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THE UNITED KINGDOM, CANADA, JAPAN OR AUSTRALIA**



PARKWAY LIFE REAL ESTATE INVESTMENT TRUST

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

ACQUISITION OF ELEVEN NURSING HOMES IN FRANCE

1. INTRODUCTION

Parkway Trust Management Limited, in its capacity as manager of Parkway Life Real Estate Investment Trust ("**PLife REIT**", and the manager of PLife REIT, the "**Manager**"), wishes to announce that PLife REIT's wholly-owned Singapore subsidiary, Parkway Life Nova Pte. Ltd. (the "**SG SPV**") has today entered into a promise of sale and a contract for transfer of shares (the "**Acquisition Agreements**") to acquire the following 11 nursing homes in France (the "**Acquisition**") from the DomusVi Group¹ (the "**Vendor**"):

- (i) Résidence La Boétie & Résidence Montaigne located at 39-41 Av. de la Croix, 33320 Le Taillan-Médoc, France;
- (ii) Les Cinq Sens located at 4 Carieire dis Amourous, 30128 Garons, France;
- (iii) Résidence du Pyla-sur-Mer located at 7 All. de la Chapelle, 33115 La Teste-de-Buch, France;
- (iv) Résidence du Champ de Courses located at 80 Av. du Casino, 69890 La Tour-de-Salvagny, France;
- (v) Les Jardins de Creney located at 3 Rue de l'Aulne, 10150 Creney-près-Troyes, France;
- (vi) Les Jardins de Saintonge located at 1 Rue des Brunettes, 17240 Saint-Genis-de-Saintonge, France;
- (vii) Résidence La Barillière located at 57 Rue de l'Oppidum, 14100 Saint-Desir, France,
- (viii) Résidence d'Automne located at 11 Av. du Dr Schweitzer, 89290 Champs-sur-Yonne, France;
- (ix) Résidence Ducale located at 7 Rue des Aliziers, 08000 Villers-Semeuse, France;
- (x) La Demeure du Bois Ardent located at 780 Rue de l'Exode, 50000 Saint-Lô, France;
and
- (xi) Le Clos Rousset located at Chemin Rousset, 26320 Saint-Marcel-lès-Valence, France,

(collectively, the "**Properties**").

¹ DomusVi Group refers to DomusVi and its subsidiaries.

Prior to completion of the Acquisition, the SG SPV shall incorporate a France special-purpose vehicle, in the form of a Société Civile (the “**French SC**”) and another France special-purpose vehicle in the form of a Société Par Actions Simplifiée (the “**French SAS**”). As the French SC required two shareholders, one share of the French SC will be held by the French SAS.

The French SC will in turn incorporate various French special-purpose vehicles, each in the form of a Société Civile Immobilière, which will substitute the SG SPV as the purchaser of the Properties (the “**Purchaser**”) and these French special-purpose vehicles will be entering into deeds of sale and reiterative deeds (whichever is applicable to it) for the acquisition of the Properties by completion.

2. EXPANSION OF INVESTMENT MANDATE

With effect from 21 November 2024, being 30 days from the date of this announcement, the investment mandate of PLife REIT will be expanded (as indicated by the deleted text) as follows:

“Parkway Life REIT’s strategy 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.”

The Manager believes that the expansion of investment mandate is in line with its long-term growth strategy of building a third key market (other than Singapore and Japan).

2.1 Strategic Foray into Europe and the United Kingdom (“UK”), a Third Key Market for PLife REIT

2.1.1 Expansion of Investment Mandate positions PLife REIT for the next phase of growth

The expansion of investment mandate marks the first step by PLife REIT in building a third key market which positions PLife REIT to capture potential growth opportunities. The Manager believes that the expanded investment mandate will equip PLife REIT with the opportunity to tap into a larger pool of investment opportunities with attractive yields, income resilience and/or capital appreciation potential to drive long-term growth for PLife REIT. This will also contribute to enhanced growth while building diversification and portfolio resilience.

The expanded investment mandate is part of PLife REIT’s overall growth road-map by establishing a multi-prong growth platform through strategic partnerships. In the mid to long term, the Manager aims to establish a third key market in Europe and UK, while maintaining a primary focus on its core market of Singapore.

2.1.2 Strategic Entry into France, the Eurozone’s Second Largest Economy by GDP

The Acquisition marks PLife REIT’s maiden entry into the Eurozone through France, the

second largest economy in the Eurozone by gross domestic product (“GDP”)².

The French economy makes up approximately 19.5% of the combined Eurozone’s GDP with real GDP growth forecasted to double to 1.4% in 2025, a significant improvement from the 0.7% expected in 2024. This will likely be supported by private consumption which is expected to gain momentum amid falling inflation. Lower interest rates as of mid-2024 and an improvement in demand prospects will also allow a moderate recovery in private investment³.

3. INFORMATION ON THE PROPERTIES

The Properties comprise eleven nursing homes, well located across six regions (Bourgogne-Franche-Comté, Nouvelle-Aquitaine, Occitanie, Grand Est, Normandie and Auvergne-Rhône-Alpes) in France. These nursing homes are classified in France as “EHPAD - Établissement d’Hébergement pour Personnes Âgées Dépendantes” which translates to “Accommodation Establishment for Dependent Elderly People”⁴

The Properties comprises a total of 42,630.8 square metres (“sq m”) of net lettable floor area and 850 nursing beds. Post-acquisition, the Properties will continue to be leased to the DomusVi Group under a new lease term of 12 years⁵.

The Properties have been independently valued by Cushman & Wakefield Valuation France (“C&W”) (as appointed by the Manager and the Trustee), using the comparison and capitalisation approach.

Details of the Properties and the valuation are set out in the table below:

Property	Year Built / Renovated	Floor Area (sq m)	No. of Beds	Valuation (€'000) ⁽¹⁾
Résidence d’Automne	1970/2014	2,981.3	55	5,975
Résidence La Boétie & Résidence Montaigne	2019	5,941.8	104 ⁽²⁾	15,390
Les Cinq Sens	2006/2017	2,803.0	72	8,425
Résidence Ducale	2012	3,885.7	73	6,485
Résidence du Pyla-sur-Mer	1991/2022	4,110.7	83	18,220
La Demeure du Bois Ardent	1995/2022	3,930.6	76	7,950
Résidence du Champ de Courses	2022	4,380.0	73	16,300
Les Jardins de Creney	2012	3,062.5	61	6,135
Les Jardins de Saintonge	1990/2013	3,788.8	83	8,935
Le Clos Rousset	2012	3,951.9	82	8,285
Résidence La Barillière	2002/2021	3,794.5	88	13,275

² Source: World Bank’s World Development Indicators as of 2023, <https://databank.worldbank.org/source/world-development-indicators>

³ Source: Organisation for Economic Co-operation and Development (“OECD”) Economic Outlook, Volume 2024 Issue 1

⁴ Résidence La Boétie is classified as an EHPAD and Résidence Services Seniors.

⁵ The Properties are freehold.

Notes:

- (1) Valuation of the Properties as at 30 September 2024, conducted independently by C&W who is appointed by the Manager and the Trustee. The valuation is in compliance with paragraph 8.4(a) of Appendix 6 of the Code on Collective Investment Schemes issued by the Monetary Authority of Singapore.
- (2) Comprises 80 EHPAD and 24 RSS.

4. DETAILS OF THE ACQUISITION

4.1 Purchase Consideration

The purchase price for the Properties is approximately €111.2 million (approximately S\$159.9 million) (the “**Purchase Price**”)⁶ which was arrived at on a willing buyer and willing seller basis and based on the independent valuation of the Properties by C&W.

4.2 Total Acquisition Outlay

The total acquisition outlay is estimated to be approximately €120.3 million (approximately S\$172.9 million) (the “**Total Acquisition Outlay**”), comprising:

- (i) the Purchase Price of approximately €111.2 million (approximately S\$159.9 million);
- (ii) the acquisition fee payable to the Manager for the Acquisition (the “**Acquisition Fee**”) which is estimated to be €1.1 million (approximately S\$1.6 million); and
- (iii) the estimated professional fees, expenses and taxes in connection with the Acquisition of €7.9 million (approximately S\$11.4 million).

Pursuant to the trust deed constituting PLife REIT dated 12 July 2007 (as amended) (the “**Trust Deed**”), the Manager is entitled to receive an acquisition fee at the rate of 1.0% of the Purchase Price.

5. Certain Terms and Conditions of the Relevant Agreements

5.1 Acquisition Agreements

The Acquisition shall be governed by the terms and conditions of the Acquisition Agreements entered into between the SG SPV and the Vendor today. The agreed form of the deeds of sale and the reiterative deeds shall be executed by the applicable Purchaser on completion when the conditions precedent under the Acquisition Agreements are fulfilled.

The principal terms of the Acquisition Agreements include, among others, the following:

- (i) a penalty representing 10% of the Purchase Price will be owed by the Purchaser to the Vendor as a lump sum and irreducible indemnity if the Purchaser does not complete the acquisition within the agreed time period when all the conditions precedent are fulfilled;
- (ii) the completion of the acquisition is subject to and conditional upon the conditions precedent, *inter alia*:

⁶ A rounded Purchase Price figure has been used for the purpose of this announcement. The exact Purchase Price is €111,241,178.

- (a) there being no exercise and/or waiver of a pre-emption right in favour of the French local authority over the applicable Properties; and
- (b) obtaining authorisation or confirmation of non-application of the foreign investments control regulations from the French local authority over the Properties.

If any of the conditions precedent is not satisfied or waived on or before 20 January 2025, the Purchaser may renounce acquisition of the Property concerned without any indemnity.

5.2 France Management Services Agreement

The French SC will be entering into a management services agreement (the “**Management Services Agreement**”) with PAREF Group through its subsidiary PAREF Gestion (the “**Asset Manager**”) in respect of the Properties. The PAREF Group is a leading Pan-European real estate player with over €3.0 billion of assets under management (as of 30 June 2024) including residential, office, industrial and long-term income properties such as hospitality and mixed-used assets. With more than 30 years of track record, the PAREF Group capabilities spans across the entire real estate value chain, including fund, investment, asset, project and property management. The Asset Manager will be responsible for the management of the Properties, which includes asset, property, fund, finance, and corporate activities.

6. RATIONALE FOR AND KEY BENEFITS OF THE ACQUISITION

The Manager believes that the Acquisition will bring the following key benefits to the Unitholders:

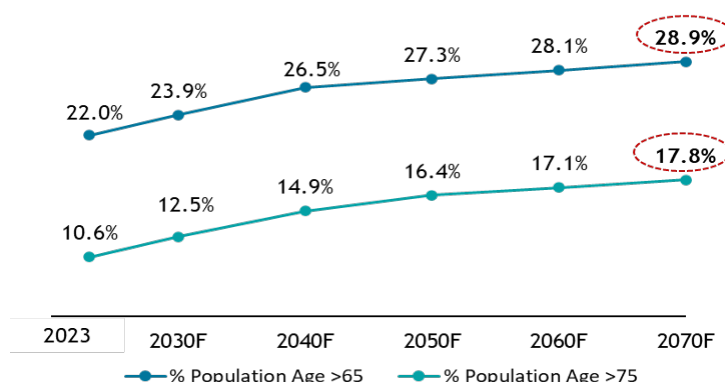
6.1 Capturing Structural Trends in France’s Nursing Home Sector

6.1.1 Strong Demand for Nursing Homes Supported by Aging Population and Supply Constraints

France is facing an aging population. In the last 15 years, the proportion of people aged 65 years and above has increased from 17% in 2009 to 22% in 2023⁷. Furthermore, the proportion of individuals aged 65 years and above and 75 years and above is expected to reach approximately 29% and 18% by 2070 respectively. France’s ageing population is likely to continue to drive the demand for senior housing.

⁷ Source: World Bank’s World Development Indicators as of 2023, <https://databank.worldbank.org/source/world-development-indicators>

France's Population Evolution for Age 65/75 and Above (% of Population)⁸



Moreover, the nursing home sector in France is highly regulated and new authorisations are subject to strict controls. The strong demand is compounded by limited supply with just over 600,000 nursing home beds available⁹, which equates to less than one nursing home bed available per 10 senior citizens over 65 years of age¹⁰.

The Acquisition therefore allows PLife REIT to capture the structural tailwinds of France's aging population and provides PLife REIT a foothold in a highly regulated sector with high barriers of entry with no new nursing home beds expected to be authorised until 2028.

6.1.2 Strong Governmental Support for the Nursing Home Sector Reduces Operational Risk

Specifically in relation to the nursing home sector, France has the highest government budget allocations in the EU for social security at approximately 32% of GDP, of which, the spending on aged care such as nursing homes accounts for 44% of total expenditure¹¹. This social security spending is supported by the country's Statutory Health Insurance ("SHI") scheme. SHI is a national social protection system that plays a crucial role in implementing a comprehensive healthcare coverage for French residents and is responsible for reimbursing a significant portion of healthcare cost¹².

⁸ Source: France's National Institute of Statistics and Economic Studies based on a survey period in 2021

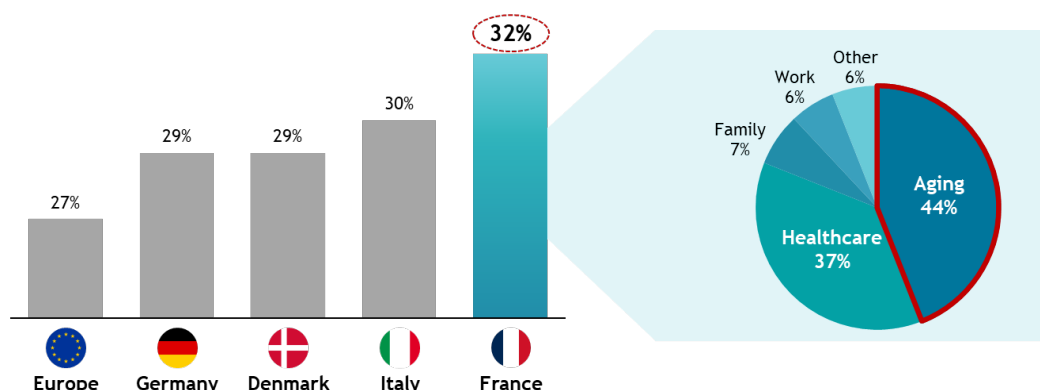
⁹ Source: Elderly people in care homes (EHPAD), 2022 Annual Public Report, Cour des comptes

¹⁰ Source: World Bank's World Development Indicators as of 2023, <https://databank.worldbank.org/source/world-development-indicators>

¹¹ Source: Elderly Care Homes Real Estate Investment French Market Review, Candestic, June 2024

¹² Source: Or Z, Gandré C, Seppänen AV, Hernández-Quevedo C, Webb E, Michel M, Chevrel K (2023). France: Health System Summary, 2024. WHO Regional Office for Europe on behalf of the European Observatory on Health Systems and Policies, Copenhagen

Social Security Spending in Europe for Selected Countries (by % of GDP) and Breakdown of French Social Expenditure by Type¹³



Such strong government support translates into reduced operational risk for the operators. The bill for nursing homes termed EHPAD¹⁴ in France is approximately €2,000 to €4,000 per month and is broken down into three main parts, namely, accommodation, support for daily living and medical care. The SHI and other social security schemes provide various level of subsidies to each of these three components with only approximately 35% to 40% of the total healthcare bill to be paid by nursing home residents after subsidies¹⁵, allowing nursing homes to enjoy high occupancies and cashflow resilience.

6.1.3 Highly Fragmented Nursing Home Sector Provides Ample Opportunities for Consolidation and Growth in the Private EHPAD Market of €19 billion

According to Candestic, generally, the nursing home operator landscape in France is broken down into 3 main categories of platforms - (i) large platforms operating more than 100 nursing home facilities; (ii) medium-sized platforms operating 20 to 100 nursing home facilities; and (iii) independent platforms operating less than 20 nursing home facilities. The private EHPAD real estate landscape is estimated to be at €19 billion, with rent prices generally increasing according to indexes at an average of 2% or more, and is expected to be dominated by larger platforms that are expected to continue driving consolidation as they have substantial financial and operational resource.

The top three for-profit operators account for only 8% of the nation's approximately 582,000 nursing home beds¹⁶. This presents opportunities for growth and consolidation for the major players, of which, DomusVi has the highest growth rate.

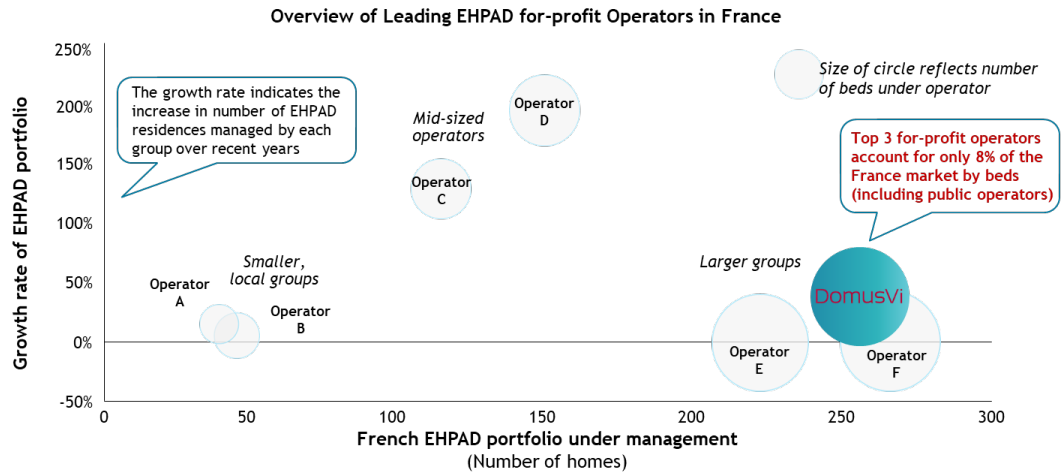
¹³ Source: Directorate of Research, Studies, Evaluation and Statistics (DREES); Elderly Care Homes Real Estate Investment French; Market Review, Candestic, June 2024; Social Security Spending in Europe is as per 2023, while Breakdown of French Social Expenditure is as per 2022 as 2023 data is not available.

¹⁴ Refers to Établissement d'hébergement pour personnes âgées dépendantes, ("EHPAD").

¹⁵ Source: Elderly Care Homes Real Estate Investment French Market Review, Candestic, June 2024

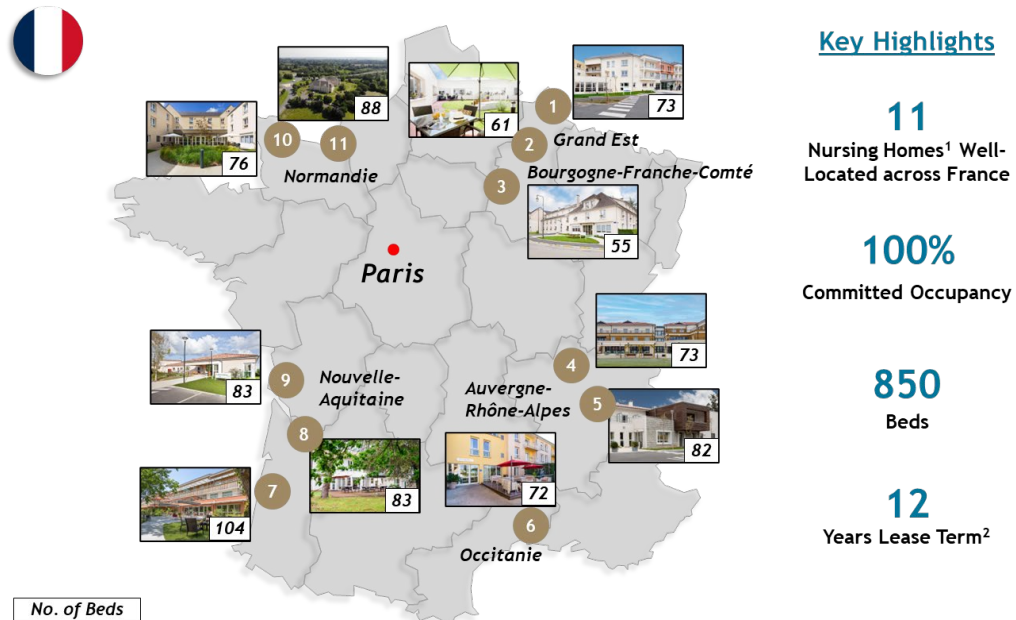
¹⁶ Source: Elderly Care Homes Real Estate Investment French Market Review, Candestic, June 2024

Overview of Leading EHPAD For-Profit Operators in France



6.2 High Quality Portfolio of Assets that Complements and Strengthens PLife REIT's Portfolio

The Properties comprise 11 nursing home homes that are well-located across France with 850 beds. The Properties have been selected for its strategic location in areas favoured by seniors with characteristics such as being easily accessible, close to coastal areas or with close proximity to residential areas.



Notes:

- (1) The Properties are freehold.
- (2) Lease terms of the Properties include rent escalations.

DomusVi Group, the Vendor of the Properties, would continue to be the operator under sale and leaseback arrangements with a favourable lease term of 12 years¹⁷.

The Manager believes that the attractive lease term, backed by DomusVi Group's strong operational capability will ensure initial income certainty for the portfolio and continue to solidify PLife REIT's stability in revenue and resilience against any inflationary linked cost increase and interest rate fluctuations. The Manager believes that the Properties will drive future organic revenue growth for PLife REIT¹⁸.

6.3 Forging a Long-Term Strategic Partnership with a Leading Pan-European Operator

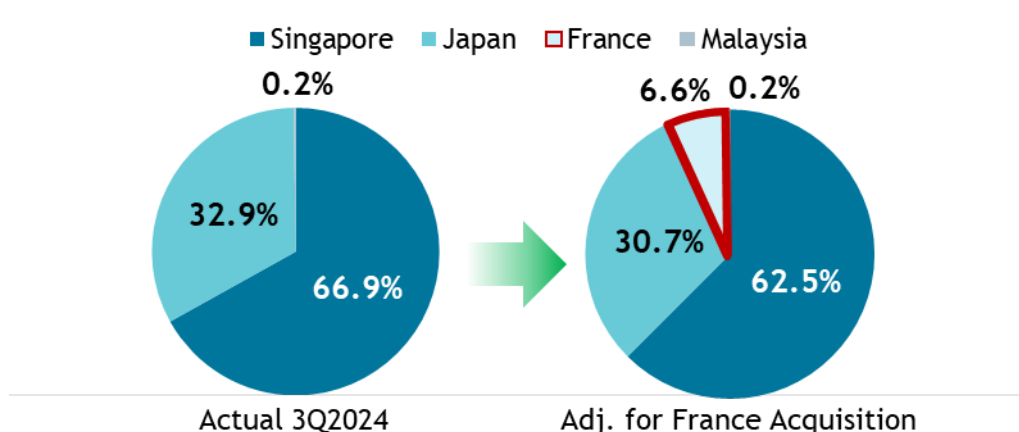
DomusVi is the second largest nursing home operator in France and the third largest in Europe with over 40 years of experience. They operate close to 600 nursing home homes and assisted living homes and 100 home care agencies in Europe with over 52,000 beds and has a geographical presence spanning across Western Europe including France, Spain, Germany and Latin America.

By leveraging the knowledge and expertise of DomusVi Group, this partnership provides PLife REIT with potential future opportunities on consolidation and particularly in France, which is a key market for DomusVi Group as it forms over 50% of their portfolio.

6.4 Further Rejuvenation and Diversification of PLife REIT's Portfolio

The Acquisition provides Unitholders the ability to capture growth opportunities across Asian and European markets with greater income stability from diversification by geography and asset class. PLife REIT will also benefit from its increased exposure to the nursing home sector, a resilient segment that is expected to grow due to ageing population in its core markets.

Breakdown of PLife REIT's Assets¹⁹ (by Geography)

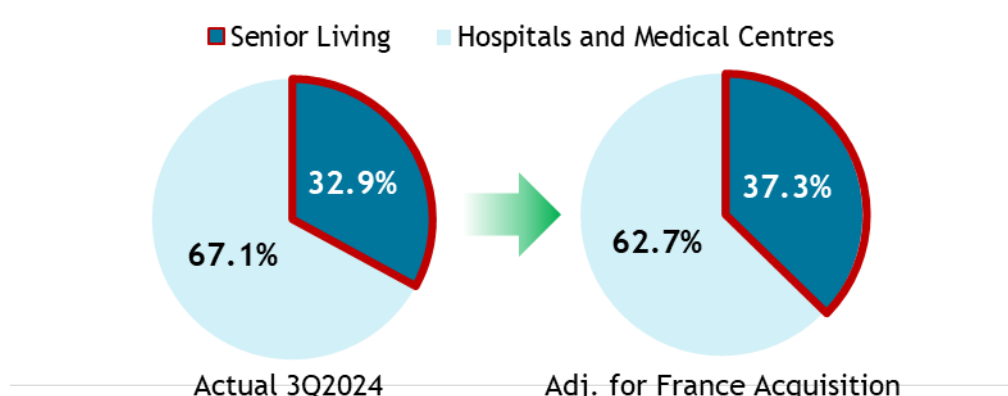


¹⁷ Lease terms of the Properties include indexed rent escalations.

¹⁸ Following completion of the Acquisition, the proportion of revenue that will be backed by indexed-linked rental adjustments is expected to increase from 62.6% to 65.6%.

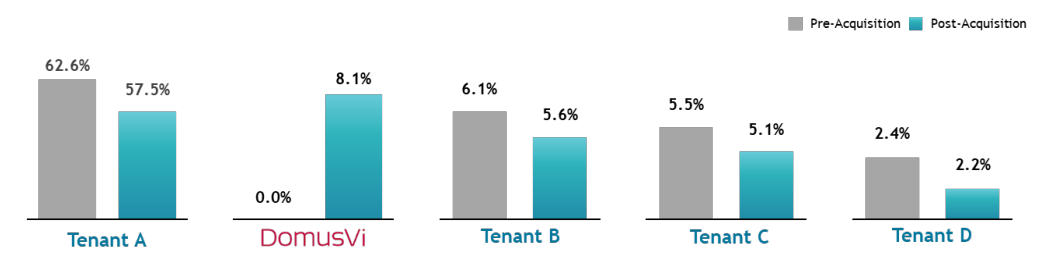
¹⁹ Based on PLife REIT's asset value as at 30 September 2024.

Breakdown of PLife REIT's Assets²⁰ (by Asset Type)

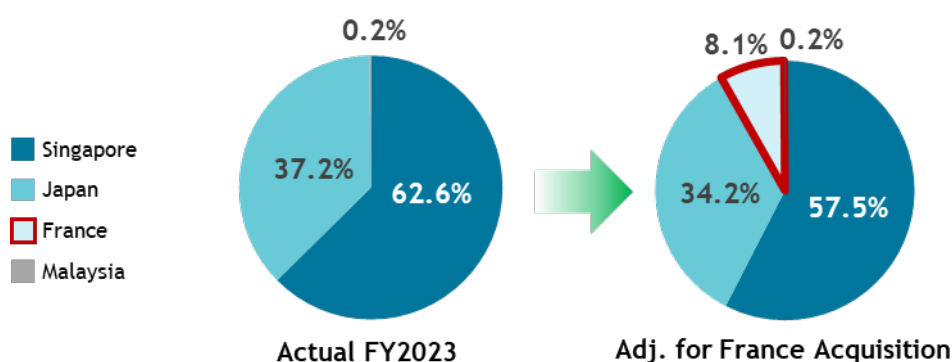


Following the completion of the Acquisition, the gross revenue contribution by PLife REIT's single largest tenant will decrease from approximately 62.6% to approximately 57.5%. Correspondingly, the diversification of rental exposure by geography also increases with the gross revenue contribution from Singapore similarly falling from 62.6% to 57.5%.

Top 5 Tenants of PLife REIT (% of Gross Revenue)



Breakdown of PLife REIT's Gross Revenue (by Geography)



6.5 Attractive Value Proposition with DPU and NAV per Unit Accretion

The Purchase Price for the Acquisition is approximately S\$159.9 million which is lower than the independent valuation of approximately S\$165.8 million.

The Acquisition will result in a reduction in aggregate leverage on a pro forma historical basis. Based on the proposed method of financing, PLife REIT's pro forma leverage ratio for 1H2024 would decrease approximately from 35.3% to 33.3% (as at 30 June 2024).

The Acquisition will also be accretive to distribution per unit ("**DPU**"), net asset value ("**NAV**") per unit with a reduction in aggregate gearing on a pro forma historical basis. Based on the proposed method of financing, PLife REIT's pro forma DPU and NAV per unit for 1H2024 would increase by approximately 1.4% and 4.3% respectively.

7. METHOD OF FINANCING

The Manager intends to fully finance the Total Acquisition Outlay via equity fund raising by way of a private placement. Please refer to the announcement titled "Launch of Equity Fund Raising By Way Of a Private Placement to Raise Gross Proceeds of No Less Than Approximately S\$180.0 million" for further details.

8. PRO FORMA FINANCIAL EFFECTS OF THE TRANSACTION

FOR ILLUSTRATIVE PURPOSES ONLY: The pro forma financial effects of the Acquisition on the DPU and NAV per Unit presented below are strictly for illustrative purposes only and were prepared with reference to the audited financial statements of PLife REIT and its subsidiaries (the "**PLife REIT Group**") for the financial year ended 31 December 2023 (the "**FY23 Financial Statements**") and for the financial period from 1 January 2024 to 30 June 2024 (the "**1H2024 Financial Statements**").

Unless otherwise stated, the pro forma financial effects of the Acquisition presented below assume that:

- (i) approximately 46.9 million New Units are issued at an illustrative issue price of S\$3.840 (the "**Illustrative Issue Price**") to raise gross proceeds of approximately S\$180.0 million from the Private Placement;
- (ii) the Total Acquisition Outlay is fully funded by the net proceeds from the Private Placement;
- (iii) the Manager's base fee and performance fee in relation to the Acquisition will be paid in full in the form of Units, the acquisition of a Japan nursing home known as "HIBISU Higashi Sumiyoshi" (the "**Japan Acquisition**")²⁰ and PLife REIT's existing properties will continue to be paid in full in the form of cash ;
- (iv) the Japan Acquisition is fully funded by debt;
- (v) the Acquisition Fee of approximately S\$1.6 million will be paid in cash; and
- (vi) the exchange rate of €1 to S\$1.43728; and
- (vii) the exchange rate of S\$1 to ¥117.92.

²⁰ Please refer to the announcements titled "Acquisition of a Nursing Home Located in Japan" and "Completion of The Acquisition of a Nursing Home Located in Japan" released by the Manager on 30 July 2024 and 7 August 2024, respectively.

8.1 Pro Forma DPU

FOR ILLUSTRATIVE PURPOSES ONLY: The *pro forma* financial effects of (i) the Acquisition on the DPU for the FY23 Financial Statements, as if the Acquisition was completed on 1 January 2023; and (ii) the Japan Acquisition and the Acquisition on the DPU for the FY23 Financial Statements, as if the Japan Acquisition and the Acquisition were completed on 1 January 2023, are as follows:

	Pro Forma Effects for FY2023		
	Actual	Adjusted for the Acquisition	Adjusted for the Acquisition and Japan Acquisition
Profit after tax (S\$'000)	100,465	107,975	108,405
Distribution to Unitholders (S\$'000)	89,341	97,836	98,265
No. of units in issue ('000)	605,002 ⁽¹⁾	652,124 ⁽²⁾	652,124 ⁽²⁾
DPU (S\$'cents)	14.77	15.00	15.07
DPU accretion (%)	-	1.6%	2.0%

Notes:

(1) Number of Units in issue as at 31 December 2023.

(2) Includes approximately 46.9 million New Units issued from the Private Placement.

FOR ILLUSTRATIVE PURPOSES ONLY: The *pro forma* financial effects of (i) the Acquisition on the DPU for the 1H2024 Financial Statements, as if the Acquisition was completed on 1 January 2024; and (ii) the Japan Acquisition and the Acquisition on the DPU for the 1H2024 Financial Statements, as if the Japan Acquisition and the Acquisition were completed on 1 January 2024, are as follows:

	Pro Forma Effects for 1H2024		
	Actual	Adjusted for the Acquisition	Adjusted for the Acquisition and Japan Acquisition
Profit after tax (S\$'000)	51,828	55,563	55,776
Distribution to Unitholders (S\$'000)	45,609	49,833	50,047
No. of units in issue ('000)	605,002 ⁽¹⁾	652,000 ⁽²⁾	652,000 ⁽²⁾
DPU (S\$'cents)	7.54	7.64	7.68
DPU accretion (%)	-	1.4%	1.8%

Notes:

(1) Number of Units in issue as at 30 June 2024.

(2) Includes approximately 46.9 million New Units issued from the Private Placement.

8.2 Pro Forma NAV

FOR ILLUSTRATIVE PURPOSES ONLY: The *pro forma* financial effects of (i) the Acquisition on the NAV for the FY23 Financial Statements, as if the Acquisition was completed on 31 December 2023; and (ii) the Japan Acquisition and the Acquisition on the NAV for the FY23 Financial Statements, as if the Japan Acquisition and the Acquisition were completed on 31 December 2023, are as follows:

	Pro Forma Effects for FY2023		
	Actual	Adjusted for the Acquisition	Adjusted for the Acquisition and Japan Acquisition
NAV represented by Unitholders' funds (S\$'000)	1,414,557	1,591,635	1,591,635
No. of units in issue ('000)	605,002 ⁽¹⁾	652,124 ⁽²⁾	652,124 ⁽²⁾
NAV per Unit (S\$)	2.34	2.44	2.44
NAV per Unit accretion (%)	-	4.4%	4.4%

Notes:

(1) Number of Units in issue as at 31 December 2023.

(2) Includes approximately 46.9 million New Units issued from the Private Placement.

FOR ILLUSTRATIVE PURPOSES ONLY: The *pro forma* financial effects of (i) the Acquisition on the NAV for the 1H2024 Financial Statements, as if the Acquisition was completed on 30 June 2024; and (ii) the Japan Acquisition and the Acquisition on the NAV for the 1H2024 Financial Statements, as if the Japan Acquisition and the Acquisition were completed on 30 June 2024, are as follows:

	Pro Forma Effects for 1H2024		
	Actual	Adjusted for the Acquisition	Adjusted for the Acquisition and Japan Acquisition
NAV represented by Unitholders' funds (S\$'000)	1,424,629	1,601,707	1,601,707
No. of units in issue ('000)	605,002 ⁽¹⁾	652,000 ⁽²⁾	652,000 ⁽²⁾
NAV per Unit (S\$)	2.35 ⁽¹⁾	2.46	2.46
NAV per Unit accretion (%)	-	4.3%	4.3%

Notes:

(1) Number of Units in issue as at 31 December 2023.

(2) Includes approximately 46.9 million New Units issued from the Private Placement.

8.3.1 Pro Forma Aggregate Leverage

FOR ILLUSTRATIVE PURPOSES ONLY: The *pro forma* financial effects of (i) the Acquisition on the Aggregate Leverage of PLife REIT as at 31 December 2023, as if the Acquisition was completed on 31 December 2023; and (ii) the Japan Acquisition and the Acquisition on the Aggregate Leverage of PLife REIT as at 31 December 2023, as if the Japan Acquisition and the Acquisition were completed on 31 December 2023, are as follows:

	Actual	Adjusted for the Acquisition	Adjusted for the Acquisition and Japan Acquisition
Aggregate Leverage (<i>Pro forma</i> as at 31 December 2023)	35.6%	32.9%	33.6%

FOR ILLUSTRATIVE PURPOSES ONLY: The *pro forma* financial effects of (i) the Acquisition on the Aggregate Leverage of PLife REIT as at 30 June 2024, as if the Acquisition was completed on 30 June 2024; and (ii) the Japan Acquisition and the Acquisition on the Aggregate Leverage of PLife REIT as at 30 June 2024, as if the Japan Acquisition and the Acquisition were completed on 30 June 2024, are as follows:

	Actual	Adjusted for the Acquisition	Adjusted for the Acquisition and Japan Acquisition
Aggregate Leverage (Pro forma as at 30 June 2024)	35.3%	32.7%	33.3%

9. DISCLOSURE UNDER RULE 1010(13) OF THE LISTING MANUAL

Chapter 10 of the listing manual of Singapore Exchange Securities Trading Limited (the “**SGX-ST**” and the listing manual of the SGX-ST, the “**Listing Manual**”) classifies transactions by PLife REIT into (a) non-discloseable transactions, (b) discloseable transactions, (c) major transactions and (d) very substantial acquisitions or reverse take-overs, depending on the size of the relative figures computed on the following bases of comparison:

- (i) the net asset value (“**NAV**”) of the assets to be disposed of, compared with PLife REIT’s NAV pursuant to Rule 1006(a) of the Listing Manual;
- (ii) the net profits attributable to the assets acquired, compared with PLife REIT’s net profits pursuant to Rule 1006(b) of the Listing Manual;
- (iii) the aggregate value of the consideration given, compared with PLife REIT’s market capitalisation pursuant to Rule 1006(c) of the Listing Manual; and
- (iv) the number of Units issued by PLife REIT as consideration for an acquisition, compared with the number of Units previously in issue pursuant to Rule 1006(d) of the Listing Manual.

Rule 1006(a) of the Listing Manual is not applicable to the Acquisition as PLife REIT will not be disposing of any assets under the Acquisition. Rule 1006(d) of the Listing Manual is not applicable as PLife REIT will not be issuing any Units as consideration for the Acquisition.

The relative figures for the Acquisition using the bases set out in Rules 1006(b) and 1006(c) of the Listing Manual are set out in the table below:

Comparison of	Acquisition	PLife REIT	Relative Figure
<u>Rule 1006(b)</u> Profit after tax (S\$ million)	3.7	51.8 ⁽¹⁾	7.2%

Comparison of	Acquisition	PLife REIT	Relative Figure
Rule 1006(c) Consideration against market capitalisation (S\$ million)	159.9 ⁽²⁾	2,414 ⁽³⁾	6.6%

Notes:

- (1) Based on the unaudited financial statements of PLife REIT for the 6-month period ended 30 June 2024.
(2) This figure represents the Purchase Price.
(3) Based on 605.0 million Units in issue and the weighted average price of S\$3.989 per Unit on the Singapore Exchange Securities Trading Limited (the "SGX-ST") on 21 October 2024, being the market day immediately prior to the date of the Acquisition Agreements.

As the relative figures computed on the bases set out in Rule 1006(b) and Rule 1006(c) of the Listing Manual in respect of the Acquisition above exceed 5.0% but do not exceed 20.0%, the Acquisition is classified as a disclosable transaction and is not subject to the specific approval of unitholders at an extraordinary general meeting under Chapter 10 of the Listing Manual.

10. INTERESTS OF DIRECTORS AND SUBSTANTIAL UNITHOLDERS

As at the date of this Announcement, certain directors of the Manager collectively hold an aggregate direct and indirect interest in 1,028,600 Units. Save as disclosed in this Announcement and based on the information available to the Manager as at the date of the Announcement, none of the Directors or the substantial unitholders have an interest, direct or indirect, in the Acquisition.

11. DIRECTORS' SERVICE CONTRACTS

No person is proposed to be appointed as a Director of the Manager in connection with the Acquisition or any other transactions contemplated in relation to the Acquisition.

12. DOCUMENTS FOR INSPECTION

Copies of the following documents are available for inspection during normal business hours at the registered office of the Manager at 9 Raffles Place, #26-01 Republic Plaza, Singapore 048619 from the date of this announcement up to and including the date falling three months after the date of this announcement:

- (i) the Acquisition Agreements; and
- (ii) the independent valuation report dated 30 September 2024 by C&W.

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
22 October 2024

IMPORTANT NOTICE

This announcement is not for distribution, directly or indirectly, in or into the United States (“U.S.”) and is not an offer of securities for sale in the U.S. or any other jurisdictions.

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 (“**PLife REIT**” and the units in PLife REIT, the “**Units**”).

The value of Units and the income 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 (the “**Manager**”) or any of its affiliates. An investment in Units is subject to investment risks, including the possible loss of the principal amount invested.

Investors should note that they 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.

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 these 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 on the terms necessary to support PLife REIT’s 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.

This Announcement is not for release, publication or distribution, directly or indirectly, in or into the U.S., European Economic Area, the United Kingdom, Canada, Japan or Australia, and should not be distributed, forwarded to or transmitted in or into any jurisdiction where to do so might constitute a violation of applicable securities laws or regulations.

The Units have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “**Securities Act**”), and may not be offered or sold in the U.S. except pursuant to an applicable exemption from, or in a transaction not subject to, the registration requirements under the Securities Act and in compliance with any applicable state securities laws. Any public offering of securities to be made in the U.S. would be made by means of a prospectus that may be obtained from an issuer and would contain detailed information about such issuer and the management, as well as financial statements. There will be no public offering of the securities referred to herein in the United States.

This announcement has not been reviewed by the Monetary Authority of Singapore.