
<b>Singapore</b>									
The Mount Elizabeth Hospital Property <sup>(1)</sup>	Leasehold	67	51	3 Mount Elizabeth, Singapore 228510	Hospital and medical centre	919,932	897,000	60.5	61.5
The Gleneagles Hospital Property <sup>(1)</sup>	Leasehold	75	59	6 Napier Road, Singapore 258499; and 6A Napier Road, Singapore 258500	Hospital and medical centre	512,532	512,000	33.7	35.1
The Parkway East Hospital Property <sup>(1)</sup>	Leasehold	75	59	319 Joo Chiat Place, Singapore 427989; and 321 Joo Chiat Place, Singapore 427990	Hospital and medical centre	98,543	97,000	6.5	6.6
Investment properties, at carrying value						1,531,007	1,506,000	100.7	103.2
Other assets and liabilities (net)						(10,563)	(46,395)	(0.7)	(3.2)
Net assets						1,520,444	1,459,605	100.0	100.0

<sup>(1)</sup> These properties are leased to Parkway Hospitals Singapore Pte. Ltd., a related party of the Manager and the Trust under separate master lease agreements, which are renewed under the terms of the New Master Lease Agreements from 23 August 2022 to 31 December 2042 with an option to extend the lease of each of these properties for a further term of 10 years. On 31 December 2023, the appraised value of these properties under the terms of the New Master Lease Agreements were determined by Knight Frank Pte. Ltd., using direct capitalisation and discounted cash flow methods.

<sup>(2)</sup> On 31 December 2023, independent valuations of these properties were undertaken by CBRE K.K., Enrix Co., Ltd, Cushman & Wakefield K.K. and JLL Morii Valuation & Advisory K.K. using the discounted cash flow method.

<sup>(3)</sup> On 31 December 2023, the appraised value of the property was determined by Nawawi Tie Leung Property Consultants Sdn. Bhd., using the direct capitalisation method.

<sup>(4)</sup> On 18 October 2023, the Group entered into a Tokumei Kumiai agreement as an investor in relation to the acquisition of two nursing homes located in Japan for a purchase price of JPY1,766 million (approximately \$16.1 million). The acquisition of the properties was completed on 27 October 2023. The appraised value of the properties as at 31 December 2023 was determined by Enrix Co., Ltd using discounted cash flow method.

The Manager believes that the independent valuers have appropriate professional qualifications and recent experience in the location and category of the properties being valued.

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**E. CONSOLIDATED STATEMENT OF CASH FLOWS**

	<b>1H 2024</b> <b>S\$'000</b>	<b>1H 2023</b> <b>S\$'000</b>
<b>Operating activities</b>		
Total return before income tax	<b>55,162</b>	<b>50,951</b>
<b>Adjustments for</b>		
Interest income	(137)	(16)
Finance costs	5,588	5,095
Net change in fair value of financial derivatives	(8,188)	(5,179)
Net change in fair value of investment properties	12,023	13,705
Straight-line rental adjustments	(12,016)	(13,694)
<b>Operating income before working capital changes</b>	<b>52,432</b>	<b>50,862</b>
<b>Changes in working capital</b>		
Trade and other receivables	(986)	11,752
Trade and other payables	(926)	(1,607)
Security deposits	(84)	(304)
Cash generated from operations	50,436	60,703
Income tax paid	(1,446)	(2,158)
<b>Cash flows generated from operating activities</b>	<b>48,990</b>	<b>58,545</b>
<b>Investing activities</b>		
Interest received	137	16
Capital expenditure on investment properties	(9,350)	(15,624)
Cash outflow on purchase of investment properties (including acquisition-related costs)	(53)	(316)
<b>Cash flows used in investing activities</b>	<b>(9,266)</b>	<b>(15,924)</b>
<b>Financing activities</b>		
Interest paid	(4,677)	(4,330)
Distribution to Unitholders	(45,254)	(44,286)
Proceeds from loans and borrowings	167,628	366,987
Repayment of loans and borrowings	(122,509)	(345,700)
Redemption of medium term note	–	(19,400)
Borrowing costs paid	(985)	(44)
Repayment of lease liabilities	(15)	(16)
<b>Cash flows used in financing activities</b>	<b>(5,812)</b>	<b>(46,789)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>33,912</b>	<b>(4,168)</b>
<b>Cash and cash equivalents at beginning of the period</b>	<b>28,499</b>	<b>40,010</b>
Effects of exchange differences on cash balances	(5,344)	(3,729)
<b>Cash and cash equivalents at end of the period</b>	<b>57,067</b>	<b>32,113</b>

**F. SELECTED NOTES TO THE FINANCIAL STATEMENTS**

**1. Corporate Information**

Parkway Life Real Estate Investment Trust (“Parkway Life REIT” or the “Trust”) is a Singapore-domiciled unit trust constituted pursuant to the trust deed dated 12 July 2007 (as amended) (the “Trust Deed”) between Parkway Trust Management Limited (the “Manager”) and HSBC Institutional Trust Services (Singapore) Limited (the “Trustee”), governed by the laws of the Republic of Singapore. On 12 July 2007, the Trust was declared as an authorised unit trust scheme under the Trustees Act, Chapter 337. The Trustee is under a duty to take into custody and hold the assets of the Trust and its subsidiaries (the “Group”) in trust for the holders (“Unitholders”) of units in the Trust (the “Units”).

On 23 August 2007 (“Listing Date”), the Trust was admitted to the Official List of the Singapore Exchange Securities Trading Limited (“SGX-ST”) and was included under the Central Provident Fund (“CPF”) Investment Scheme on the same date.

The principal activity of the Trust is to invest primarily in income-producing real estate and/or real estate-related assets in the Asia-Pacific region (including Singapore) that are used primarily for healthcare and/or healthcare-related purposes (including but 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), whether wholly or partially owned, and whether directly or indirectly held through the ownership of special purpose vehicles whose primary purpose is to own such real estate.

**2. Basis of Preparation**

The condensed interim financial statements for the half year ended 30 June 2024 have been prepared in accordance with the recommendations of Statement of Recommended Accounting Practice (“RAP”) 7 *Reporting Framework for Investment Funds* issued by the Institute of Singapore Chartered Accountants and the applicable requirements of the Code on Collective Investment Schemes (“CIS Code”) issued by the Monetary Authority of Singapore (“MAS”) and the provisions of the Trust Deed. RAP 7 requires that accounting policies adopted should generally comply with the recognition and measurement principles of Singapore Financial Reporting Standards (“FRS”).

The accounting policies and methods of computation applied in the condensed interim financial statements for the current reporting period are consistent with those disclosed in the audited financial statements for the year ended 31 December 2023.

The consolidated interim financial statements of the Group are presented in Singapore dollars, which is the Trust’s functional currency. All financial information presented in Singapore dollars have been rounded to the nearest thousand, unless otherwise stated.

**2.1 New and amended standards adopted by the Group**

There are no new standards, amendments to standards and interpretations, effective for annual periods beginning on or after 1 January 2024, which will result in significant impact on the condensed interim financial statements of the Group.

**2.2 Use of judgements and estimates**

The preparation of financial statements in conformity with RAP 7 requires the Manager to make judgements, estimates and assumptions that affect the application of policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

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**3. Investment properties**

	Group		Trust	
	30/06/2024 \$'000	31/12/2023 \$'000	30/06/2024 \$'000	31/12/2023 \$'000
At 1 January	2,230,981	2,205,881	1,506,000	1,439,000
Acquisition of investment properties	–	16,145	–	–
Acquisition related costs	(12)	2,003	–	–
Capital expenditure	27,157	56,280	25,007	51,204
Translation difference	(63,236)	(65,091)	–	–
	<u>2,194,890</u>	<u>2,215,218</u>	<u>1,531,007</u>	<u>1,490,204</u>
Change in fair value of investment properties	4	15,785	–	15,796
Amortisation of right-of-use assets	(11)	(22)	–	–
At end of reporting period	<u>2,194,883</u>	<u>2,230,981</u>	<u>1,531,007</u>	<u>1,506,000</u>

***Determination of fair value***

Investment properties are stated at fair value based on valuations as at 31 December 2023 performed by independent professional valuers having appropriate recognised professional qualification and experience in the location and category of property being valued.

The fair values are generally derived using the capitalisation approach and discounted cash flow valuation techniques.

The capitalisation approach capitalises an income stream into a present value using revenue multipliers or single-year capitalisation rates. The discounted cash flow method involves the estimation and projection of an income stream over a period and discounting the income stream with an appropriate rate of return.

The net change in fair value of the investment properties recognised in the statement of total return comprises the following:

	Group		Trust	
	30/06/2024 \$'000	31/12/2023 \$'000	30/06/2024 \$'000	31/12/2023 \$'000
Change in fair value of investment properties	4	15,785	–	15,796
Amortisation of right-of-use assets	(11)	(22)	–	–
Straight-line rental adjustments	(12,016)	(27,012)	(12,093)	(26,441)
Net change in fair value of investment properties recognised in statement of total return	<u>(12,023)</u>	<u>(11,249)</u>	<u>(12,093)</u>	<u>(10,645)</u>

***Valuation processes applied by the Group and Trust***

Valuation of investment properties is performed in accordance with the Trust Deed. In determining the fair value, the valuers have used valuation methods which involved certain estimates. In assessing the fair value measurements, the Manager reviews the valuation methodologies and evaluates the assessments made by the valuers. The Manager exercised its judgement and is satisfied that the valuation methods and estimates are reflective of the current market conditions. The valuation reports are prepared in accordance with recognised appraisal and valuation standards.

Based on the Manager's current assessment, the latest appraised values of the investment properties is still appropriate as at the reporting date of 30 June 2024 as there is no significant change to the market conditions.

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*Fair value hierarchy*

The fair value measurement for investment properties of the Group and the Trust have been categorised as Level 3 fair values based on inputs to the valuation technique used.

Reconciliations from the beginning balances to the ending balances for fair value measurements of Level 3 investment properties are set out in the above table.

	<b>30/06/2024</b>	<b>31/12/2023</b>
	<b>\$'000</b>	<b>\$'000</b>
Fair value of investment properties (based on valuation)	2,192,806	2,228,897
Add: Carrying amount of lease liabilities	2,077	2,084
Carrying amount of investment properties	<u>2,194,883</u>	<u>2,230,981</u>

**4. Loans and borrowings**

	<b>Group and Trust</b>	
	<b>30/06/2024</b>	<b>31/12/2023</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Current liabilities</b>		
Unsecured bank loans	94,338	53,559
Unamortised transaction costs	(80)	(15)
	<u>94,258</u>	<u>53,544</u>
<b>Non-current liabilities</b>		
Unsecured bank loans	572,396	609,708
Unsecured medium term notes	151,283	165,912
Unamortised transaction costs	(3,002)	(2,777)
	<u>720,677</u>	<u>772,843</u>

The loans and borrowings comprise the following:

**(1) Long Term Unsecured Term Loans and Revolving Credit Facilities**

As at the reporting date, the Group has utilised various long term unsecured term loans and revolving credit facilities totalling JPY51,114 million (approximately \$433.4 million) and \$211.9 million (2023: JPY41,186 million (approximately \$383.0 million) and \$226.7 million) (the "Long Term Facilities"). The Long Term Facilities are committed, unsecured and rank pari passu with all the other present and future unsecured debt obligations of the Group. Interest on the Long Term Facilities is subject to re-pricing on a monthly or quarterly basis or any other interest period as mutually agreed between the lenders and the Group, and is based on the relevant floating rate plus a margin.

In 1H 2024, two of the Long Term Facilities amounting to JPY8,600 million (approximately \$72.9 million) were reclassified to current term loans due to its maturity in 1H 2025.

Interest rate was largely hedged as the Group entered into interest rate swaps, cross currency interest rate swap and interest rate caps to manage the interest rate exposures for the above Long Term Facilities.

**(2) Unsecured Debt Issuance**

The Group, through its wholly-owned subsidiary, Parkway Life MTN Pte. Ltd. ("PLife MTN"), has put in place a \$500 million Multicurrency Debt Issuance Programme to provide the Group with

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the flexibility to tap various types of capital market products including issuance of perpetual securities when needed.

Under the Debt Issuance Programme, PLife MTN is able to issue notes while HSBC Institutional Trust Services (Singapore) Limited (in its capacity as trustee of Parkway Life REIT) (the "Parkway Life REIT Trustee") is able to issue perpetual securities.

All sums payable in respect of the notes issued by PLife MTN are unconditionally and irrevocably guaranteed by Parkway Life REIT Trustee.

As at 30 June 2024, there were four series of outstanding fixed rate notes issued under the Debt Issuance Programme amounting to JPY17,840 million (approximately \$151.3 million) with maturity dates between 2027 to 2030 (2022: JPY17,840 million (approximately \$165.9 million)).

**(3) Short Term Facilities**

The Group has two unsecured and uncommitted short-term multi-currency facilities (the "Short Term Facilities") amounting to \$195.0 million (2023: \$195.0 million) for general working capital purposes. Interest on the Short Term Facilities is based on the bank's cost of fund.

As at 30 June 2024, a total of JPY2,525 million (approximately \$21.4 million) (2023: JPY1,359 million (approximately \$12.6 million)) were drawn down via Short Term Facilities for capital expenditure and working capital purposes with tenor up to 3 months (2023: 3 month).

**5. Financial derivatives**

	<b>Group and Trust</b>	
	<b>30/06/2024</b>	<b>31/12/2023</b>
	<b>\$'000</b>	<b>\$'000</b>
Current derivative assets	4,877	1,341
Non-current derivative assets	46,488	39,257
Total derivative assets	<u>51,365</u>	<u>40,598</u>
Current derivative liabilities	–	(1,820)
Non-current derivative liabilities	(240)	(3,572)
Total derivative liabilities	<u>(240)</u>	<u>(5,392)</u>
Total derivative assets (net)	<u>51,125</u>	<u>35,206</u>

	<b>Group</b>		<b>Trust</b>	
	<b>30/06/2024</b>	<b>31/12/2023</b>	<b>30/06/2024</b>	<b>31/12/2023</b>
	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>
Percentage of derivative assets to unitholders' funds	3.6	2.9	3.4	2.8
Percentage of derivative liabilities to unitholders' funds	–*	(0.4)	–*	(0.4)

\* Amount is immaterial



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**6. Units in issue**

	1H 2024 '000	1H 2023 '000
<b>Units in issue at beginning and at end of period</b>	<b>605,002</b>	<b>605,002</b>

**7. Net asset value per unit and net tangible asset per unit based on units issued at the end of the period**

	Note	Group 30/06/24 S\$	Group 31/12/23 S\$	Trust 30/06/24 S\$	Trust 31/12/23 S\$
Net asset value ("NAV") per unit	(a)	2.35	2.34	2.51	2.41
Adjusted NAV per unit (excluding the distributable income)		2.28	2.26	2.44	2.34
Net tangible asset per unit	(a)	2.35	2.34	2.51	2.41

**Note:**

(a) Net asset value per unit and net tangible asset per unit is calculated based on the number of units in issue as at the respective period end.

**8. Earnings per unit ("EPU") and distribution per unit ("DPU") for the period**

	Note	1H 2024 '000	1H 2023 '000
<b>Number of units in issue at end of period</b>		605,002	605,002
Weighted average number of units for the period		605,002	605,002
Earnings per unit in cents (basic and diluted) (EPU)	(a)	8.57	7.84
Applicable number of units for calculation of DPU		605,002	605,002
Distribution per unit in cents (DPU) based on Distributable income to Unitholders	(b)	7.54	7.29

**Note:**

(a) In calculating EPU, the total return for the period after tax, and the weighted average number of units issued as at the end of each period is used. The diluted EPU is the same as the basic EPU as there are no dilutive instruments in issue during the period.

(b) In computing DPU, the number of units in issue as at the end of each period is used.

**9. Financial ratios**

	Note	2024 (Annualised) %	2023 (Actual) %
Ratio of expenses to weighted average net assets	(a)		
- excluding performance component of Manager's fees		0.84	0.80
- including performance component of Manager's fees		1.27	1.24
Portfolio turnover rate	(b)	—	—

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**Note:**

- (a) The annualised ratios are computed in accordance with the guidelines of Investment Management Association of Singapore. The expenses used in the computation relate to expenses at the Group level, excluding property related expenses, interest income, finance costs, income tax expense and foreign exchange gains/(losses).
- (b) The ratio is computed based on the lesser of purchases or sales of underlying investment properties of the Group expressed as a percentage of daily average net asset value.

**10. Segmented revenue and results for operating segments (of the group) with comparative information for the immediately preceding year.**

As at 30 June 2024, the operating segments of the Group comprise the following segments – Hospital Properties, Nursing Home and Care Facility Properties and Medical Centre Units.

The Group's operations and its identifiable assets are located in Singapore (consisting of Hospital Properties), Japan (consisting of 59 Nursing Home and Care Facility Properties) and Medical Centre Units in Malaysia. Accordingly, no geographical segmental analysis is separately presented.

	<b>Note</b>	<b>1H 2024 S\$'000</b>	<b>1H 2023 S\$'000</b>	<b>Change %</b>
Hospital Properties (Singapore)	(a)	50,792	50,792	–
Nursing Home and Care Facility Properties (Japan)	(b)	21,490	23,469	(8.4)
Medical Centre Units (Malaysia)	(c)	138	141	(2.1)
<b>Total gross revenue</b>		<b>72,420</b>	<b>74,402</b>	<b>(2.7)</b>

	<b>Note</b>	<b>1H 2024 S\$'000</b>	<b>1H 2023 S\$'000</b>	<b>Change %</b>
Hospital Properties (Singapore)	(a)	48,966	49,002	(0.1)
Nursing Home and Care Facility Properties (Japan)	(b)	19,314	21,012	(8.1)
Medical Centre Units (Malaysia)	(c)	75	70	7.1
<b>Total net property income</b>		<b>68,355</b>	<b>70,084</b>	<b>(2.5)</b>

**Note:**

- (a) Revenue and net property income remain relatively constant due to the straight-lining of rental income under the new master lease agreements which have commenced on 23 August 2022.
- (b) Lower revenue and net property income were mainly due to the depreciation of Japanese Yen, partially offset by revenue contribution from the nursing home properties acquired in October 2023.
- (c) Higher net property income was mainly due to the marketing commission incurred in 1H 2023 following a lease renewal. This was offset by the depreciation of Malaysian Ringgit resulting in lower revenue and net property income.

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**G. OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7.2**

- 1. Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.**

The figures have not been audited or reviewed by our auditors.

- 2. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of matter).**

Not applicable.

- 3. Review of the performance of the Group**

**Summary of Parkway Life REIT's Results for the half year ended 30 June 2024**

		1H 2024	1H 2023	Increase/ (Decrease)	
	Note	S\$'000	S\$'000	S\$'000	%
<b>Gross Revenue</b>		<b>72,420</b>	<b>74,402</b>	<b>(1,982)</b>	<b>(2.7)</b>
<b>Net Property Income</b>		<b>68,355</b>	<b>70,084</b>	<b>(1,729)</b>	<b>(2.5)</b>
<b>Distributable Income to Unitholders</b>	(a)	<b>45,609</b>	<b>44,084</b>	<b>1,525</b>	<b>3.5</b>
<b>Distribution per unit based on Distributable Income to Unitholders (cents)</b>	(b)	<b>7.54</b>	<b>7.29</b>	<b>0.25</b>	<b>3.5</b>
<b>Annualised distribution per unit (cents)</b>		<b>15.08</b>	<b>14.58</b>	<b>0.50</b>	<b>3.5</b>
Distribution yield (%), based on - Closing market price of \$3.50 as at 28 June 2024		<b>4.31</b>	<b>4.16</b>		<b>3.5</b>

**Note:**

- (a) Net of amount retained for capital expenditure on existing properties amounting to \$3.0 million each year.
- (b) In computing the Distribution per Unit ("DPU"), the number of units in issue as at the end of each period is used.

**Consolidated Statements of Total Return**

**1H 2024 Vs 1H 2023**

Gross revenue for 1H 2024 has decreased by 2.7% year-on-year to \$72.4 million. The decrease was due to depreciation of Japanese Yen, partially offset by the contribution from two nursing homes acquired in October 2023. Correspondingly, the net property income has decreased by 2.5% to \$68.4 million for 1H 2024.

The Manager's management fees for 1H 2024 of \$7.2 million was 2.1% lower than 1H 2023 largely attributed to the decrease in net property income. Higher trust expenses were registered for 1H 2024 due to higher professional fees incurred during the period.

Of the net foreign exchange movement, the Group had registered a realised foreign exchange gain amounting to about \$4.7 million and \$3.3 million from the settlement of Japanese Yen forward contracts in 1H 2024 and 1H 2023 respectively.

Net finance costs have increased mainly due to funding of capital expenditure and new acquisitions in 2023 and higher interest costs from Singapore dollar and Japanese Yen debts partially offset by depreciation of JPY.

The Group has step-up lease arrangements for certain of its properties which include the new 20.4-year master lease agreements for its three Singapore hospitals and the 20-year lease agreements for the three Japan nursing home properties. As part of revenue recognition, the step-up lease arrangements were accounted on a straight line basis over the lease term (i.e. effective rent) since August 2022 and September 2021, respectively. This had led to corresponding increase in the gross revenue and investment properties in the initial years of lease. As property valuation is based on discounted cash flow method which deviates from effective rent accounting treatment, the Group has removed the impact of effective rent from investment properties accordingly. This resulted in adjustments in the net change in fair value of investment properties (See Note 3 to the Financial Statements). These properties with step-up lease arrangements contributed to the higher distributable income in 1H 2024 as compared to 1H 2023.

At the reporting date, the Group has outstanding forward exchange contracts with aggregate notional amounts of approximately \$114.0 million. The change in fair value of \$8.2 million gain was charged to the statement of total return.

Overall, annualised DPU for 1H 2024 of 15.08 cents has outperformed by 3.5% or 0.50 cents as compared with 1H 2023's annualised DPU of 14.58 cents.

#### **Consolidated Statements of Financial Position**

Cash and cash equivalents as at 30 June 2024 included a short-term fixed deposit placement of \$25.2 million.

The advance payment arose from a one-time payment of approximately \$46.2 million to the contractor in December 2022 in relation to the Renewal Capex Works and synchronised regular capex for Mount Elizabeth Hospital ("MEH"). With the progression of the capital expenditure works in MEH, part of the advance payment has been progressively utilised and capitalised in investment properties.

The decrease in investment properties was mainly due to the depreciation of Japanese Yen, offset by the capital expenditure work done for 1H 2024.

The overall decrease in loans and borrowings was mainly due to the depreciation of the Japanese Yen, partly offset by net drawdown of loans for capital expenditure and working capital purposes. In 1H 2024, the Group has drawn down JPY long-term facilities to replace an existing \$50.0m loan for currency re-alignment between asset and liability to fine-tune the Group's natural hedge, as well as to term out maturing term loans totalling JPY7,798 million (approximately \$66.1 million). As at 30 June 2024, the Group classified two long-term loans, total amounting to JPY8,600 million (approximately \$72.9 million), as current loans and borrowings due to their maturity in 1H 2025. The maturing loans represents about 9% of the Group's borrowings.

Notwithstanding the net current liabilities position, based on the Group's existing financial resources, the Group believes that it will be able to refinance its borrowings and meet its current obligations as and when they fall due.

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The Aggregate Leverage of the Group as at 30 June 2024 was 35.3% (31 December 2023: 35.6%) of the Group's Deposited Property. This complied with the stipulated Aggregate Leverage limit. The interest coverage ratio (ICR) and adjusted ICR<sup>1</sup> stood at 10.6 times at of 30 June 2024.

**Consolidated Statement of Cash Flows**

Net cash from operating activities in 1H 2024 are mainly contributed by rental income from the properties net of property and other operating expenses.

Net cash outflow on purchase of investment properties (including acquisition related costs) was as follows:

	<b>1H 2024 S\$'000</b>	<b>1H 2023 S\$'000</b>
Acquisition related costs	53	316
<b>Net cash outflow/Cash consideration paid</b>	<b>53</b>	<b>316</b>

The acquisition related costs paid in 1H 2024 were in relation to the nursing home properties acquired in October 2023.

Net cash used in investing activities as of 1H 2024 mainly relates to the payment of capital expenditure on existing properties and the Renewal Capex Works for MEH.

Net cash used in financing activities in 1H 2024 was mainly related to the payment of distributions to Unitholders, partially offset by net drawdown of borrowings.

**4. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results**

Not applicable.

**5. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the Group operates and any known factors or events that may affect the Group in the next operating period and the next 12 months**

Amid the persistent macroeconomic uncertainties and challenges, Parkway Life REIT remains prudent to proactively manage its portfolio and navigate for growth opportunities strategically. The portfolio of 63 high quality nursing homes and care facilities worth approximately \$2.23 billion<sup>2</sup> is largely supported by favourable rental lease structures, where at least 98.6% of its portfolios have downside revenue protection<sup>3</sup> and approximately 65.4% of the total portfolio is pegged to CPI-linked revision formula, ensuring steady rental growth whilst protecting revenue stability amid uncertain market conditions.

Parkway Life REIT continues to adhere to a disciplined financial management framework to mitigate any potential refinancing risks as well as actively manage any exposure to interest rate and foreign currency risks on an ongoing basis. The Group has no immediate long-term debt refinancing need till March 2025 and has increased its proportion of fixed-rate interest bearing borrowings to about 90% as at 30 June 2024. Additionally, the Group has put in place Japanese Yen forward contracts

<sup>1</sup> As PLife REIT has no hybrid securities as of the reporting date, there is no difference between ICR and Adjusted-ICR.

<sup>2</sup> Appraised values based on exchange rates as at 31 December 2023.

<sup>3</sup> Based on existing lease agreements and subject to applicable laws.

till 1Q 2029 to manage adverse foreign currency risk pertaining to its net income from the Japan portfolio. In the face of on-going uncertainties in the macro economy and volatility in the financial markets, Parkway Life REIT remains in a stable financial position with a healthy gearing level of 35.3% and interest cover of 10.6 times.

The healthcare industry will remain critically essential in a rapidly aging population underpinning greater demand for better quality healthcare and aged care services. Parkway Life REIT's portfolio of assets places it in a good position to benefit from the resilient growth of the healthcare industry in the Asia Pacific region. Going forward, Parkway Life REIT will continue to focus on driving resilient returns backed by solid financial management to create greater value for its unitholders.

## 6. Distributions

### (a) Current financial period

Any distributions declared for the current financial period: Yes

Name of distribution: First half year distribution for the period from 1 January 2024 to 30 June 2024

<b>Distribution Type</b>	<b>Distribution Rate (cents per unit)</b>
Taxable Income	5.17
Exempt Income	0.50
Capital Distribution	1.87
<b>Total</b>	<b>7.54</b>

Par value of units: Not meaningful

Tax rate:

#### **Taxable Income Distribution**

Qualifying Unitholders and individuals (other than those who hold their units through a partnership in Singapore or from the carrying on of a trade, business or profession) will generally receive pre-tax distributions. Individuals who derive any distribution through a partnership in Singapore or from the carrying on of a trade, business or profession will be taxed at the individual's tax rates.

Qualifying non-resident non-individual Unitholders or foreign funds will receive their distributions after deduction of tax at the rate of 10%.

All other Unitholders will receive their distributions after deduction of tax at the rate of 17%.

#### **Exempt Income Distribution**

Tax-exempt income distribution is exempt from Singapore income tax in the hands of all Unitholders.

#### **Capital Distribution**

Capital distribution represents a return of capital to Unitholders for Singapore tax purposes and is therefore not subject to income tax. For Unitholders who hold the Units as trading assets, the amount of capital distribution will be applied to reduce the cost base of their

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Units for the purpose of calculating the amount of taxable trading gains arising from the disposal of the Units.

**(b) Corresponding period of the immediately preceding year**

Any distributions declared for the previous corresponding financial period: Yes

Name of distribution: First half year distribution for the period from 1 January 2023 to 30 June 2023

<b>Distribution Type</b>	<b>Distribution Rate (cents per unit)</b>
Taxable Income	4.92
Exempt Income	0.96
Capital Distribution	1.41
<b>Total</b>	<b>7.29</b>

Par value of units: Not meaningful

Tax rate:

**Taxable Income Distribution**

Qualifying Unitholders and individuals (other than those who hold their units through a partnership in Singapore or from the carrying on of a trade, business or profession) will generally receive pre-tax distributions. Individuals who derive any distribution through a partnership in Singapore or from the carrying on of a trade, business or profession will be taxed at the individual's tax rates.

Qualifying non-resident non-individual Unitholders will receive their distributions after deduction of tax at the rate of 10%.

All other Unitholders will receive their distributions after deduction of tax at the rate of 17%.

**Exempt Income Distribution**

Tax-exempt income distribution is exempt from Singapore income tax in the hands of all Unitholders.

**Capital Distribution**

Capital distribution represents a return of capital to Unitholders for Singapore tax purposes and is therefore not subject to income tax. For Unitholders who hold the Units as trading assets, the amount of capital distribution will be applied to reduce the cost base of their Units for the purpose of calculating the amount of taxable trading gains arising from the disposal of the Units.

**(c) Book closure date:** 5 August 2024

**(d) Date payable:** 30 August 2024

**7. If no distribution has been declared/recommended, a statement to that effect.**

Not Applicable.

- 8. If the group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.**

Parkway Life REIT has not obtained a general mandate from Unitholders for interested parties transactions.

- 9. Confirmation pursuant to Rule 720(1) of the Listing Manual**

The Manager hereby confirms that it has procured undertakings from all its directors and executive officers under Rule 720(1).

- 10. Confirmation pursuant to Rule 705(5) of the Listing Manual**

**CONFIRMATION BY THE BOARD PURSUANT TO RULE 705(5) OF THE LISTING MANUAL**

We confirm that, to the best of our knowledge, nothing has come to the attention of the Board of Directors of Parkway Trust Management Limited (as Manager of Parkway Life REIT) which may render these unaudited interim financial results to be false or misleading in any material aspect.

On behalf of the Board of Directors of  
Parkway Trust Management Limited  
(as Manager of Parkway Life REIT)

**Yong Yean Chau**  
Chief Executive Officer and Executive Director

**Ho Kian Guan**  
Chairman and Independent Director



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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.

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

Any discrepancies in the tables included in this announcement between the listed amounts and total thereof are due to rounding.

By Order of the Board  
Parkway Trust Management Limited  
(as Manager of Parkway Life REIT)  
Company Registration No. 200706697Z

Chan Wan Mei  
Company Secretary  
26 July 2024

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This announcement has been prepared and released by Parkway Trust Management Limited, as manager of Parkway Life REIT.

**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.