ParkwayLife REIT

Expanding Horizons

Delivering Sustainable Value

Annual Report 2024

CORPORATE PROFILE

PARKWAY LIFE REAL ESTATE INVESTMENT TRUST ("PLIFE REIT") IS ONE OF ASIA'S LARGEST LISTED HEALTHCARE REITS BY ASSET SIZE.

It invests in income-producing real estate and real estate related assets that are used primarily for healthcare and healthcare-related purposes (including, but not limited to, hospitals, nursing homes, healthcare facilities and real estate and/or real estate assets used in connection with healthcare research, education, and the manufacture or storage of drugs, medicine and other healthcare goods and devices).

PLife REIT owns a well-diversified portfolio of 75 properties with a total value of approximately S$2.46 billion as at 31 December 2024. It owns the largest portfolio of strategically located private hospitals in Singapore comprising Mount Elizabeth Hospital, Gleneagles Hospital and Parkway East Hospital. In addition, it has 60 high-quality nursing home and care facility properties across various prefectures in Japan, as well as 11 strategically located nursing homes in France. It also owns strata-titled units/lots in the MOB Specialist Clinics in Kuala Lumpur, Malaysia. Managed by Parkway Trust Management Limited, PLife REIT has been listed on the Mainboard of the Singapore Stock Exchange since August 2007.

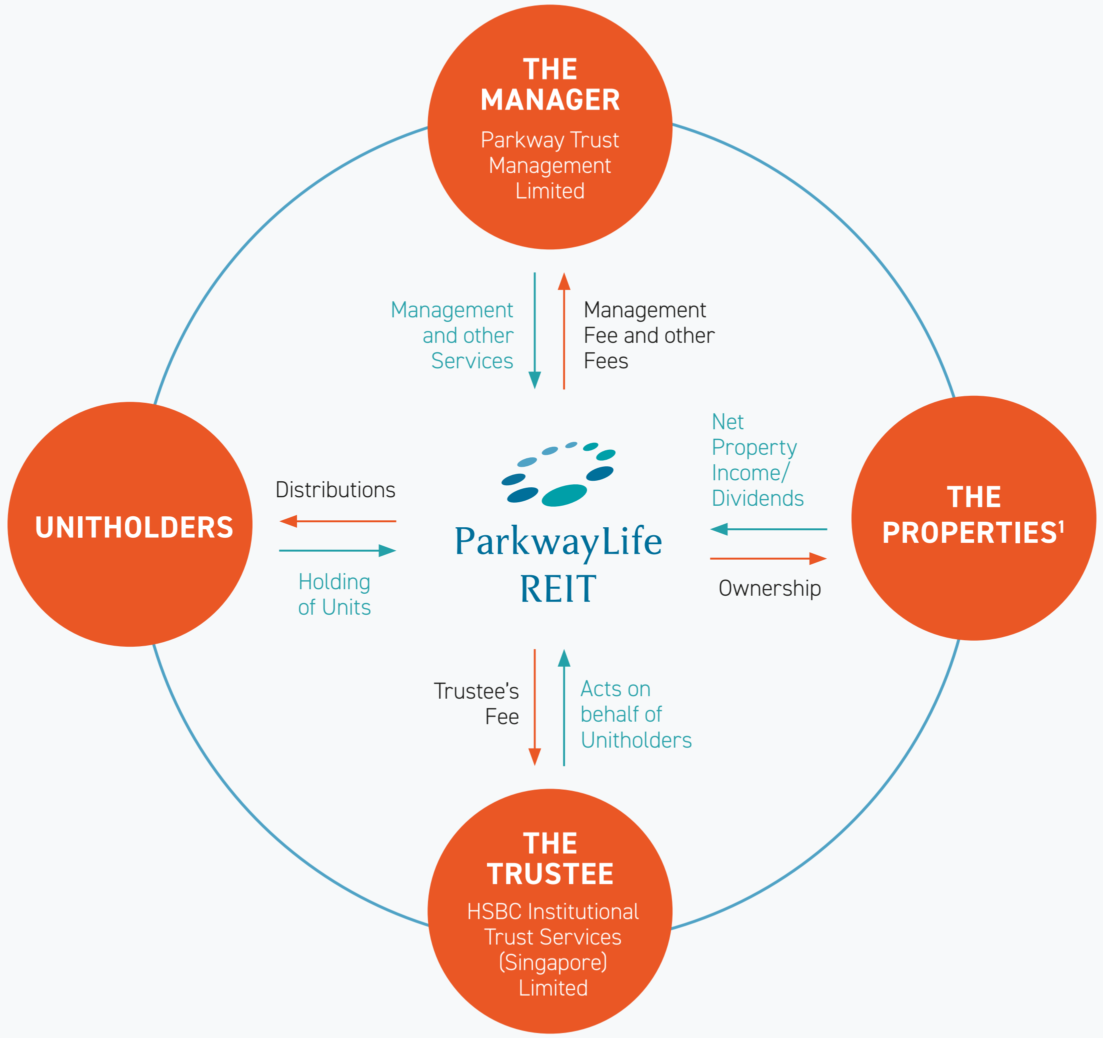
MISSION

To deliver regular and stable distributions and achieve long-term growth for our Unitholders

VISION

To become the leading healthcare REIT and the Partner of Choice for healthcare expansion

TRUST STRUCTURE



(1) Refers to the properties acquired by the Trust, whether directly or indirectly held through the ownership of special purpose vehicles. In Singapore, the ownership of the properties is held directly by the Trustee. In France and Malaysia, the ownership of the properties is held indirectly by the Trustee. In Japan, the ownership of the properties is held through the Tokumei Kumiai ("TK") structure. Under the TK structure, the Trustee will, through its wholly-owned subsidiary incorporated under Singapore laws, enter into TK agreement (or silent partnership agreement) as TK investor ("TK investor") with a company incorporated under Japanese laws known as TK operator ("TK operator"). The TK operator is a company similar to a limited liability company in Singapore whereby the TK investor is only liable to the extent of its contribution to the TK operator. Under the TK agreement, the TK investor shall inject funds to the TK operator and the TK operator will acquire and own the property. Further details of the TK structure are set out in the relevant past announcements.

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Fortifying Our Core, Broadening Our Global Reach

Since its inception in 2007, PLife REIT has built a strong foundation, evolving into a resilient and growth-driven REIT guided by clear purpose and strategic vision. The early milestones of PLife REIT set the stage for a continuously expanding portfolio, and our unwavering determination continues to shape the path forward, driving the REIT towards even greater success.

Gleneagles Hospital, Singapore

GROSS REVENUE

S$145.3 MILLION

NET PROPERTY INCOME

S$136.6 MILLION

MESSAGE TO UNITHOLDERS

DEAR UNITHOLDERS

In 2024, the REITs sector in Singapore remained challenging as interest rates stayed elevated. Entering into the year of 2025 and following Donald Trump's victory in the 2024 U.S. elections, the outlook for interest rates continues to be cloudy[1] as geopolitical tensions and economic uncertainties persist.

On a brighter note, PLife REIT began the year on an expanded horizon, after completing the acquisition of 11 nursing homes in France in December 2024. The acquisition marked the Group's maiden entry into Europe, the third key market after Singapore and Japan. This diversification into a new market, coupled with the long-term growth potential of the healthcare sector will pave the way for PLife REIT to deliver sustained value for our Unitholders for many years to come.

DEMONSTRATING RESILIENCE THROUGH UNINTERRUPTED DPU GROWTH, STRONG CAPITAL PRESERVATION AND EXEMPLARY RISK MANAGEMENT

Our mission is to create long-term value for our Unitholders. We will remain focused on broadening our horizons and strengthening our portfolio fundamentals, financial metrics and unique value proposition to drive growth. This will ensure our continued success as we remain vigilant in an uncertain world today.

For the financial year ended 31 December 2024 ("FY2024"), PLife REIT recorded a full year Distribution Per Unit ("DPU") of 14.92 Singapore cents. DPU increased by 1.0% year-on-year, demonstrating the resilience of its diversified portfolio and disciplined capital management. FY2024 gross revenue and Net Property Income ("NPI") have decreased by 1.5% and 1.8% respectively, driven largely by the weaker Japanese Yen and partly offset by contribution from the properties acquired in 2023 and 2024. As the REIT has hedged the net income from Japan, the drop in revenue will be compensated by foreign exchange gains from the settlement of the forward exchange contracts.

With this financial performance, PLife REIT has continuously delivered a DPU growth of 136.1% since its listing in 2007. This track record marks 17 years of uninterrupted growth in recurring DPU. Net Asset Value ("NAV") as of 31 December 2024 stands at S$2.41 per unit, compared to S$2.34 per unit a year ago.

As a testament of its investment merits in achieving long-term growth and value for Unitholders, PLife REIT has been a component of the FTSE EPRA NAREIT Global Developed Index ("FTSE NAREIT") since September 2020. The FTSE NAREIT index tracks the performance of listed real estate companies and REITs worldwide, enhancing PLife REIT's trading liquidity and visibility to investors and index funds globally.

The Group is also deeply honoured to have received several prestigious awards during the year. In September 2024, PLife REIT was recognised with the Shareholder Communications Excellence Award ("SCEA") under the REITs and Business Trusts category at the Securities Investors Association Singapore (commonly known as SIAS) Investors' Choice Awards 2024. This award celebrates excellence in investor relations, highlighting the Group's dedication to corporate transparency and accountability. It acknowledges our efforts in providing timely and accurate information to investors, helping them make well-informed investment decisions. Importantly, the award reflects our continuous commitment to fostering transparency, and engaging effectively with all stakeholders. In addition, PLife REIT's FY2023 Annual Report was also named as a Platinum Winner at the renowned International Hermes Creative Awards 2024.

EXPANDING HORIZONS, PORTFOLIO DIVERSIFICATION TO DELIVER SUSTAINABLE VALUE

ANCHORING SINGAPORE AS THE CORE MARKET

In 2024, PLife REIT continued its execution of Project Renaissance – a S$350 million renewal capital expenditure for Mount Elizabeth Hospital ("MEH") jointly funded with IHH Healthcare Singapore. This upgrading plan will enhance facilities and improve service offerings, as well as bolster the quality positioning of MEH. Project Renaissance is expected to be completed by the end of 2025.

Project Renaissance is part of the lease renewal arrangement for the Singapore Hospitals. PLife REIT will enjoy a guaranteed rental step-up from 2022 to 2025, followed by the annual rental review adjustment formula[2] which will apply for the remaining lease term till 2042. With a clear rental structure in place, the income from the Singapore Hospitals is secured with 100% committed occupancy over the long-term. As the core revenue contributing assets, the Singapore Hospitals will continue to underpin the organic growth of PLife REIT and provide a sustained quality rental income stream for PLife REIT in the long run.

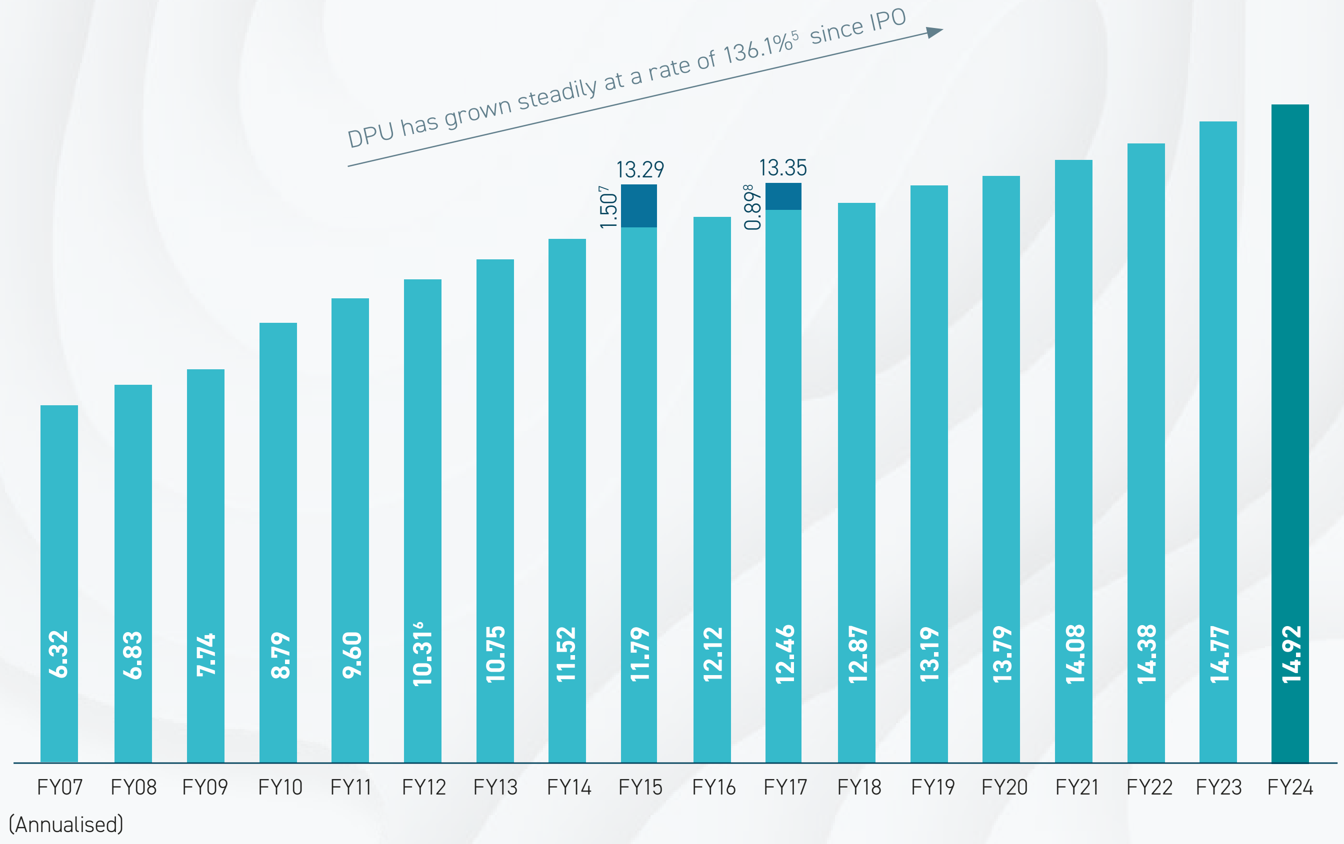
EXPANDING STRATEGICALLY INTO EUROPE TO ENHANCE DIVERSIFICATION AND RESILIENCE

2024 was also significant for PLife REIT with its entry into Europe through the acquisition of 11 nursing homes in a sale and leaseback arrangement from Pan-European operator DomusVi for a total purchase consideration of €111.2 million[3] (approximately S$159.9 million)[4]. The acquisition was fully

(1) Trump's election victory puts Fed on path for fewer rate cuts, Reuters, November 2024
(2) The annual rent review formula for FY2026 is based on the higher of (1+(CPI+1%) X Initial Rent of S$97.2 million) or (Base Rent + Variable Rent)
(3) A rounded Purchase Price figure has been used. The exact Purchase Price is €111,241,178
(4) Based on the exchange rate at point of acquisition

> **PLife REIT is strategically positioned to capitalise on the growth of the healthcare industry across Asia Pacific and Europe.**

UN-INTERRUPTED RECURRING DPU GROWTH SINCE IPO (CENTS)



(5) Since IPO till FY24
(6) Since FY12, S$3.0 million per annum of amount available for distribution has been retained for capital expenditure
(7) One-off divestment gain of 1.50 cents (S$9.11 million) relating to the divestment of seven Japan assets in December 2014 was equally distributed over the four quarters in FY15
(8) One-off divestment gain of 0.89 cents (S$5.39 million) relating to the divestment of four Japan assets in December 2016 was equally distributed over the four quarters in FY17

MESSAGE TO UNITHOLDERS

financed via an Equity Fund Raising ("EFR") by way of a private placement and is both DPU and NAV per unit accretive.

The expansion of investment mandate positions PLife REIT for its next phase of growth and strategically diversifies its asset portfolio and revenue streams. While maintaining a primary focus on its core market of Singapore, this diversification strategy will not only enable it to mitigate potential country and operator-level risks but will also enable the Group to capitalise on different economic cycles and growth opportunities in each geography.

FORTIFYING JAPAN PRESENCE

The potential of Japan's aged care market is underpinned by the country's rapidly ageing population. Since entering the market in 2008, PLife REIT has leveraged on its first-mover advantage and expanded its footprint in Japan to an extensive portfolio of 60 high-quality nursing homes and care facilities across 17 prefectures today.

PLife REIT continued its expansion efforts in Japan with the acquisition of a newly built nursing home, HIBISU Higashi Sumiyoshi, in the Osaka Prefecture, for a total purchase consideration of ¥2,446.2 million (approximately S$20.7 million) in 2024. HIBISU Higashi Sumiyoshi is a freehold property that is well-located in the residential area of Osaka City and is Building-Housing Energy-efficiency Labelling System (BELS) certified. PLife REIT took over the existing master lease agreement from K.K. FDS, a strategic partner whom PLife REIT had entered into a Memorandum of Understanding on Strategic Alliance in 2023. Through this acquisition, PLife REIT strengthened its partnership with an existing tenant – K.K. BISCUSS, a reputable nursing and care service provider in the Kansai region.

In line with its risk management approach, the acquisition was fully funded by Japanese Yen (JPY or ¥) loans. The deployment of ¥ funding provides a natural hedge for the foreign exchange risks arising from ¥-denominated assets and mitigates against potential currency volatility.

PRUDENT CAPITAL MANAGEMENT FOR GROWTH

PLife REIT's prudent capital management is evidenced by its healthy aggregate leverage at 34.8%, a weighted average term to debt maturity of 3.5 years, all-in cost of debt of 1.48% per annum and an interest coverage ratio of 9.8 times as at 31 December 2024. As interest rates outlook remains uncertain and economic and financial risks persist, PLife REIT continues to strengthen its liquidity position and enhance its resilience against interest rates and foreign exchange fluctuations.

During the year, the Group successfully launched its maiden EFR of approximately S$180.0 million to finance the acquisition in France. To strengthen its financial position, PLife REIT deployed a cross currency swap by swapping the EFR S$ proceeds to European Euro (EUR or €) to fund the acquisition. As such, PLife REIT adopts a natural hedge financing strategy for both its France and Japan investments, ensuring stability in NAV.

Furthermore, PLife REIT completed the refinancing exercise with no immediate long-term debt refinancing needs till September 2026. The Group has also put in place several interest rate swaps in 3Q 2024 (including forward-starting swaps) to extend maturing hedges for another four to seven years. As at 31 December 2024, about 87% of interest rate exposure is hedged, underscoring PLife REIT's prudent capital management.

Additionally, the Group has put in place ¥ and € net income hedges till 1Q 2029 and 1Q 2030 respectively, thereby minimising the impact of adverse market conditions and safeguarding distribution stability.

LOOKING AHEAD

The healthcare sector continues to play a crucial role in addressing the growing demands of an ageing population and the increasing need for high-quality healthcare and aged care services. As such, PLife REIT is strategically positioned to capitalise on the robust growth of the healthcare industry across Asia Pacific and Europe. Equipped with a stronger balance sheet, the Manager will continue to strengthen PLife REIT's portfolio in Singapore, Japan, and now Europe, to build resilience and ensure sustainable returns for Unitholders.

ACKNOWLEDGEMENTS

We would like to extend our heartfelt appreciation to our Board members, past and present, for their invaluable guidance and on behalf of the Board, we would like to express our appreciation to our independent director Dr. Jennifer Lee Gek Choo, who has retired from the Board. At the same time, we would also like to welcome Ms. Theresa Goh Cheng Keow as an Independent Director. With these changes, the Board remains at eight members, of which three are independent, and 25% representation from female directors.

We are grateful to the management team and all staff for their hard work and dedication in driving sustained success for PLife REIT and creating long-term value for Unitholders in this past year.

Lastly, we wish to express our deepest gratitude to our Unitholders, business partners, and lessees for their unwavering support, confidence, and trust in PLife REIT.

HO KIAN GUAN
Chairman

YONG YEAN CHAU
Chief Executive Officer and Executive Director

CORPORATE DEVELOPMENT

La Demeure du Bois Ardent, Normandie, France

ESTABLISHING A MULTI-PRONGED GROWTH PLATFORM

EXPANDED INVESTMENT MANDATE FOR THE NEXT PHASE OF GROWTH

In 2024, PLife REIT made significant strides in enhancing PLife REIT's strategic growth initiatives, with the expansion of its investment mandate to allow the establishment of a third key market beyond Singapore and Japan.

The expanded investment mandate is in line with PLife REIT's long-term growth strategy of building a third key market while maintaining a primary focus on its core market of Singapore.

This will provide PLife REIT 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 sustainable growth while building diversification and portfolio resilience.

This is part of PLife REIT's strategic roadmap of establishing a multi-pronged growth platform.

A STRATEGIC FORAY INTO EUROPE

With the expanded mandate, PLife REIT acquired 11 nursing homes in France for a total purchase consideration of €111.2 million (approximately S$159.9 million), marking its maiden entry into the European market via France, the second-largest economy in the Eurozone by gross domestic product ("GDP")[1].

This acquisition strategically positions PLife REIT to capitalise on structural trends in the French nursing home sector, driven by the country's ageing population and strong demand for senior housing.

The acquisition also provides PLife REIT with a foothold in a highly regulated sector with substantial barriers to entry. With slightly more than 600,000 nursing home beds in France and no new beds expected to be authorised until 2028, the market is characterised by limited supply, which enhances the attractiveness of this opportunity. In addition, the French government's strong support for the sector, including significant social security allocations, further mitigates operational risks and ensures long-term stability for operators.

The nursing home sector in France is also highly fragmented, with substantial opportunities for consolidation in the private Établissement d'hébergement pour personnes âgées dépendantes ("EHPAD") market, valued at €19 billion. By acquiring these 11 strategically located nursing homes, PLife REIT gains access to a well-positioned portfolio, with 850 beds spread across six regions.

The properties are operated by DomusVi Group ("DomusVi") under a sale and leaseback arrangement with a favourable 12-year lease term[2]. This arrangement ensures income certainty for PLife REIT while strengthening its revenue resilience against inflation and interest rates fluctuations.

(1) Source: World Bank's World Development Indicators as of 2023, https://databank.worldbank.org/source/worlddevelopment-indicators
(2) Lease terms of the France properties include indexed rent escalations

CORPORATE DEVELOPMENT

Ward 9C Opening Ceremony

New Neonatal ICU ("NICU")

New Delivery Suite

Mount Elizabeth Hospital transformed under Project Renaissance

STRENGTHENING EXISTING MARKETS

SINGAPORE

Even as PLife REIT's investment mandate has broadened, strengthening its existing markets remains a top priority. In 2024, PLife REIT continues its execution of the renewal capital expenditure for MEH – Project Renaissance. This upgrading plan aims at enhancing facilities and improving service offerings, and will bolster the quality positioning of MEH, thereby increasing its competitiveness in the market. Key areas, including the out-patient Laboratory, Executive Health Screeners, ICU, Endoscopy Centre, majority of Ward rooms, Parkway Cancer Centre, Delivery Suite, NICU, Radiology areas, public and patient lift lobbies along with service and public corridors on Levels 1 and 2 have been completed. The majority of the renovation works are expected to be completed by the end of 2025. The project remains on track to meet the planned timeline.

Additionally, PLife REIT has a Right of First Refusal ("ROFR") over the Mount Elizabeth Novena Hospital property for a period of 10 years from 2021, providing a strategic opportunity for potential expansion and value creation. All these positions PLife REIT to capitalise on the growing demand for healthcare services in the region, particularly Singapore. By reinforcing its existing market presence in Singapore, PLife REIT is not only ensuring the resilience of its income streams but also laying a solid foundation for future growth, complementing its strategic foray into new markets.

JAPAN

In 2024, PLife REIT continued its expansion efforts in Japan, with the acquisition of an additional nursing home, HIBISU Higashi Sumiyoshi in Osaka Prefecture for a total consideration price of ¥2,446.2 million (approximately S$20.7 million)[3]. Newly-built in June 2024, HIBISU Higashi Sumiyoshi is a freehold property that is well-located in the residential area of Osaka City and is Building-Housing Energy-efficiency Labelling System ("BELS") certified.

The acquisition saw PLife REIT taking over the existing master lease agreement from K.K. FDS ("FDS"). With a long and stable balance lease term of approximately 30 years, PLife REIT's weighted average lease expiry (by gross revenue) improved from 16.05 years to 16.17 years, further enhancing the resiliency of PLife REIT's earnings upon the completion of the acquisition. Importantly, the acquisition marks the second collaboration with FDS, whom PLife REIT signed a Memorandum of Understanding on Strategic Alliance with in 2023. The acquisition also further enhances PLife REIT's partnership with an existing tenant, K.K. BISCUSS, a reputable nursing and care service operator in the Kansai region of Japan.

In addition, an advance lease extension with K.K. Riei had been signed at Senior Chonaikai Makuhari Kan. The extended 10-year lease will commence from 1 April 2026 and will provide a guaranteed income of approximately ¥1.0 billion (S$8.9 million)[4] for PLife REIT over the course of the lease.

With an established portfolio of 60 high quality nursing homes and care facilities, as well as strategic partnerships with local operators in the aged care sector, PLife REIT remains well positioned to ride on the silver economy in Japan, where it first established a foothold in 2008.

CAPITAL AND FINANCIAL MANAGEMENT STRATEGY

In conjunction with its growth initiatives, PLife REIT is committed to a robust capital and financial management strategy that underpins its long-term sustainability and resilience. The strategy is designed to ensure that PLife REIT maintains a strong balance sheet while effectively managing risks associated with interest rates and foreign exchange fluctuations on an ongoing basis.

Not only did the REIT expand its footprints into Europe in 2024, it also diversified funding sources away from debt financing by successfully launching its maiden EFR of approximately S$180.0 million to finance the France acquisition. In addition, the Group completed its refinancing exercise with no immediate long-term debt refinancing needs till September 2026 and termed out interest rate hedges maturing in 2025 with forward-starting swaps. With that, PLife REIT has enhanced its financial stability with an improved gearing and locked in its interest exposure for 87% of its borrowings in the next few years amid the uncertain interest rates environment.

To achieve a stable net asset value, PLife REIT has applied hedge accounting for net investment hedge on its France investment via the use of a cross currency swap, by swapping the EFR S$ proceeds to €. Additionally, the Group has put in place ¥ and € net income hedges till 1Q 2029 and 1Q 2030 respectively, thereby minimising the impact of adverse market conditions and safeguarding distribution stability.

This comprehensive capital and financial management strategy not only supports PLife REIT's growth ambitions but also reinforces its commitment to long-term value creation. As at 31 December 2024, PLife REIT sustained a healthy aggregate leverage of 34.8%, a weighted average term to debt maturity of 3.5 years, all-in cost of debt of 1.48% per annum, as well as a healthy interest coverage ratio of 9.8 times.

AWARDS - A COMMITMENT TO EXCELLENCE

PLife REIT was honoured to receive the Shareholder Communications Excellence Award ("SCEA") in the REITs & Business Trusts category at the Securities Investors' Association (Singapore) Investors' Choice Awards 2024. This prestigious recognition underscores PLife REIT's commitment to transparent, timely and effective communication with its shareholders, demonstrating the high standards set for investor relations and corporate governance.

The process of receiving the SCEA involved a rigorous evaluation based on the STARS framework, developed in collaboration with the Centre for Governance and Sustainability (CGS) at the National University of Singapore (NUS). This framework assesses companies in five key areas: Shareholders' Rights and Equitable Treatment, Transparency and Disclosure, Accountability and Audit, Responsibilities of the Board, and Stakeholders' Roles. PLife REIT's performance across these areas was meticulously reviewed, culminating in its selection for this prestigious award.

Winning this award reflects the concerted efforts PLife REIT has made to ensure that shareholders are well-informed and engaged. The Manager has worked tirelessly to provide investors with clear, comprehensive, and up-to-date information on its financial performance, strategic initiatives, and operational achievements.

Moving forward, PLife REIT remains steadfast in its commitment to maintaining these best practices, ensuring it continues to foster transparency, engage effectively with all stakeholders, and safeguard shareholder interests.

(3) Based on the exchange rate at point of acquisition

(4) Based on the exchange rate of S$1.00 to ¥112.2

MARKET REVIEW AND OUTLOOK

GLOBAL ECONOMIC OUTLOOK: CAUTIOUS OPTIMISM FOR RECOVERY AND GROWTH IN 2025

Geopolitical instability, trade uncertainties, and inflationary pressures have continued to shape growth dynamics in recent years[1], and the global economy is now transitioning into a phase of cautious optimism. The global economic context has become more favourable since mid-2024, as inflation appears to be moderating without substantial slowdown in key economies, and monetary policy easing has now become widespread. Based on the latest publication by World Bank, global growth is estimated to have stabilised at 2.7% in 2024, and is forecast to hold steady at that pace over 2025.[2] Low inflation, steady employment growth and less restrictive monetary policy will all help to underpin demand in 2025, despite some mild headwinds from the necessary tightening of fiscal policy in many countries.[3]

Despite the moderate recovery, the global outlook remains clouded with uncertainty. Global growth may fall short of expectations due to potential adverse changes in trade policies and heightened policy instability, particularly trade-distorting measures implemented mainly by advanced economies. For example, the United States has proposed "reciprocal tax" on several foreign countries[4], which could spark trade wars and harm global economic growth.[5] Additionally, heightened geopolitical tensions and conflicts such as the Russia-Ukraine war, unrest in the Middle East and overall geopolitical instability could disrupt global trade and commodity markets, further impacting growth.

Against the macroeconomic backdrop, global healthcare spending is projected to outpace inflation, driven by the ageing global population, which is boosting demand for healthcare services in both developed and emerging markets.[6] The sector's growth is largely fuelled by the rising number of individuals aged 65 and older, projected to account for 12% of the global population in 2025. Despite budgetary pressures, healthcare remains a priority, particularly in low- and middle-income countries, where public spending is expected to rise. In wealthier nations, demand will also grow due to ageing populations, but governments will face challenges funding healthcare as budgets increasingly shift towards defence, green energy, and infrastructure. This presents both opportunities and challenges for healthcare providers, who will need to adapt to the evolving demands and fiscal constraints while continuing to deliver essential services.

JAPAN – EXTREME DEMOGRAPHIC AGEING SHAPING THE COUNTRY'S HEALTHCARE TRAJECTORY

The International Monetary Fund ("IMF") maintained its Japan economic growth outlook at 1.1% for 2025 and 0.8% for 2026, unchanged from its previous projection in October.[7] While major economies are easing on their monetary policies, the Bank of Japan is expected to take a contrasting approach by introducing two additional rate hikes each in both 2025 and 2026.[8] The gradual tightening of the monetary policy has already commenced in 2024 and will continue at a moderate pace to ensure that the economy is able to achieve its price stability.

(1) Economic conditions outlook, September, McKinsey & Company, September 2024
(2) Global Economic Prospects, World Bank Group, January 2025
(3) OECD Economic Outlook, OECD, December 2024
(4) Trump signs sweeping reciprocal tariff plan, says more coming, CNBC, February 2025
(5) World Bank warns that US tariffs could reduce global growth outlook, Reuters, January 2025
(6) EIU Industry outlook 2025, The Economist Intelligence, 2024
(7) IMF keeps Japan's 2025 growth outlook intact, The Japan Times, January 2025
(8) Transcript of World Economic Outlook (WEO) Update, International Monetary Fund, January 2025
(9) Japan's elderly population hits record high, The Straits Times, September 2024
(10) Annual governmental budget for social security in Japan from fiscal year 2015 to 2024, by purpose, Statista, January 2024

Japan's rapidly ageing population continues to drive demand for healthcare and senior living services. According to the data released by Japan's Ministry of Internal Affairs and Communications, the number of people in Japan aged 65 or older hit a record high of 36.25 million in 2024 and the elderly now account for 29.3% of Japan's total population. In fact, the proportion of elderly residents places Japan as the top of the list of 200 countries and regions with population over 100,000.[9] This demographic shift is putting pressure on healthcare systems, prompting the government to allocate ¥37.7 trillion to social security in 2024, including substantial funding for healthcare and long-term care.[10] The considerable resources allocated to national healthcare and long-term care have boosted investor confidence in these sectors, with expectations for continued growth over the next few decades.

The National Institute of Population and Social Research has reported that single-person households are projected to account for 20.6% of all households in Japan by 2050, driven by changes in societal dynamics.[11] This trend underscores the growing demand and importance of senior living accommodations in the Japanese society, as family-based care becomes less viable.

In recent years, the ageing demographics has also presented new opportunities such as intensified developments and accelerated uptake of digital health technologies. In April 2024, the Ministry of Internal Affairs and Communications and the Ministry of Economy, Trade and Industry published their "Artificial Intelligence (AI) Guidelines for Business" to guide AI use within the healthcare industry.[12] The guidelines integrate existing standards, address risks, align with global trends and promote innovation throughout the business life cycle. Spurred by the developments of the Covid-19 pandemic, there has been a relaxation of related regulations as a response to increased demand for telemedicine and online medication guidance in Japan.

Despite broader economic challenges such as persistent inflation, the senior living sector remains resilient, supported by ample government backing for senior housing development and strong demand for quality services, making the sector an attractive area for investment in Japan.[13] Capitalising on Japan's silver economy, PLife REIT has an established portfolio of 60 high quality nursing homes across Japan and continues to form strategic partnerships with local operators to maintain its strong foothold in the Japan nursing home market.

SINGAPORE – INCREASED GOVERNMENT INVESTMENT AND FOCUS ON TECHNOLOGICAL ADVANCEMENTS IN THE HEALTHCARE SECTOR

Singapore's GDP growth reached approximately 3.5% in 2024 but is expected to slow down to between 1 and 3% in 2025.[14] The moderation in growth reflects its susceptibility to global uncertainties driven by factors such as Donald Trump's return to the White House, escalating conflicts in the Middle East and Ukraine as well as China's ongoing economic slowdown.[15] Despite global challenges, Singapore continues to be regarded by foreign investors as a pillar of economic stability, a trusted and thriving global business hub, and a renowned financial centre. Supported by resilient external demand, the development of the Johor-Singapore Special Economic Zone, easing inflation, and proactive government policies, Singapore's economy is well-positioned to stay dynamic in an increasingly volatile world.[16]

As Singapore navigates the next phase of its economic development amidst evolving global trends and challenges, the Ministry of Health (MOH) launched the Industry Transformation Map (ITM) 2025 for healthcare. The Healthcare ITM 2025 focuses on four main areas: (i) strengthening Singapore's research and innovation ecosystem; (ii) strengthening digital system enablers; (iii) attracting and retaining healthcare workers; and (iv) strengthening partnerships.[17] Additionally, the government's budgeted spending on healthcare has risen by 4.6% in 2024, reaching S$18.8 billion, reflecting a commitment to strengthening the healthcare infrastructure to meet the current and future needs of Singapore's ageing population.[18] As we approach 2025, Singapore's healthcare sector faces challenges such as a projected medical inflation rate of 12%,[19] consistent with 2024 levels, which may impact both providers and patients. Nevertheless, the market outlook remains positive, with Singapore's hospitals market projected to grow by 7.1% between 2025 and 2029, reaching an estimated market value of USD 13.03 billion by 2029.[20] This growth will likely be fuelled by ongoing investments in healthcare infrastructure, technological integration, and a focus on preventive care, ensuring continued demand from both local patients and medical tourists while reinforcing its position as a global healthcare hub.

The Singapore healthcare market continues to thrive with a positive outlook and PLife REIT gains a significant competitive edge through its ownership of three strategically located, world-class private hospitals within its Singapore portfolio.

(11) Elderly single-person households projected to make up over 20% of Japan's total in 2025, The Mainichi, April 2024
(12) Digital Healthcare 2024 – Japan, Chambers and Partners, June 2024
(13) Golden years ahead for senior living, PERE, June 2024
(14) MTI Forecasts GDP Growth of "Around 2.5 Per Cent" in 2-24 and "1.0 to 3.0 Per Cent" in 2025, MTI, November 2024
(15) Economic trends to watch for Singapore in 2025, The Straits Times, January 2025
(16) Singapore's Dynamic Outlook in 2025, DBS, November 2024
(17) Singapore: Government boosts healthcare with S$ 200 million AI investment and moots law to govern genetic test use, Baker McKenzie, October 2024
(18) Fit for the future: A bright outlook for business growth in ASEAN healthcare, HSBC, July 2024
(19) Singapore: 2025 medical inflation rate projected to be 12%, as high as in 2024, Asia Insurance Review, December 2024
(20) Market Insights on Hospitals – Singapore, Statista, April 2024

MARKET REVIEW AND OUTLOOK

As the sector continues to evolve, there is an increasing emphasis on energy efficiency and carbon reduction. This shift presents opportunities for investors to advance Singapore's sustainability goals while supporting the growth of the healthcare sector. PLife REIT is proactively aligning with these trends by incorporating energy-efficient solutions and sustainable practices across its healthcare portfolio.

MALAYSIA – GROWING HEALTHCARE DEMAND AND OPPORTUNITIES

The growth trajectory of the Malaysian economy remains fairly resilient, despite experiencing a slight decline in projected growth rate of 4.5% in 2025 compared to 5.2% in 2024, driven by strong export performance and sustained domestic demand. Notably, 2024 saw tourist arrivals nearing pre-pandemic levels, with tourism from China surpassing pre-pandemic levels for Malaysia.[21]

Malaysia's healthcare sector is experiencing significant growth, with healthcare expenditure forecasted to rise by 8.7% annually from 2023 to 2028. In particular, the 2025 Budget allocates RM45.3 billion to healthcare, reflecting a 10% increase from 2024, with funds earmarked for upgrading public hospitals and improving access to healthcare in rural areas.[22]

The private healthcare sector is also seeing increased demand, boosted by a thriving healthcare tourism industry, which generated RM2.25 billion in revenue in 2023.[23] As Malaysia establishes itself as a leading healthcare destination, PLife REIT benefits from the growing demand for healthcare services from both local and international markets.

FRANCE – AGEING POPULATION DRIVES DEMAND FOR SENIOR HOUSING

The 2025 outlook for the euro area economy is forecasted to be challenging amid trade uncertainties with the U.S. and ongoing fiscal tightening. As the region is predicted to avoid recession, GDP growth is projected to lag behind expectations and predicted to expand at only 0.8% in 2025.[24] Slow economic growth and declining inflation in the Eurozone will likely put pressure on the European Central Bank (ECB) to cut interest rates in the coming year.

France's GDP growth is expected to remain modest at 1.1% in 2024, slowing further to 0.9% in 2025, primarily due to fiscal consolidation efforts alongside global and domestic economic conditions.[25] However, with the anticipated interest rate cuts by the ECB, investment sentiment is expected to improve. Fundamentally, France continues to be a strong and diversified economy, supported by significant demographic advantages compared to its European Union (EU) neighbours.[26]

The ageing phenomenon is now typical in most countries, especially higher in Europe as compared to Asia, excluding Japan.[27] In particular, France is experiencing an ageing population, attributed to factors such as increased life expectancy and declining birth rates.[28] The ageing population is putting increasing pressure on public services such as healthcare and pensions, while also driving demand for senior housing. It is projected by 2070 that France's population of individuals aged 75 and over, will increase by 89%, highlighting the need for more senior living facilities.[29]

At the same time, shortage in supply for healthcare facilities also emphasises the need for increased government expenditure to support the growing demand for elderly care services. In 2023, 32% of France's GDP was allocated for social security, highest amongst the EU countries.[30]

Due to the significant supply gap in senior housing, with just one senior housing place available for every 10 individuals aged 75 and older, the French government has made senior housing a national priority through the "Old Age and Autonomy" law, which outlines measures to foster a society that supports healthy ageing. In recent years, the senior housing sector has also experienced substantial growth, increasing from 540 establishments in 2016 to almost a thousand by the end of 2022. This trend is set to continue, with the number of facilities to increase to 1,300 by 2025.[31]

This growth is further supported by strong regulatory and policy backing, especially in the wake of the Orpea scandal. The French government implemented several measures to improve aged care services, including stricter inspection of care homes, intervention by the French state-owned bank Caisse des Dépôts et Consignations ("CDC") to restructure Orpea and policies to prevent the commercialisation of essential services.[32] Such initiatives reflect the commitment by the government and policy makers to reform the aged care sector, emphasising quality, accountability and the well-being of residents.

As the demand for senior housing intensifies, the sector's performance continues to outpace the broader residential market, presenting substantial opportunities for investment and development in senior housing not only in France but also across Europe and in the United Kingdom ("UK"). With increasing emphasis on specialised care and accommodations, investors are poised to capitalise on the sector's expansion, offering long-term growth potential in a market that continues to demonstrate resilience and strong demand.[33]

PLife REIT is well-placed to ride on this emerging trend by establishing a presence in a third key market with strong fundamentals, growing ageing population and mature health and aged care sectors, through the recent acquisition of a portfolio comprising 11 freehold nursing home assets across various regions in France. Leveraging on the foothold in France, PLife REIT can look to France, the other European countries and the UK for expansion opportunities as part of its long-term growth plan.

A KEY TURNING POINT FOR GROWTH IN THE SINGAPORE REIT (S-REIT) SECTOR IN 2025

The S-REIT sector is at a pivotal juncture, recovering from challenges posed by the Covid-19 pandemic, inflation, and high interest rates.

The benchmark Straits Times Index ("STI") posted total returns of 23.5% in 2024, marking its best performance in a decade.[34] However, the iEdge S-REIT Index ended 2024 in the negative, with a return of -6.1%, as the S-REIT market was generally volatile throughout the year due to the balancing act between inflation and interest rates.[35] Environmental, Social and Governance ("ESG") factors continue to shape the sector, with green-certified properties commanding rental premiums and enhancing long-term asset value.[36]

Since its listing in 2007, PLife REIT has consistently delivered sustainable distributions to its unitholders. At the end of 2024, PLife REIT marked a significant milestone with its maiden investment in France, marking its entry into the European aged care property market as part of its long-term growth strategy. With targeted, long-term and stable leases across its portfolio of 75 properties spanning across diverse geographical regions, the REIT is poised to continue delivering sustainable, risk-adjusted returns to its unitholders. On the ESG front, the REIT continues to work towards building a sustainable and energy-efficient healthcare portfolio that aligns with evolving market expectations, positioning the trust to capture both economic and environmental values in the years ahead.

(21) Malaysia's GDP growth likely to remain resilient at 4.5pct in 2025 – OCBC, Business Times, January 2025
(22) BMI revises Malaysia's health expenditure growth forecast to 8.7%, The Edge Malaysia, November 2024
(23) Malaysia sets sight on emerging as leading healthcare destination by 2025, Malaysian Investment Development Authority, August 2024
(24) The euro area is forecast to avoid recession despite Trump tariffs, Goldman Sachs, November 2024
(25) OECD Economic Outlook, Volume 2024 Issue 2 – France, OECD, December 2024
(26) France, Europe and beyond: sizing up the year ahead, Natixis, December 2024
(27) The Top 50 Countries with the Largest Percentage of Population Aged 65 and Up, Madison Trust Company
(28) France's aging population: a sign of the times, Euro Weekly News, October 2024
(29) France senior housing sector outperforms residential market, Knight Frank, March 2023
(30) EU social benefits expenditure up 6% in 2023, eurostat, November 2024
(31) France senior housing sector outperforms residential market, Knight Frank, March 2023
(32) Services for the elderly and young must be reserved for the public sector and the public sector and the social and solidarity economy, Le Monde, October 2024
(33) France senior housing sector outperforms residential market, Knight Frank, March 2023
(34) STI nets 23.5% returns, best returns in a decade, Singapore Business Review, January 2025
(35) Larger S-REITs rank among those with highest net retail infows in 2024, The Business Times, January 2025
(36) Navigating S-REITs in 2025 and beyond: A defensive play with long-term growth potential, The Edge Singapore, November 2024

Pioneering Success through Visionary Leadership

PLife REIT's journey began with its initial portfolio in Singapore, driven by a clear mission to grow the REIT. Expanding into Japan marked a significant milestone, and with a forward-thinking vision, the REIT ventured into Europe — an achievement made possible through visionary leadership and strategic foresight.

Silver Heights Hitsujigaoka, Sapporo, Japan

DPU

14.92 CENTS

DISTRIBUTABLE INCOME

S$91.4 MILLION

BOARD OF DIRECTORS

MR. HO KIAN GUAN

Independent Director and Chairman of the Board of Directors and Member of the Audit and Risk Committee

Age: 79

Appointed: 21/10/2016

WORK EXPERIENCE

Mr. Ho is the Executive Chairman of Keck Seng (Malaysia) Berhad since 1970 and also of Keck Seng Investments (Hong Kong) Limited since 1979. He was previously a Non-Executive Director of Shangri-la Asia Limited since 1993 and a member of its Audit Committee. He was previously the Director of Parkway Holdings Limited/Parkway Pantai Limited from 1985 to 2013 and was the Chairman of the Tender Committee.

ACADEMIC & PROFESSIONAL QUALIFICATIONS

- Business Administration and Commerce

PRESENT DIRECTORSHIPS OR CHAIRMANSHIP IN LISTED COMPANIES & MAJOR APPOINTMENTS

- Executive Chairman of Keck Seng Investments (Hong Kong) Limited
- Executive Chairman of Keck Seng (Malaysia) Berhad

PAST DIRECTORSHIPS OR CHAIRMANSHIP IN LISTED COMPANIES & MAJOR APPOINTMENTS HELD OVER THE PRECEDING 3 YEARS

- Non-Executive Director of Shangri-la Asia Limitedd

MS. THERESA GOH CHENG KEOW

Independent Director and Chairman of the Nominating and Remuneration Committee and Member of the Audit and Risk Committee

Age: 63

Appointed: 25/10/2024

WORK EXPERIENCE

Ms. Goh is the Founding Director of 360 Dynamics since 1998. She provides consulting services to businesses on their purpose, mission, strategy, organisational behaviours and development and the overarching governance that drives responsible performance. Her work covers the broader context of achieving business and societal objectives in an interconnected ecosystem that faces rapid changes. She has 20 years of board experience in governing healthcare in community settings with SATA CommHealth and Agency for Integrated Care. She chaired the Governance, Nominating and Human Resource Committees with these 2 organisations.

ACADEMIC AND PROFESSIONAL QUALIFICATIONS

- MSC, Organisational Psychology, City University of New York (Baruch College)
- BBA, National University of Singapore
- Senior Accredited Director, Singapore Institute of Directors

PRESENT DIRECTORSHIPS OR CHAIRMANSHIP IN LISTED COMPANIES & MAJOR APPOINTMENTS

- Appointed Chairperson of Charity Council, Singapore
- Appointed Vice President of National Council for Social Service

PAST DIRECTORSHIPS OR CHAIRMANSHIP IN LISTED COMPANIES & MAJOR APPOINTMENTS HELD OVER THE PRECEDING 3 YEARS

- Chairperson of SATA CommHealth Limited

BOARD OF DIRECTORS

MS. CHEAH SUI LING

Independent Director and Chairman of the Audit and Risk Committee and Member of the Nominating and Remuneration Committee

Age: 53

Appointed: 24/04/2017

WORK EXPERIENCE

Ms. Cheah serves as Executive Board Chair of privately held ESG startup ecoSPIRITS and sits on the boards of several private and publicly-listed companies in Singapore. She is Venture Partner at Wavemaker Partners, a tech-focused venture capital fund dual headquartered in Singapore and Los Angeles.

ACADEMIC AND PROFESSIONAL QUALIFICATIONS

- BA Economics and French, Wellesley College, Massachusetts, USA

PRESENT DIRECTORSHIPS OR CHAIRMANSHIP IN LISTED COMPANIES & MAJOR APPOINTMENTS

- Executive Board Chair, ecoSPIRITS Pte Ltd
- Independent Non-Executive Director of Pathology Asia Holdings Pte Ltd (also Chairman of Audit Committee)
- Independent Non-Executive Director of TeleChoice International Limited (also Member of Audit Committee)
- Independent Non-Executive Directors of M&C REIT Management Limited (also Member of Nominating and Remuneration Committee & Member of Audit and Risk Committee)
- Independent Non-Executive Director of M&C Business Trust Management Limited
- Venture Partner of Wavemaker Partners

PAST DIRECTORSHIPS OR CHAIRMANSHIP IN LISTED COMPANIES & MAJOR APPOINTMENTS HELD OVER THE PRECEDING 3 YEARS

- Nil

MR. TOMO NAGAHIRO

Non-Executive Director

Age: 49

Appointed: 17/11/2023

WORK EXPERIENCE

Mr. Tomo Nagahiro was appointed to the Board of IHH in February 2023. He was an alternate director on the Board of IHH from April 2019 to January 2023. Mr. Nagahiro has been appointed as Co-CEO and Director of MBK Healthcare Management Pte. Ltd., a wholly-owned subsidiary of Mitsui & Co., Ltd (Mitsui) since January 2024. He has over 20 years of working experience having served in multiple divisions in Mitsui, spanning from strategic planning, business development and operations management. Preceding his current appointment, he was seconded to MIMS Pte Ltd which is based in Singapore as the Chief Operating Officer from 2015 to 2018.

Prior to this, he was seconded to Parkway Pantai Limited, a wholly-owned subsidiary of IHH, as Assistant Vice President of Strategic Planning and Business Development where he led multiple business development projects from 2013 to 2015.

Mr. Nagahiro holds Bachelor of Arts in Law from University of Tokyo, Japan; Master of Business Administration from Kellogg School of Management, Northwestern University and is U.S. Certified Public Accountant.

ACADEMIC AND PROFESSIONAL QUALIFICATIONS

- Bachelor of Arts in Law (concentration in Administration Law), The University of Tokyo, Japan
- U.S. Certified Public Accountant – State of Delaware, U.S.A
- Master of Business Administration, Kellogg School of Management, Northwestern University, U.S.A.

PRESENT DIRECTORSHIPS OR CHAIRMANSHIP IN LISTED COMPANIES & MAJOR APPOINTMENTS

- Chief Executive Officer and Director of MBK Healthcare Management Pte. Ltd.
- Non-Executive Director of IHH Healthcare Berhad
- Non-Executive Director of Fortis Healthcare Limited
- Non-Executive Director of Tomopiia Co., Ltd.

PAST DIRECTORSHIPS OR CHAIRMANSHIP IN LISTED COMPANIES & MAJOR APPOINTMENTS HELD OVER THE PRECEDING 3 YEARS

- General Manager of Strategic Planning Department (Wellness Business Unit), Mitsui & Co., Ltd
- General Manager of Healthcare Services & Data Business Department (Wellness Business Unit), Mitsui & Co., Ltd

BOARD OF DIRECTORS

DR. PREM KUMAR NAIR

Non-Executive Director and Member of Nominating and Remuneration Committee

Age: 64

Appointed: 17/11/2023

WORK EXPERIENCE

Dr. Prem Kumar Nair was appointed Group Chief Executive Officer of IHH Healthcare on 1 October 2023, where he leads a team of more than 65,000 employees to realise IHH's vision to be the world's most trusted healthcare services network.

Dr. Nair sets the strategic direction for the sustainable growth of IHH's global network which today comprises more than 80 hospitals in 10 countries. Guided by its Care. For Good. aspiration, Dr. Nair continues to build on the IHH portfolio of strong and reputable brands including Acibadem, Mount Elizabeth, Prince Court, Gleneagles, Fortis, Pantai and Parkway - to touch lives and transform care globally.

Prior to his Group CEO appointment, he was CEO of IHH Singapore, where he oversaw the operations and management of IHH's business units in the country and played an instrumental role in its strategic business growth and outreach efforts in overseas markets.

Dr. Nair is a physician and healthcare executive with over three decades of experience in both public and private healthcare sectors. He was with Raffles Medical Group for 27 years, where he held concurrent roles as Chief Corporate Officer, and Managing Director for Singapore Healthcare. He is an Adjunct Associate Professor at the National University of Singapore's Saw Swee Hock School of Public Health.

An active community citizen, Dr. Nair was a recipient of the Public Service Medal (Pingat Bakti Masyarakat) and the Public Service Star (Bintang Bakti Masyarakat) at the 2010 and 2022 National Day Awards respectively, for his contributions to the Singapore Prison Service. He is also a Justice of the Peace.

Dr. Nair graduated from the National University of Singapore with a Bachelor of Medicine & Surgery, and a Master of Business Administration (Distinction) from Alliance Manchester Business School.

ACADEMIC AND PROFESSIONAL QUALIFICATIONS

- Bachelor of Medicine & Bachelor of Surgery (MBBS) - National University of Singapore
- Master of Business Administration (Distinction) - Manchester Business School, United Kingdom

PRESENT DIRECTORSHIPS OR CHAIRMANSHIP IN LISTED COMPANIES & MAJOR APPOINTMENTS

- Group Chief Executive Officer, IHH Healthcare Berhad
- Director of Gleneagles Medical Holdings Limited
- Director of Mount Elizabeth Medical Holdings Ltd
- Director of M & P Investments Pte Ltd
- Director of Medi-Rad Associates Ltd
- Director of Parkway Promotions Pte Ltd
- Director of Parkway Laboratory Services Ltd
- Director of Gleneagles Medical Centre Ltd
- Director of Radiology Consultants Pte Ltd
- Director of Shenton Family Medical Clinics Pte Ltd
- Director of Gleneagles Development Pte Ltd
- Director of Gleneagles Pharmacy Pte Ltd
- Director of iXchange Pte Ltd
- Director of Medical Resources International Pte Ltd
- Director of Parkway Shenton Pte Ltd
- Director of Nippon Medical Care Pte Ltd
- Director of Parkway Shenton International Holdings Pte Ltd
- Director of Parkway Hospitals Singapore Pte Ltd
- Director of NorthLight School
- Director of Parkway Investments Pte Ltd
- Director of Parkway College of Nursing & Allied Health Pte Ltd
- Director of Parkway Novena Pte Ltd
- Director of Parkway Irrawaddy Pte Ltd
- Director of Gleneagles JPMC Sdn Bhd
- Director of Gleneagles Management Services Pte Ltd
- Director of Parkway Pantai Limited
- Director of Parkway Holdings Limited
- Director of Parkway Group Healthcare Pte Ltd
- Director of PCH Holding Pte Ltd
- Director of GHK Hospital Limited
- Director of Parkway HK Holdings Limited
- Director of Parkway Medical Services (Hong Kong) Limited
- Director of IHH Financial Services Pte Ltd
- Director of Northern TK Venture Pte Ltd

PAST DIRECTORSHIPS OR CHAIRMANSHIP IN LISTED COMPANIES & MAJOR APPOINTMENTS HELD OVER THE PRECEDING 3 YEARS

- Chief Executive Officer, Singapore of IHH Healthcare Berhad

DATO' SRI MUTHANNA BIN ABDULLAH

Non-Executive Director

Age: 65

Appointed: 17/11/2023

WORK EXPERIENCE

Dato' Sri Muthanna Abdullah is a Barrister of Middle Temple and an Advocate and Solicitor of the High Court of Malaya. He read law at the University of Buckingham, England and was called to the Bar of England and Wales in 1982 and to the Malaysian Bar in 1983. He is a Consultant of Abdullah Chan & Co.

Dato' Sri Muthanna was appointed as the Honorary Consul to Kuala Lumpur of the Republic of San Marino on 30 March 2017.

He is also a Director of IHH Healthcare Berhad, MSM Malaysia Holdings Berhad, MSIG Insurance Malaysia Berhad, Malaysian Life Reinsurance Group Berhad and Apollo Food Holdings Berhad.

ACADEMIC AND PROFESSIONAL QUALIFICATIONS

- Bachelor of Law, University of Buckingham, England
- Barrister-at-Law, Honourable Society of Middle Temple (England)

PRESENT DIRECTORSHIPS OR CHAIRMANSHIP IN LISTED COMPANIES & MAJOR APPOINTMENTS

- Consultant of Abdullah Chan & Co (Advocates & Solicitors)
- Independent Non-Executive Director of Malaysian Life Reinsurance Group Berhad
- Independent Non-Executive Director of MSM Malaysia Holdings Berhad
- Chairman, Independent Non-Executive Director of MSIG Insurance (Malaysia) Bhd
- Independent Non-Executive Director of IHH Healthcare Berhad
- Independent Non-Executive Director Apollo Food Holdings Berhad

PAST DIRECTORSHIPS OR CHAIRMANSHIP IN LISTED COMPANIES & MAJOR APPOINTMENTS HELD OVER THE PRECEDING 3 YEARS

- Independent Non-Executive Director of Sapura Resources Berhad
- Independent Non-Executive Director of Digital Nasional Berhad
- Independent Non-Executive Director of KPJ Healthcare Berhad
- Independent Non-Executive Director of Malaysia Rating Corporation Berhad
- Director of IA Synergy Sdn Bhd
- Director Opcom Cables Sdn Bhd

BOARD OF DIRECTORS

DR. CHOW CHORNG ANN PETER

Non-Executive Director

Age: 50

Appointed: 05/12/2023

WORK EXPERIENCE

As the Chief Executive Officer of IHH Singapore from 1 October 2023, Dr. Peter Chow oversees the operations and management of IHH's business units in Singapore, which includes Mount Elizabeth, Mount Elizabeth Novena, Gleneagles and Parkway East hospitals, primary healthcare group Parkway Shenton, Parkway MediCentre, as well as ancillary and education entities such as Parkway Radiology, Parkway Rehab, Parkway Cancer Centre and Parkway College.

Dr. Chow joined IHH in 2018 and was appointed as Chief Executive Officer of Mount Elizabeth Novena Hospital in 2020. Despite challenges from the Covid-19 pandemic, he led the hospital through a period of strategic development and growth, strengthening its position as a regional centre of clinical excellence. In 2022, he was awarded the Public Service Medal (Covid-19) for his healthcare leadership role during the pandemic and for supporting various national pandemic efforts in Singapore.

Dr. Chow has over 20 years of healthcare management experience spanning both public and private sectors in Singapore. Trained as a dental surgeon with the National University of Singapore, he started his career as a dental officer. Subsequently he took on different management roles including quality, training, manpower, as well as managed outpatient clinical services, giving him broad-based experience in healthcare.

Prior to IHH, he was with National Healthcare Group (NHG) during which he assumed various roles including Director of Quality & College, Director of Corporate Development & Communications and Chief Operating Officer of NHG Polyclinics.

ACADEMIC AND PROFESSIONAL QUALIFICATIONS

- Bachelor of Dental Surgery – National University of Singapore
- Master of Health Science (Management) – University of Sydney, Australia

PRESENT DIRECTORSHIPS OR CHAIRMANSHIP IN LISTED COMPANIES & MAJOR APPOINTMENTS

- CEO of IHH Singapore
- Director of Gleneagles Pharmacy Pte Ltd
- Director of Parkway Hospitals Singapore Pte Ltd
- Director of Mount Elizabeth Medical Holdings Ltd
- Director of Medi-Rad Associates Ltd
- Director of Parkway Promotions Pte Ltd
- Director of Gleneagles Medical Centre Ltd
- Director of Radiology Consultants Pte Ltd
- Director of Shenton Family Medical Clinics Pte Ltd
- Director of iXchange Pte Ltd
- Director of Parkway Shenton Pte Ltd
- Director of Nippon Medical Care Pte Ltd
- Director of Parkway Shenton International Holdings Pte Ltd
- Director of Parkway Investments Pte Ltd
- Director of Parkway College of Nursing & Allied Health Pte Ltd
- Director of Parkway Novena Pte Ltd
- Director of Parkway Irrawaddy Pte Ltd
- Director of Nippon Medical Care Pte Ltd
- Director of Gleneagles JPMC Sdn Bhd

PAST DIRECTORSHIPS OR CHAIRMANSHIP IN LISTED COMPANIES & MAJOR APPOINTMENTS HELD OVER THE PRECEDING 3 YEARS

- Chief Executive Officer, Mount Elizabeth Novena Hospital

MR. YONG YEAN CHAU

Chief Executive Officer and Executive Director

Age: 59

Appointed: 29/01/2009

WORK EXPERIENCE

Mr. Yong serves as the CEO and Executive Director of Parkway Trust Management Limited, the manager of PLife REIT.

He has led PLife REIT through a period of exceptional growth, cementing its position as a leading Asian healthcare REIT with total assets under management surpassing S$2.46 billion. Since assuming leadership, he has overseen a multi-fold expansion of the REIT's portfolio - from 3 to 75 properties - while delivering unitholder value through 136% cumulative growth in Distributions Per Unit and over 350% of Total Return, since its IPO.

Under his stewardship, PLife REIT's commitment to transparency, sustainability, and stakeholder engagement has been recognised with multiple awards, including the 2024 Shareholder Communications Excellence Award (SIAS Investors' Choice Awards) and the 2023 Singapore Corporate Sustainability Award for excellence in ESG practices and risk management. In 2022, PLife REIT was also named The Edge Singapore Billion Dollar Club Winner for delivering the highest returns to shareholders.

Mr. Yong's extensive expertise in finance and corporate strategy stems from his previous role as CFO of the Singapore Tourism Board, where he managed finance and corporate services. Before that, he served as CFO of Ascendas Pte Ltd, during which he was seconded to China-Singapore Suzhou Development Ltd and Singapore-Suzhou Township Development Pte Ltd as CFO in Suzhou, China. Prior to his role at Ascendas, Mr. Yong held various finance and audit positions at Beijing ISS International School, the Housing and Development Board, and Arthur Andersen.

A champion of sustainable growth, Mr. Yong's vision continues to drive PLife REIT's innovation in healthcare real estate, ensuring resilience and long-term value for stakeholders.

ACADEMIC AND PROFESSIONAL QUALIFICATIONS

- B.ACC (Hons), Fellow Chartered Accountant of Singapore
- Advanced Management Programme with Harvard Business School

PRESENT DIRECTORSHIPS OR CHAIRMANSHIP IN LISTED COMPANIES & MAJOR APPOINTMENTS

- Independent Director and Audit & Risk Committee Chairman of China-Singapore Suzhou Industrial Park Development Group Co., Ltd

PAST DIRECTORSHIPS OR CHAIRMANSHIP IN LISTED COMPANIES & MAJOR APPOINTMENTS HELD OVER THE PRECEDING 3 YEARS

- Nil

MANAGEMENT TEAM

MR. YONG YEAN CHAU

Chief Executive Officer and Executive Director

(Please see biography under Board of Directors)

MR. LOO HOCK LEONG

Chief Financial Officer and Chief Operating Officer

Mr. Loo has more than 30 years of extensive banking and corporate experience. He currently serves as the Chief Financial Officer and Chief Operating Officer at Parkway Trust Management Limited, the manager of PLife REIT. Mr Loo oversees the Finance, Corporate Services and Investor Relations functions of the Manager. As part of the management team, Mr Loo supports CEO in achieving the organisation's vision and mission.

He was previously the Senior Vice President, Corporate Advisory of Global Financial Markets, with DBS Bank Ltd., where he provided advisory services on corporate treasury management to large companies in areas of corporate finance and mergers & acquisitions. He has extensive experience in financial structuring of interest rate and foreign exchange risk management solutions for these clients.

Mr. Loo graduated from the National University of Singapore with a Bachelor of Electrical Engineering (Honours) degree in 1995. In 2000, he obtained a Master of Applied Finance from the Macquarie University with three distinguished awards: Best Overall Performance, Best in Derivatives Valuation and Best in Legal & Tax Risk in Finance. He completed the Advanced Management Programme with Harvard Business School in 2022 and possesses a professional qualification in accounting from ISCA and is a Chartered Accountant with ISCA. He holds the accreditation of Senior Accredited Director by Singapore Institute of Directors ('SID') and is also a GRI Certified Sustainability Professional.

MR. TAN SEAK SZE

Chief Investment Officer

Mr. Tan has more than three decades of work experience mainly in the real estate industry. Currently serving as the Chief Investment Officer, Mr. Tan oversees the investment, asset management and project management functions of the Manager.

Prior to joining the Manager in June 2009, he was the Vice President, Investment of CapitaLand Group overseeing the investment activities of CapitaLand's retail business unit in India. Before this appointment, he worked for two years in the Philippines as the Chief Operating Officer of a business process outsourcing firm. In 2004, he was seconded by Ascendas Pte Ltd to the position of Chief Executive Officer of L&T Infocity-Ascendas Ltd, a developer company of IT complexes in Hyderabad, India. He held various finance and corporate finance positions within the Ascendas Group between 2001 and 2003.

Mr. Tan was with JTC International Pte Ltd from 1994 to 2000 where he held various business development, investment and planning positions. After graduation, Mr. Tan worked as a loan officer with the Corporate Banking Department (Real Estate Division) of DBS Bank from 1991 to 1994.

Mr. Tan holds a Master of Business Administration with High Honours from the University of Chicago, Graduate School of Business and a Bachelor of Arts with Honours in Accounting and Law from the University of Kent at Canterbury, United Kingdom.

MS. TEO CHIN PING

Vice President (Head, Projects)

Ms. Teo has 29 years of extensive experience in architecture design, master planning, project and construction management of projects in Singapore and overseas.

She was previously a Project Manager with Thomson International Health Services Pte Ltd (subsidiary of Thomson Medical Center), Singapore General Hospital and PMLink Pte Ltd. Prior to that, she also worked as a senior architect on a variety of projects with ACP Construction Pte Ltd, ST Architects and Engineers Ptd Ltd. She has extensive experience in design, project management as well as construction management of greenfield and brownfield projects in the health care, residential, education, commercial, industrial and warehouse sectors both in Singapore and overseas.

Ms. Teo graduated from University of Tasmania, Australia, in 1995 with a Bachelor of Architecture and Bachelor of Environmental Design. She was also awarded the Board of Architects Prize by the Singapore Board of Architects in conjunction with her Diploma in Architectural Technology. She is a Qualified Architect with the Board of Architects, Singapore.

MS. PATRICIA NG

Vice President (Head, Finance)

Ms. Ng brings with her more than two decades of accounting and finance experience in several public listed companies.

Prior to her appointment with the Manager, Ms. Ng has worked in Serial Microelectronics Pte Ltd (a wholly owned subsidiary of Serial System Limited), Raffles Medical Group, Stratech Systems Limited and Watsons Personal Care Stores Pte Ltd. Her experience encompasses financial and management reporting, consolidation, taxation, cash management, budgeting, compliance and risk management functions.

Ms. Ng graduated with the professional qualification from the Association of Chartered Certified Accountants. She is an ASEAN Chartered Professional Accountant and a Chartered Accountant with ISCA. She also holds an Executive Master of Business Administration from The University of Hull Business School, United Kingdom.

MR. WAYNE LEE

Vice President (Head, Investment)

Mr. Lee has 21 years of experience in the real estate and REIT sectors, focusing on business development, valuation, fund management, investment and asset management.

Prior to his appointment with the Manager, he was with Ascendas Property Fund Trustee, the trustee-manager of Ascendas India Trust. His responsibilities included portfolio management, financial modelling, feasibility and due diligence assessment of investment opportunities. He was also involved in the acquisition of aVance Business Hub in Hyderabad and the asset refurbishment of Tech Park Mall in Bangalore.

From 2002 to 2007, he was a Business Development Executive at Wing Tai Holdings Limited and Senior Valuer at Chesterton International Property Consultants Pte Ltd.

Mr. Lee holds a Master of Science (Real Estate) from National University of Singapore and a Bachelor's in Business majoring in Property from University of South Australia. He is also a registered licensed appraiser and member of the Singapore Institute of Surveyor and Valuer.

MANAGEMENT TEAM

MS. ANNIE CHEN

Vice President (Head, Corporate Finance)

Ms. Chen brings with her more than 20 years of accounting experience, with about 15 years in corporate finance and treasury. She oversees the corporate finance function and is instrumental in securing the necessary banks and capital market financing to support the growth of the REIT. She also drives the financial risks management and treasury strategies, in ensuring that the REIT maintains a strong financial position.

Prior to joining the Manager, she was with the Singapore Tourism Board's Finance and Information department.

Ms. Chen graduated with a professional qualification from Association of Chartered Certified Accountants and is a Chartered Accountant with ISCA. She also holds a Bachelor of Science (Applied Accounting) from Oxford Brookes University of United Kingdom as well as a Bachelor of Commerce (IT) from Curtin University of Technology of Australia.

MS. NICOLE CHUA

Vice President (Head, Legal & Compliance/ Strategic Human Resource Management)

Ms. Chua is responsible for legal and compliance matters of the Manager and PLife REIT, as well as matters in relation to strategic human resource management in the area of director and senior management succession planning, corporate and business performance measurement and directors' remuneration review. She has more than 19 years of combined experience as practising lawyer and in-house legal counsel of Singapore listed real estate investment trusts. Before joining the Manager, she was a practising lawyer in the corporate banking and finance practice group at Messrs Zul Rafique & Partners in Kuala Lumpur, Malaysia.

Ms. Chua holds a Bachelor of Law (Honours) degree from Cardiff University of Wales, United Kingdom, and was admitted as an advocate and solicitor of the High Court of Malaya. She also holds a HR Graduate Certification from Singapore Management University.

MS. TAN LING CHER

Vice President (Head, Asset Management)

Ms. Tan has more than 20 years of experience in the real estate and financial services industries. Her experience includes real estate investment, asset management, marketing and real estate trust management.

Prior to her appointment with the Manager, Ms. Tan was the Head, Asset Management with Keppel DC REIT Management Pte. Ltd. where she was responsible for formulating asset strategies and enhancing asset performances. Preceding that, she was with HSBC Institutional Trust Services (Singapore) Limited, leading the REIT trustee servicing team. Before that, she was with the Mapletree Group involved in investment and asset management activities focusing on industrial properties across Asia.

Ms. Tan holds a Bachelor of Science (Real Estate), Second Class Honours (Upper Division) from the National University of Singapore. She is also a Chartered Financial Analyst charterholder since 2004.

MR. SHAWN YAP

Vice President (Head, Special Projects (Asset Management))

Mr. Yap has over 20 years of experience in the real estate sector, mainly in real estate asset management, marketing and leasing.

Prior to his appointment at Parkway Trust Management Limited, he was an Asset Manager with CapitaLand Limited. His responsibilities included managing commercial and industrial assets, monitoring and evaluating financial performance of assets, developing and implementing of asset management strategies as well as conducting studies to maximise asset yields. He was also involved in the divestment of CapitaLand's commercial assets, mainly Temasek Tower, Hitachi Tower and Chevron House.

From 2002 to 2004, he was with Singapore Land Authority where he gained considerable experience in marketing, managing and leasing of state properties. He was also involved in the formulation of policy papers.

Mr. Yap graduated from National University of Singapore in 2001 with a Bachelor of Business Administration (Honours) degree, majoring in Finance.

MR. SAM HO

Vice President (Head, Strategic Planning)

Mr. Ho has more than 15 years of experience in the private equity and investment banking industries.

Prior to his appointment with the Manager, he was Director, Investments at Heliconia Capital, where he was responsible for the origination and execution of minority and buy-out transactions across various industries in Southeast Asia. Preceding that, Mr. Ho was an Associate Director at Temasek International where he was involved in both direct and fund investments globally, as well as in the creation, investment and development of various new business platforms like Clifford Capital and InnoVen Capital. He started his career in investment banking where he advised on merger & acquisitions, corporate finance and capital markets transactions.

Mr. Ho graduated from Singapore Management University in 2007 with a Bachelor in Business Management (cum laude) degree, majoring in Finance.

MS. TAN ZHI LEI

Senior Manager (Head, Financial Accounting)

Ms. Tan has over 14 years of accounting and finance experience which includes auditing, consolidation, financial and management reporting. She oversees the financial and management reporting function of the REIT encompassing areas of consolidation, taxation, budgeting, internal controls and risk management.

Throughout her career, she has held positions in several public listed companies, including her appointment with Mapletree North Asia Commercial Trust Management Ltd prior to joining the Manager.

Ms. Tan holds a Bachelor of Accountancy from Nanyang Technological University and is a Chartered Accountant with ISCA.

Driving Financial Strength with Disciplined Capital Management

PLife REIT's disciplined capital management is key to its financial strength. By maintaining prudent leverage, managing risks effectively, and optimising its capital structure, the REIT ensures sustainable growth and long-term value for unitholders, positioning it to navigate challenges and capitalise on opportunities.

Résidence Montaigne, Nouvelle-Aquitaine, France

PORTFOLIO SIZE

S$2.46 BILLION

NUMBER OF PROPERTIES

75

FINANCIAL HIGHLIGHTS

STRONG, STABLE GROWTH OVER THE YEARS

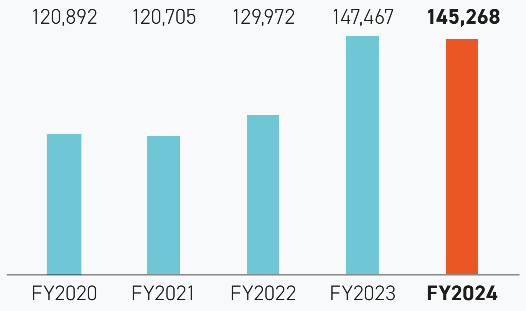
PLife REIT has consistently performed up to expectations and has successfully delivered yet another year of stable growth. Its robust fundamentals, focused growth strategy and prudent financial management strategies will support sustainable returns for Unitholders.

As at 31 December 2024, PLife REIT owns a resilient portfolio of 75 high-quality healthcare and aged care properties valued at approximately S$2.46 billion[1].

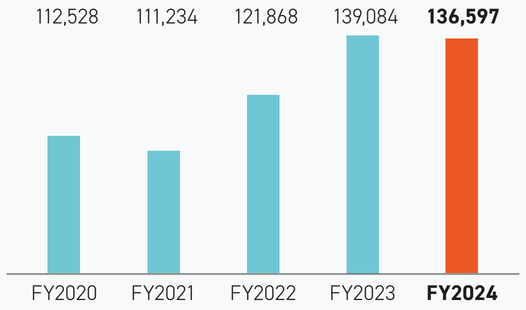
FOR THE YEAR	NUMBER OF PROPERTIES	PORTFOLIO VALUE (S$)[1,2]	NUMBER OF LESSEES
FY24	75	2.46 billion	35
FY23	63	2.23 billion	34
FY22	61	2.20 billion	34
FY21[3]	56	2.29 billion	32
FY20	54	2.02 billion	32
FY19	53	1.96 billion	31
FY18	50	1.86 billion	28
FY17	49	1.73 billion	27
FY16	44	1.66 billion	23
FY15	47	1.64 billion	25
FY14[3]	41	1.50 billion	21
FY13	44	1.48 billion	21
FY12	37	1.43 billion	21
FY11	33	1.38 billion	18
FY10	32	1.30 billion	18
FY09	21	1.15 billion	14
FY08	13	1.05 billion	8
FY07	3	0.83 billion	1

FINANCIAL PERFORMANCE AT A GLANCE

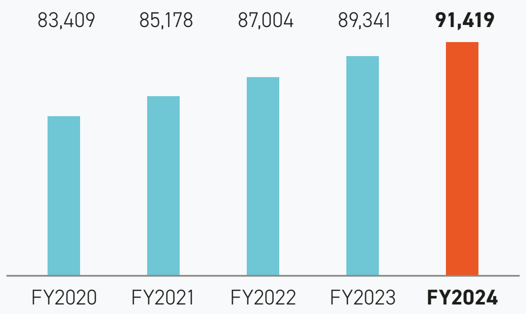
GROSS REVENUE (S$'000)



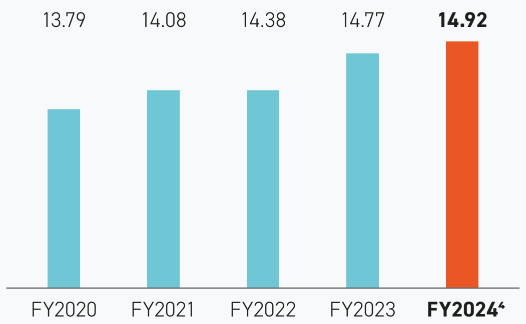
NET PROPERTY INCOME (S$'000)



DISTRIBUTABLE INCOME (S$'000)



DISTRIBUTION PER UNIT (SINGAPORE CENTS)



(1) Based on latest appraised values (excludes adjustment for the right-of-use assets)
(2) Total portfolio value as at 31 December of each year
(3) As part of our asset recycling initiatives, we have divested seven Japan nursing homes in FY14, four Japan nursing homes in FY16 and a Japan industrial property in FY21
(4) On the back of enlarged unit base post equity fund raising completed in Q4 2024

SOUND FUNDAMENTALS

PLife REIT maintains a robust balance sheet which provides greater financial flexibility to explore compelling investment opportunities in line with its mission to deliver regular and stable returns for its Unitholders.

KEY METRICS (As at 31 December 2024)

GEARING
34.8%

TOTAL ASSETS
S$2.6
BILLION

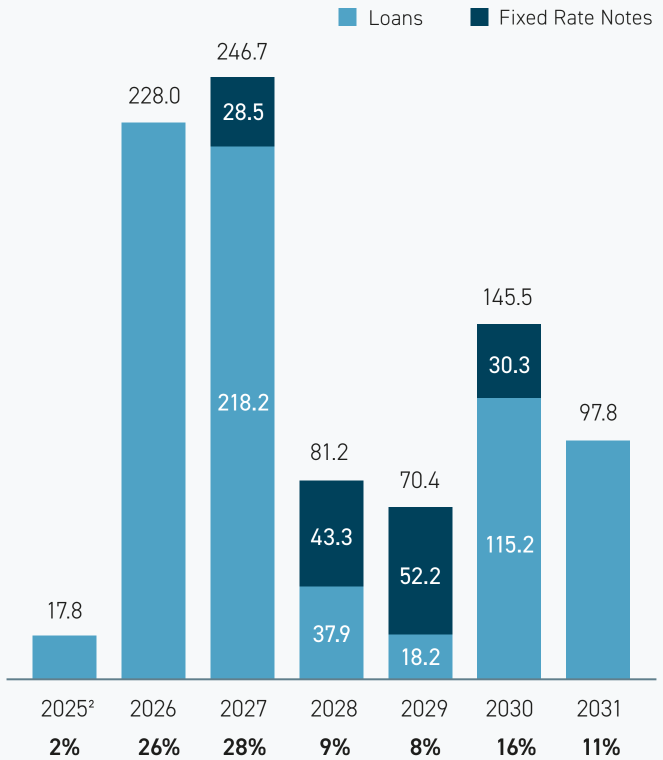
WEIGHTED AVERAGE DEBT TERM TO EXPIRY
3.5
YEARS

EFFECTIVE ALL-IN-COST OF DEBT
1.48%

DEBT MATURITY PROFILE[1] (S$MILLION)

(As at 31 December 2024)

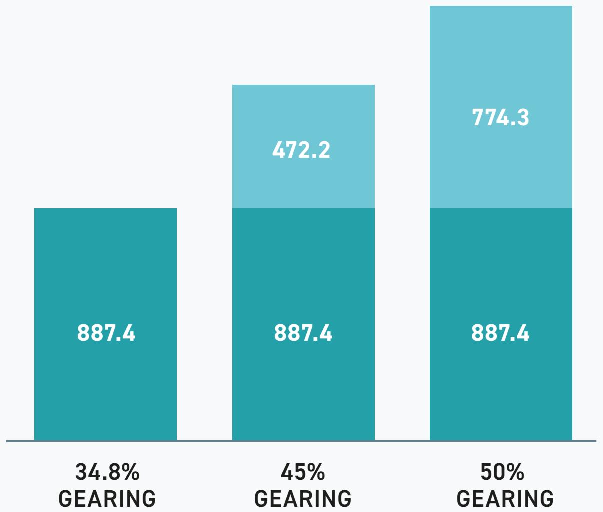
- A well-spread debt maturity profile with no more than 30% of debts due in a single year
- No long-term debt refinancing needs till September 2026



DEBT HEADROOM (ASSET S$MILLION)

(As at 31 December 2024)

- Healthy gearing[3] of 34.8%
- Ample debt headroom of S$472.2 million and S$774.3 million before reaching 45% and 50%[4] gearing respectively



(1) Exclude lease liabilities, if any
(2) As at 31 December 2024, short term loan amounted to ¥2.058 billion ($17.8 million) was drawn down for working capital purposes
(3) Total Debts (exclude lease liabilities, if any) before transaction costs ÷ Total Assets
(4) With effect from 28 November 2024, the gearing limit for S-REITs shall be 50% with a minimum interest coverage ratio of 1.5x

SIGNIFICANT EVENTS

26 JUL 2024

PLIFE REIT'S 1H2024 DPU CONTINUED TO GROW

Announced DPU of 7.54 Singapore Cents for 1H2024, representing year-on-year growth of 3.5% mainly driven by higher distributable income from Singapore hospitals and some Japanese nursing homes with step-up lease arrangements and contribution from the properties acquired in 2023. Sustained strength in balance sheet and capital structure, healthy gearing level of 35.3%, all-in cost of debt at a low 1.35%, and no debt refinancing needs till March 2025.

07 AUG 2024

ACQUISITION OF A NEWLY-BUILT NURSING HOME PROPERTY IN OSAKA, JAPAN

Acquired HIBISU Higashi Sumiyoshi, a newly-built nursing home property in Osaka, Japan, for a purchase consideration of ¥2,446.2 million (approximately S$20.7 million). Acquired at 9.1% below valuation, the property is freehold, BELS-certified, and comes with a long balance lease term of approximately 30 years, enhancing the portfolio's resilience. This acquisition marked PLife REIT's 60th property in Japan, further strengthened PLife REIT's strategic alliances with K.K. FDS, a reputable real estate developer, and deepened partnerships with K.K. BISCUSS, a credible nursing and care service provider. The acquisition was fully funded by ¥ debts which provides a natural hedge for foreign exchange risks.

17 SEP 2024

PLIFE REIT WINS SHAREHOLDER COMMUNICATIONS EXCELLENCE AWARD AT SIAS INVESTORS' CHOICE AWARDS 2024

PLife REIT was honoured with the Shareholder Communications Excellence Award ("SCEA") in the REITs & Business Trusts category at the Securities Investors' Association (Singapore) Investors' Choice Awards 2024. This award recognises the REIT's strong commitment to transparency, accountability, and effective shareholder communication. The selection process, based on the STARS framework, underscores PLife REIT's dedication to providing accurate and timely information that helps investors make informed decisions. The recognition reflects the ongoing support of its board, management, partners, and unitholders.

22 OCT 2024

STRATEGIC FORAY INTO A THIRD KEY MARKET THROUGH THE FRANCE ACQUISITION

PLife REIT has made its first European investment, acquiring 11 nursing homes in France for €111.2 million (S$159.9 million). The acquisition adds 42,631 square meters and 850 nursing beds to its portfolio. The properties will be leased to DomusVi under a 12-year lease.

This acquisition marks PLife REIT's strategic entry into Europe, expanding its portfolio beyond its core markets of Singapore and Japan, in line with its expanded investment mandate, which now includes healthcare-related real estate in Europe and the UK. The acquisition forms part of PLife REIT's roadmap to establish a third key market and strengthen portfolio resilience through geographic and tenant diversification.

This expansion into France, driven by the country's ageing population and strong government support for aged care, will enhance PLife REIT's geographic diversification and long-term growth prospects. The acquisition is expected to be accretive to distribution per unit ("DPU") and net asset value ("NAV").

The acquisition was subsequently completed on 20 December 2024.

SUCCESSFUL MAIDEN EQUITY FUND RAISING THROUGH PRIVATE PLACEMENT

Launched an equity fund raising through a private placement to raise gross proceeds of approximately S$180.0 million. The new units were priced at S$3.80 each, representing a discount of 3.5% to the adjusted VWAP of S$3.94.

The proceeds were primarily utilised to fund the acquisition of 11 nursing homes in France, while the remaining funds will cover professional fees and related expenses incurred in connection with the private placement and the acquisition, in accordance with the stated use as announced on 20 December 2024.

The private placement was oversubscribed, demonstrating strong demand from institutional and accredited investors. This initiative underlines PLife REIT's commitment to maintaining an optimal capital structure while pursuing accretive growth opportunities.

05 FEB 2025

PLIFE REIT DELIVERS 17 YEARS OF UNINTERRUPTED GROWTH IN RECURRING DPU

Announced full year DPU of 14.92 Singapore Cents for FY2024, representing year-on-year growth of 1.0%, driven by resilient financial performance from a diversified portfolio, strategic acquisitions, and disciplined capital management. Excluding the impact of equity funding raising (enlarged unit base), DPU for 2024 would have been higher at 15.11 cents, a 2.3% increase from 2023's DPU of 14.77 cents.

FINANCIAL REVIEW

FINANCIAL ACUMEN UNDERPINS CONTINUED RESILIENCE

In 2024, the financial markets and in particular, the S-REIT sector experienced volatilities with the U.S. political change, uncertain interest rate policy environment and the ongoing geopolitical tensions and wars. It was also a year where PLife REIT's financial acumen and prudence came forth strongly in mitigating such uncertainties, enabling the Group to successfully navigate challenges into the new year 2025, as the Group diligently managed its asset portfolio and expanded its investment mandate to position its next phase of growth and strategically diversify PLife REIT's portfolio.

This year, the Group diversified out of Japan into the European continent, through its acquisition of eleven nursing homes in France for €111.2 million[1] (approximately S$159.9 million). To potentially improve trading liquidity and increase debt headroom, the acquisition was funded via an equity fund raising by way of a private placement. The acquisition was both Distribution Per Unit ("DPU") and Net Asset Value ("NAV") per Unit accretive to Unitholders and marked PLife REIT's maiden entry into a third key market, enhancing its geographical and tenant diversification.

Such transformational acquisitions underpin the Group's ability to sustain growth in DPU while maintaining a primary focus on its core market of Singapore, enabling the REIT to expand its geographic footprint into vital high demand markets for aged care. The Group continued to deliver growth and earnings in 2024.

SUSTAINED FINANCIAL PERFORMANCE

2024 gross revenue decreased by 1.5% year-on-year to S$145.3 million. This decrease was largely due to depreciation of ¥ during the year, partially offset by contributions from two Japanese nursing homes acquired in October 2023, one Japanese nursing home acquired in August 2024 and eleven French nursing homes acquired in December 2024. Correspondingly, the net property income had decreased by 1.8% to S$136.6 million for 2024.

The Manager's management fees for 2024 of S$13.3 million was 0.7% higher than 2023. This was due to higher deposited property value following acquisitions made in 2023 and 2024 and valuation gain on the Singapore portfolio, partially offset by the depreciation of ¥.

With a sizable Japanese portfolio of 60 assets contributing close to 30% of the Group's revenue for the year, it is paramount that the Manager mitigates the Group's exposure to foreign currency risks. Reflecting changing market dynamics and shifting investor sentiment, the Japanese Yen has weakened since 2021, reaching a new low in 2Q 2024.

The Group has put in place ¥ and € net income hedges till 1Q 2029 and 1Q 2030 respectively, providing an effective shield against foreign exchange volatility. PLife REIT's prudent implementation of risk management measures through the years have mitigated the adverse repercussions as a result of the persistent depreciation of ¥. In the reporting year, the Group registered a realised foreign exchange gain of about S$9.7 million from the settlement of ¥ forward exchange contracts, acting as a counterweight against the drop in gross revenue.

Finance costs have increased due to funding of capital expenditure and new acquisitions in 2023 and 2024, with higher interest cost from Singapore dollar and Japanese Yen debts partially offset by depreciation of ¥.

PLife REIT's total operating expenses[2] for the year were S$38.9 million, which represented 2.5% of PLife REIT's net asset value as at the end of the financial year. Tax incurred for the year was S$6.7 million. Most notably, total distributable income for Unitholders in 2024 increased 2.3% year-on-year to S$91.4 million. Due to the enlarged unit base effect arising from EFR, DPU in 2024 of 14.92 cents registered a 1.0% year-on-year growth. This is the 17th year of uninterrupted growth in recurring DPU since IPO.

BOLSTERED BY A ROBUST BALANCE SHEET

The REIT proactively mitigates exposures to interest rates and foreign currency risks. PLife REIT's diligent adherence to a disciplined financial and capital risk management framework continues to safeguard its strong financial performance amidst macroeconomic uncertainties as the REIT manages refinancing risks ahead of its financial liabilities' contractual maturities. Notwithstanding the macroeconomic uncertainties in 2024, PLife REIT has sustained its strong financial position in 2024 with prudent and pre-emptive capital management measures.

IMPROVED LEVERAGE LEVEL

PLife REIT's interest coverage ratio ("ICR") stood at 9.8 times[3], well above the regulatory ICR requirement of 1.5 times. This allows the REIT to increase its leverage up to 50%[4]. On an ongoing basis, the REIT adopts prudent financial risk management by ensuring its gearing ratio does not exceed 45% to enhance its ability to withstand economic downturns or inadvertent business scenarios thereby effectively mitigating risks. To this end, the Group has done a private placement to raise equity of approximately S$180.0 million to fund the acquisition of eleven nursing homes in France to lower its gearing ratio while growing its portfolio of assets. The use of proceeds from the private placement is as shown below.

As set out in the announcement dated 20 December 2024, the gross proceeds from the private placement of 47,369,000 new units has been partially utilised in the following manner:-
1. S$159.9 million for the property acquisition in France; and
2. S$14.2 million for the professional and other fees and expenses incurred in connection with the private placement and the acquisition.

The use of proceeds is in accordance with the stated use and allocation as previously disclosed in the announcement dated 22 October 2024 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". The Manager will make further announcement on the utilisation of the remaining proceeds of S$5.9 million from the private placement as and when such funds are materially utilised.

As at 31 December 2024, the Group has sizable debt headroom of S$472.2 million and S$774.3 million before reaching 45% and 50%, gearing respectively. Its improved gearing level and debt headroom equips PLife REIT with the flexibility to capitalise on potential investment opportunities for growth.

With an improved gearing ratio of 34.8% (FY2023: 35.6%) and ICR of 9.8 times (FY2023: 11.3 times), PLife REIT continues to deliver sustainable returns from a stable financial position.

Amid the challenging operating environment, PLife REIT continues to adhere to a disciplined financial management framework to mitigate any potential refinancing risks as well as actively manages any exposure to interest rate and foreign currency risks on an ongoing basis. In 2024, the Group completed a series of refinancing exercises and effectively managed its debt maturity profile such that there is no immediate long-term debt refinancing need till September 2026. The Group also executed several interest rate swaps during the reporting year (including forward-starting swaps) to extend maturing hedges for another 4 to 7 years. Additionally, the Group has put in place ¥ and € net income hedges till 1Q 2029 and 1Q 2030 respectively to manage potential adverse foreign currency risk pertaining to the income from its Japanese and French assets. Currently, approximately 87% of its interest rate exposure has been hedged and its effective all-in cost of debt stood at 1.48% as at 31 December 2024, one of the lowest cost of debt amongst all SREITs.

CASH POSITION

PLife REIT remains in a net cash position with cash and cash equivalent for the year standing at S$29.5 million in 2024 compared to S$28.5 million in 2023.

2024 net cash from operating activities are mainly contributed by rental income from the properties, net of property and

other operating expenses. The net cash used in investing activities included the payment of capital expenditure on existing properties and the renewal capex works for Mount Elizabeth Hospital. The net cash generated from financing activities was mainly from the equity fund raising exercise to fund the France acquisition and drawdown of loan facilities to finance the Japan acquisition, capital expenditure and working capital. This was offset by the payment of distributions to Unitholders.

ASSET VALUATION

Net Asset Value ("NAV") as at 31 December 2024 was S$2.41 per unit as compared to S$2.34 per unit in 2023.

With the acquisition of a nursing home in Japan and eleven nursing homes in France, the Group has expanded its asset portfolio to 75 quality healthcare and healthcare-related properties in Singapore, Malaysia, Japan and France. With the addition of new properties in Japan and France, PLife REIT's portfolio valuation has increased 10.5% to approximately S$2.46 billion.

Excluding the impact of the straight-line rental adjustments and amortisation of right-of-use assets amounting to S$24.1 million, a fair value gain of S$6.0 million was recognised in the Statement of Total Return, representing a gain of 0.2% in the total portfolio value. This was significantly attributed to the projected rent increase for the Singapore hospitals and partly offset by the capex expended on Mount Elizabeth Hospital ("MEH" or "Project Renaissance") and capitalised costs of the France acquisition. To reduce further inconveniences and avoid prolonged operational disruptions, the Group has been aligning the MEH's regular capital expenditure works, where possible, with the physical construction schedule of the Renewal Capex Works, which is expected to be completed by 2025.

With PLife REIT's unit price closing at S$3.75 at 31 December 2024, it has registered a market capitalisation of S$2.4 billion, at a 55.6% premium to its NAV.

(1) A rounded Purchase Price figure has been used. The exact Purchase Price was €111,241,178
(2) Made up of property expenses, management fees, trust expenses and finance costs
(3) Applicable to ICR as prescribed under the MAS' Property Funds Appendix. PLife REIT has no hybrid securities as of reporting date
(4) With effect from 28 November 2024, the leverage limit for S-REITS shall be 50% with a minimum ICR of 1.5 times

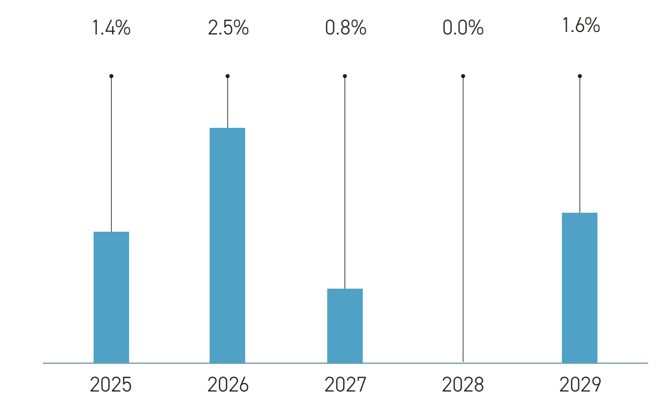
PORTFOLIO HIGHLIGHTS

Given the specialised nature of healthcare assets, the Group recognises the importance of working with credible operators and building strong landlord-lessee relationships. A big part of the Group's success is due to the close partnerships it has fostered with operators, who are long-standing local partners with deep knowledge in their respective markets.

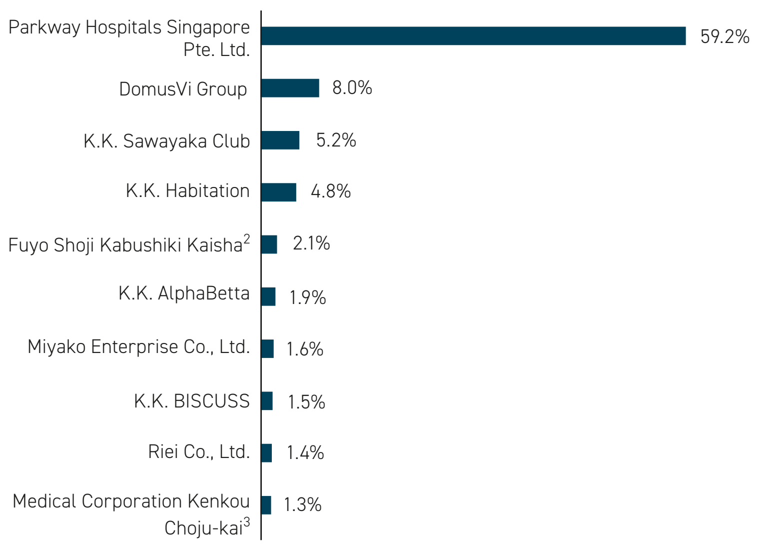
As part of PLife REIT's initiative to drive organic growth, it engages in proactive asset management to maximise portfolio performance. The Group works in close collaboration with its lessees to assess asset enhancement opportunities in order to enhance the revenue-generating ability of its properties. Such strategic collaborative arrangements serve to benefit all parties and promote greater revenue sustainability for PLife REIT.

LEASE EXPIRY PROFILE TENANT BASE (BY GROSS REVENUE)[1]

NOT MORE THAN 3.0% OF LEASES DUE TO EXPIRE EACH YEAR FOR THE NEXT 5 YEARS



TOP 10 TENANTS



KEY PORTFOLIO STATISTICS

NUMBER OF PROPERTIES
75

NUMBER OF LESSEES
35

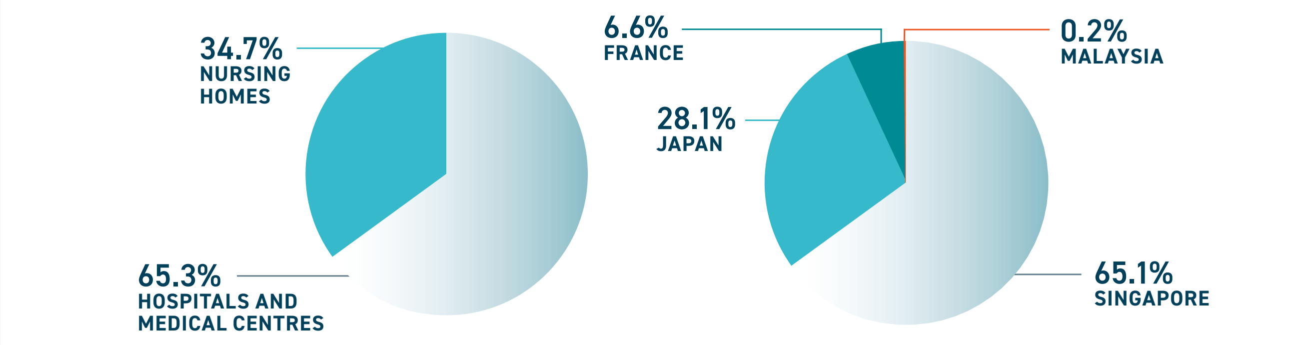
PORTFOLIO SIZE
S$2.46
BILLION

WEIGHTED AVERAGE LEASE TERM TO EXPIRY
(BY GROSS REVENUE)
15.34
YEARS

DOWNSIDE PROTECTION[4]
(BY GROSS REVENUE)
90.7%

(1) Based on Gross Revenue as at 31 December 2024
(2) A wholly-owned subsidiary of K.K. Habitation
(3) An affiliated entity of K.K.Habitation
(4) Based on existing lease agreements and subject to applicable laws

PORTFOLIO SUMMARY BY ASSET VALUE (AS AT 31 DECEMBER 2024)



SINGAPORE 59.2%[1]

Portfolio of three strategically located world-class local private hospitals worth
S$1.6 BILLION

Distinct Features of our Singapore Properties

Long-term Master Leases with Parkway Hospitals Singapore Pte. Ltd.
- Renewal term of 20.4 years from 23 August 2022 to 31 December 2042. Option to renew for a further term of 10 years
- c.f. average industry lease period of 3-5 years
- 100% committed occupancy

Triple Net Lease Arrangement
- PLife REIT does not bear these costs: property tax, property insurance[5], property operating expense
- Not affected by inflation related escalating expenses

Favourable Lease Structure
Renewal Term of 20.4 years:
- Rents are guaranteed to increase from 23 August 2022 till FY2025 with 2.0% and 3.0% step-up in rent for the interim Period and the Downtime Period from preceding year/period respectively
- Annual Rent Review Formula shall be applicable for FY2026[6] to FY2042

MALAYSIA 0.1%[1]

Strata units at MOB Specialist Clinics, worth
S$5.9 MILLION

Distinct Features of our Malaysia Properties

MOB Specialist Clinics[7] is well known in Kuala Lumpur for providing quality medical care.

PLife REIT owns approximately 23.1% of total share value of the freehold development. Major tenants include Gleneagles Hospital Kuala Lumpur[8] (a branch of Pantai Medical Centre Sdn. Bhd.), Excel Event Networks Sdn. Bhd. and KL Stroke & Neuro Clinic Sdn. Bhd.

JAPAN 32.7%[1]

Portfolio of 60 high quality nursing home properties worth
S$690.7 MILLION

Distinct Features of our Japan Properties

Well-diversified across 17 Prefectures
- Nursing Home properties strategically located in dense residential districts in major cities
- Comply with strict seismic safety standards and covered by earthquake insurance on a country-wide consolidated basis

Unique Lease Features
- Long term lease structure with weighted average lease term to expiry of 11.40 years
- Approximately 95.9% of revenue from Japan portfolio is downside-protected[9]
- Security Deposits at an average of 4 months of gross rental are secured for all properties
- Back-up operator arrangement for most of our Japan properties
- Rental Guarantee[10] provided for most properties
- 100% Committed occupancy

FRANCE 8.0%[1]

Portfolio of 11 nursing homes well-located in various key cities in France, worth
S$163.1 MILLION

Distinct Features of our France Properties

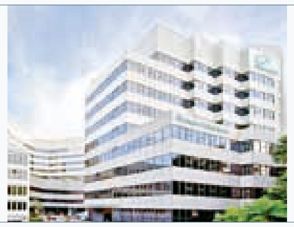
Collaboration with Leading Pan-European Operator in the Elderly Care Market
- With more than 40 years of track record, DomusVi Group, the third-largest aged care operator in Europe, will operate the portfolio of French nursing homes under a new 12-year lease term

Strategically Located Nursing Homes Backed by Favourable Lease Terms
- Portfolio of 11 freehold properties, strategically located in the residential areas in different key cities and diversified across six regions (Bourgogne-Franche-Comté, Nouvelle-Aquitaine, Occitanie, Grand Est, Normandie, and Auvergne-Rhône-Alpes) in France.
- Lease arrangement of the Portfolio entails a long lease term of 12 years with indexed rent escalations
- 100% Committed Occupancy

(5) Except property damage insurance for Parkway East Hospital
(6) The annual rent review formula for FY2026 is based on the higher of {1+(CPI+1%) X Initial Rent of S$97.2 million} or {Base Rent + Variable Rent}
(7) Formerly known as Gleneagles Intan Medical Centre Kuala Lumpur
(8) Formerly known as Gleneagles Kuala Lumpur
(9) Based on existing lease agreements and subject to applicable laws
(10) Vendors providing rental guarantees include K.K. Bonheure, K.K. Uchiyama Holdings, Miyako Kenkoukai, K.K. Excellent Care System , K.K. Habitation, K.K. Living Platform and Biscuss Holdings K.K.

OUR PORTFOLIO

SINGAPORE

SINGAPORE	MOUNT ELIZABETH HOSPITAL	GLENEAGLES HOSPITAL	PARKWAY EAST HOSPITAL
			
Land Tenure	Leasehold of 67 years from 23 August 2007	Leasehold of 75 years from 23 August 2007	Leasehold of 75 years from 23 August 2007
Floor Area (sq m)[1]	58,139	49,003	10,994
Number of Beds	345	257	143
Number of Strata Units	30 units owned by PLife REIT	10 units owned by PLife REIT	–
Number of Car Park Lots	363	121 lots owned by PLife REIT	75
Number of Storeys	5/10/17 with basement	5/10 with basement	4/5
Year of Completion	Hospital Building: 1979 Medical Centre: 1979 and 1992	Hospital Building: 1991 and 1993 Annex Block: 1979 Medical Centre: 1991 and 1993	Hospital Building: 1982 Medical Centre: 1987
Name of Lessee (s)	Parkway Hospitals Singapore Pte Ltd	Parkway Hospitals Singapore Pte Ltd	Parkway Hospitals Singapore Pte Ltd
Committed Occupancy[2]	100%	100%	100%
Gross Revenue (2024)	S$44.42 million	S$28.13 million	S$4.84 million
Gross Revenue (2023)	S$42.62 million	S$27.80 million	S$4.73 million
Purchase Price	S$524.43 million	S$216.00 million	S$34.19 million
Year of Purchase	2007	2007	2007
Appraised Value (as at 31 December 2024)	S$942.00 million	S$548.00 million	S$113.00 million
Name of Appraiser(s)	Knight Frank Pte. Ltd.	Knight Frank Pte. Ltd.	Knight Frank Pte. Ltd.

(1) Based on gross floor area for Parkway East Hospital; strata areas owned by PLife REIT for Mount Elizabeth Hospital, Gleneagles Hospital
(2) Committed occupancy of each property for Year 2023 and 2024 remain unchanged

MALAYSIA

MALAYSIA	MOB SPECIALIST CLINICS, KUALA LUMPUR[1]
	
Land Tenure	Freehold
Floor Area (sq m)[2]	2,444
Number of Strata Units	7 units owned by PLife REIT
Number of Car Park Lots	69
Number of Storeys	8
Year of Completion	1999
Name of Lessee (s)	- Excel Event Networks Sdn. Bhd. - Gleneagles Hospital Kuala Lumpur (A Branch of Pantai Medical Centre Sdn. Bhd.) - KL Stroke & Neuro Clinic Sdn. Bhd.
Committed Occupancy[3]	31% (excluding car park)
Gross Revenue (2024)[4]	RM0.66 million
Gross Revenue (2023)[4]	RM0.64 million
Purchase Price[5]	RM16.00 million (S$6.38 million)
Year of Purchase	2012
Appraised Value[6] (as at 31 December 2024)	RM19.33 million[7] (S$5.90 million)
Name of Appraiser(s)	Nawawi Tie Leung Property Consultants Sdn. Bhd.

(1) Formerly known as Gleneagles Intan Medical Centre
(2) Based on strata areas owned by PLife REIT for MOB Specialist Clinics, Kuala Lumpur
(3) Committed occupancy of each property for Year 2023 and 2024 remain unchanged
(4) Excluding car park income
(5) Based on the exchange rate at point of acquisition
(6) Based on the exchange rate as at 31 December 2024
(7) As at December 2024, the property recorded depreciation on revaluation against corresponding value as at 31 December 2023

OUR PORTFOLIO

JAPAN

60 Properties

① FUKUOKA
- Hapine Fukuoka Noke
- Sawayaka Obatake Ichibankan
- Sawayaka Obatake Nibankan
- Sawayaka Shinmojikan
- Sawayaka Nogatakan
- Sawayaka Fukufukukan
- Sawayaka Mekari Nibankan
- Sawayaka Kiyotakan
- Habitation Jyosui
- Habitation Hakata I, II, III
- Will-Mark Kashiihama

② YAMAGUCHI
- Kikuya Warakuen
- Sanko
- Haru No Sato

③ EHIME
- Sawayaka Niihamakan

④ OKAYAMA
- Sompo no Ie Nakasyo

⑤ HYOGO
- More Habitation Akashi
- More Habitation Suma Rikyu
- More Habitation Kobe Kitano

⑥ OSAKA
- Fiore Senior Residence Hirakata
- Maison des Centenaire Ishizugawa
- Maison des Centenaire Haruki
- Iyashi no Takatsuki Kan
- Happy Life Toyonaka
- Maison des Centenaire Hannan
- Maison des Centenaire Ohhama
- Sunhill Miyako
- HIBISU Shirokita Koendori
- HIBISU Suita
- HIBISU Higashi Sumiyoshi

⑦ WAKAYAMA
- Orange no Sato

⑧ MIE
- Sawayaka Seaside Toba

⑨ GIFU
- Hodaka no Niwa

⑩ AICHI
- Excellent Tenpaku Garden Hills

⑪ KANAGAWA
- Bon Sejour Yokohama Shin-Yamashita
- Hanadama no Ie Nakahara
- Ocean View Shonan Arasaki

⑫ NIIGATA
- Sawayaka Minatokan

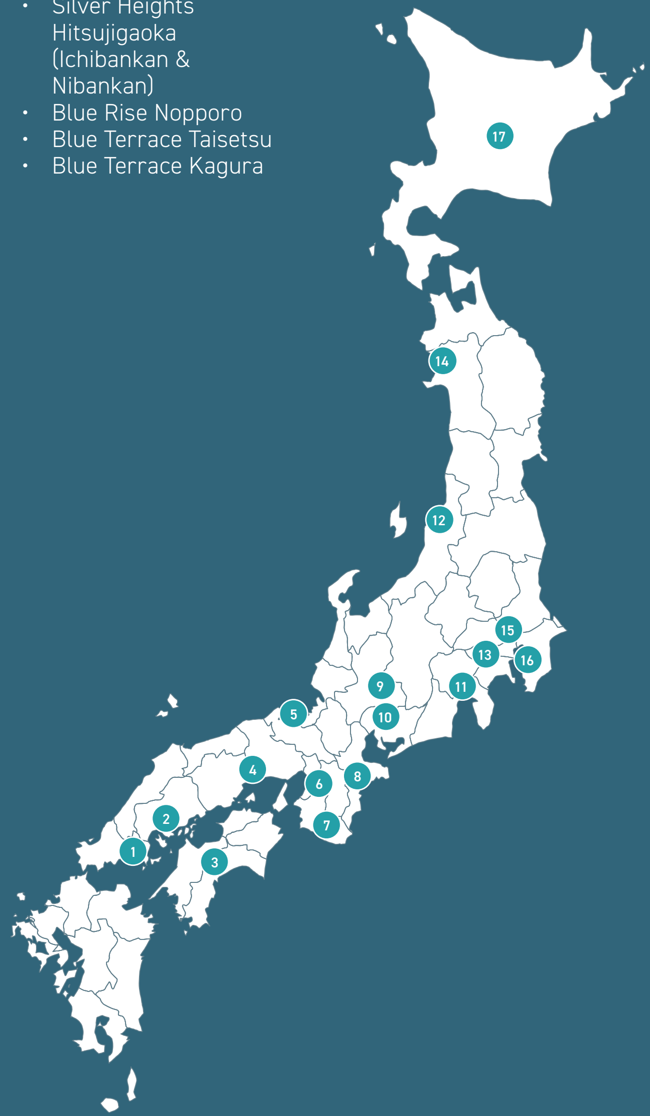
⑬ SAITAMA
- Smiling Home Medis Musashi Urawa
- Smiling Home Medis Koshigaya Gamo
- As Heim Nakaurawa
- Konosu Nursing Home Kyoseien

⑭ AKITA
- Sawayaka Sakurakan

⑮ TOKYO
- Crea Adachi
- Assisted Living Edogawa

⑯ CHIBA
- Senior Chonaikai Makuhari Kan
- Live in Wakaba
- Habitation Hakusho
- Group Home Hakusho
- Habitation Kamagaya
- Habitation Kisarazu Ichibankan
- Assisted Living Toke

⑰ HOKKAIDO
- Sawayaka Higashikagurakan
- Liverari Shiroishi Hana Ichigo-kan
- Liverari Shiroishi Hana Nigo-kan
- Sunny Spot Misono
- Silver Heights Hitsujigaoka (Ichibankan & Nibankan)
- Blue Rise Nopporo
- Blue Terrace Taisetsu
- Blue Terrace Kagura



PROPERTY	HAPINE FUKUOKA NOKE	SAWAYAKA OBATAKE ICHIBANKAN	SAWAYAKA OBATAKE NIBANKAN	SAWAYAKA SHINMOJIKAN
				
Prefecture	Fukuoka	Fukuoka	Fukuoka	Fukuoka
Land Tenure	Freehold	Freehold	Freehold	Freehold
Land Area (sq m)	1,396	1,769	1,047	2,395
Floor Area (sq m)	2,912	3,491	1,538	5,094
Number of Units (Rooms)	64	78	26	112
Number of Storeys	5	5	3	6
Year of Completion	2006	2007	2007	2007
Name of Lessee (s)	Green Life Co. Ltd	K.K. Sawayaka Club	K.K. Sawayaka Club	K.K. Sawayaka Club
Committed Occupancy[1]	100%	100%	100%	100%
Gross Revenue (2024)[2]	¥58.00 million	¥57.00 million	¥27.95 million	¥75.00 million
Gross Revenue (2023)[2]	¥58.00 million	¥57.00 million	¥27.95 million	¥75.00 million
Purchase Price[3]	¥723.00 million (S$11.15 million)	¥660.00 million (S$10.07 million)	¥276.00 million (S$4.21 million)	¥848.00 million (S$12.93 million)
Year of Purchase	2009	2010	2010	2010
Appraised Value[4] (as at 31 December 2024)	¥965.00 million[5] (S$8.30 million)	¥869.00 million (S$7.50 million)	¥417.00 million (S$3.60 million)	¥1,110.00 million (S$9.60 million)
Name of Appraiser(s)	Cushman & Wakefield K.K.	Enrix Co., Ltd	Enrix Co., Ltd	Enrix Co., Ltd

(1) Committed occupancy of each property for year 2023 and 2024 remain unchanged
(2) Based on gross rental per annum, excluding C-Tax and other income
(3) Based on the exchange rate at point of acquisition
(4) Based on the exchange rate as at 31 December 2024
(5) As at 31 December 2024, the property recorded depreciation on revaluation against corresponding value as at 31 December 2023

OUR PORTFOLIO

PROPERTY	SAWAYAKA NOGATAKAN	SAWAYAKA FUKUFUKUKAN	SAWAYAKA MEKARI NIBANKAN	SAWAYAKA KIYOTAKAN
				
Prefecture	Fukuoka	Fukuoka	Fukuoka	Fukuoka
Land Tenure	Freehold	Freehold	Freehold	Freehold
Land Area (sq m)	2,702	1,842	1,354	2,597
Floor Area (sq m)	3,147	3,074	2,133	5,661
Number of Units (Rooms)	78	72	61	108
Number of Storeys	4 + 1 (basement)	4 + 1 (basement)	3	8
Year of Completion	2005	2008	2012	2013
Name of Lessee (s)	K.K. Sawayaka Club	K.K. Sawayaka Club	K.K. Sawayaka Club	K.K. Sawayaka Club
Committed Occupancy[1]	100%	100%	100%	100%
Gross Revenue (2024)[2]	¥57.00 million	¥50.00 million	¥24.80 million	¥72.06 million
Gross Revenue (2023)[2]	¥57.00 million	¥50.00 million	¥24.80 million	¥72.06 million
Purchase Price[3]	¥631.00 million (S$9.62 million)	¥564.00 million (S$8.74 million)	¥310.00 million (S$3.97 million)	¥860.00 million (S$11.01 million)
Year of Purchase	2010	2011	2013	2013
Appraised Value[4] (as at 31 December 2024)	¥835.00 million (S$7.20 million)	¥730.00 million (S$6.30 million)	¥358.00 million (S$3.10 million)	¥1,050.00 million[5] (S$9.10 million)
Name of Appraiser(s)	Enrix Co., Ltd	Enrix Co., Ltd	Cushman & Wakefield K.K.	Cushman & Wakefield K.K.

(1) Committed occupancy of each property for year 2023 and 2024 remain unchanged
(2) Based on gross rental per annum, excluding C-Tax and other income
(3) Based on the exchange rate at point of acquisition
(4) Based on the exchange rate as at 31 December 2024
(5) As at 31 December 2024, the property recorded depreciation on revaluation against corresponding value as at 31 December 2023

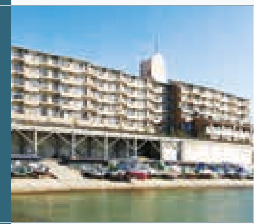
PROPERTY	HABITATION JYOSUI	HABITATION HAKATA I, II, III	WILL-MARK KASHIIHAMA	KIKUYA WARAKUEN
				
Prefecture	Fukuoka	Fukuoka	Fukuoka	Yamaguchi
Land Tenure	Freehold	Freehold	Freehold	Freehold
Land Area (sq m)	3,259	15,336	7,298	4,905
Floor Area (sq m)	6,076	21,415	14,169	3,641
Number of Units (Rooms)	87	318	159	70
Number of Storeys	11	3 to 8	11	2 to 4
Year of Completion	2005	1984 to 2003	2005	1964 to 2004
Name of Lessee (s)	K.K. Habitation	K.K. Habitation	K.K. Habitation	K.K. M.C.S.
Committed Occupancy[1]	100%	100%	100%	100%
Gross Revenue (2024)[2]	¥245.00 million	¥276.00 million	¥195.00 million	¥60.64 million
Gross Revenue (2023)[2]	¥245.00 million	¥276.00 million	¥195.00 million	¥60.64 million
Purchase Price[3]	¥3,535.00 million (S$39.17 million)	¥3,705.00 million (S$42.61 million)	¥3,000.00 million (S$36.20 million)	¥781.00 million (S$9.75 million)
Year of Purchase	2014	2015	2021	2017
Appraised Value[4] (as at 31 December 2024)	¥3,670.00 million (S$31.80 million)	¥4,190.00 million (S$36.30 million)	¥3,200.00 million[5] (S$27.70 million)	¥809.00 million[5] (S$7.00 million)
Name of Appraiser(s)	Enrix Co., Ltd	Cushman & Wakefield K.K.	Cushman & Wakefield K.K.	Enrix Co., Ltd

(1) Committed occupancy of each property for year 2023 and 2024 remain unchanged
(2) Based on gross rental per annum, excluding C-Tax and other income
(3) Based on the exchange rate at point of acquisition
(4) Based on the exchange rate as at 31 December 2024
(5) As at 31 December 2024, the property recorded depreciation on revaluation against corresponding value as at 31 December 2023

OUR PORTFOLIO

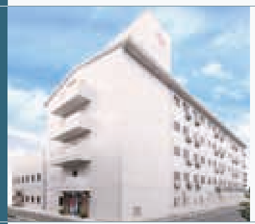
PROPERTY	SANKO	HARU NO SATO	SAWAYAKA NIIHAMAKAN	SOMPO NO LE NAKASYO
				
Prefecture	Yamaguchi	Yamaguchi	Ehime	Okayama
Land Tenure	Freehold	Freehold	Freehold	Freehold
Land Area (sq m)	1,680	4,241	4,197	2,901
Floor Area (sq m)	2,018	3,568	7,382	3,231
Number of Units (Rooms)	53	100	135	75
Number of Storeys	3	3	7	3
Year of Completion	2011	2000/2016	2012	2001
Name of Lessee (s)	K.K. M.C.S.	Medical Corporation Shojin-kai	K.K. Sawayaka Club	Sompo Care Inc.; Shakai Fukushi Houjin Keiyu-Kai
Committed Occupancy[1]	100%	100%	100%	100%
Gross Revenue (2024)[2]	¥38.64 million	¥91.80 million	¥104.28 million	¥48.60 million
Gross Revenue (2023)[2]	¥38.64 million	¥91.80 million	¥104.28 million	¥48.60 million
Purchase Price[3]	¥500.00 million (S$6.25 million)	¥1,200.00 million (S$15.00 million)	¥1,300.00 million (S$16.64 million)	¥555.00 million (S$8.56 million)
Year of Purchase	2017	2019	2013	2009
Appraised Value[4] (as at 31 December 2024)	¥520.00 million[5] (S$4.50 million)	¥1,340.00 million (S$11.60 million)	¥1,520.00 million[5] (S$13.10 million)	¥731.00 million[5] (S$6.30 million)
Name of Appraiser(s)	Enrix Co., Ltd	CBRE K.K.	CBRE K.K.	Cushman & Wakefield K.K.

(1) Committed occupancy of each property for year 2023 and 2024 remain unchanged
(2) Based on gross rental per annum, excluding C-Tax and other income
(3) Based on the exchange rate at point of acquisition
(4) Based on the exchange rate as at 31 December 2024
(5) As at 31 December 2024, the property recorded depreciation on revaluation against corresponding value as at 31 December 2023

PROPERTY	MORE HABITATION AKASHI	MORE HABITATION SUMA RIKYU	MORE HABITATION KOBE KITANO	FIORE SENIOR RESIDENCE HIRAKATA
				
Prefecture	Hyogo	Hyogo	Hyogo	Osaka
Land Tenure	Freehold	Freehold	Freehold	Freehold
Land Area (sq m)	5,891	2,676	1,034	727
Floor Area (sq m)	6,562	4,539	3,964	1,155
Number of Units (Rooms)	96	59	71	40
Number of Storeys	6	5/6 + 1 (basement)	10+ 1 (basement)	3
Year of Completion	1987/2003	1989	1992/2003	2007
Name of Lessee (s)	K.K. AlphaBetta	K.K. AlphaBetta	K.K. AlphaBetta	K.K. Vivac
Committed Occupancy[1]	100%	100%	100%	100%
Gross Revenue (2024)[2]	¥113.40 million	¥67.26 million	¥99.60 million	¥33.60 million
Gross Revenue (2023)[2]	¥83.16 million	¥49.32 million	¥73.04 million	¥33.60 million
Purchase Price[3]	¥1,456.00 million (S$19.62 million)	¥844.00 million (S$11.37 million)	¥1,310.00 million (S$16.70 million)	¥420.00 million (S$6.48 million)
Year of Purchase	2008	2008	2013	2009
Appraised Value[4] (as at 31 December 2024)	¥1,840.00 million (S$15.90 million)	¥1,080.00 million (S$9.30 million)	¥1,660.00 million (S$14.40 million)	¥557.00 million[5] (S$4.80 million)
Name of Appraiser(s)	Cushman & Wakefield K.K.	Cushman & Wakefield K.K.	Cushman & Wakefield K.K.	Cushman & Wakefield K.K.

(1) Committed occupancy of each property for year 2023 and 2024 remain unchanged
(2) Based on gross rental per annum, excluding C-Tax and other income
(3) Based on the exchange rate at point of acquisition
(4) Based on the exchange rate as at 31 December 2024
(5) As at 31 December 2024, the property recorded depreciation on revaluation against corresponding value as at 31 December 2023

OUR PORTFOLIO

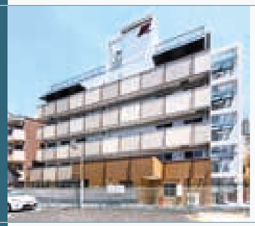
PROPERTY	MAISON DES CENTENAIRE ISHIZUGAWA	MAISON DES CENTENAIRE HARUKI	IYASHI NO TAKATSUKI KAN	HAPPY LIFE TOYONAKA
				
Prefecture	Osaka	Osaka	Osaka	Osaka
Land Tenure	Freehold	Freehold	Freehold	Freehold
Land Area (sq m)	1,111	801	2,023	628
Floor Area (sq m)	2,129	1,263	3,956	1,254
Number of Units (Rooms)	52	36	87	42
Number of Storeys	5	4	6	4
Year of Completion	1988/2003	1996/2006	1997/2005	2007
Name of Lessee (s)	Miyako Kenkokai Medical Corporation	Miyako Kenkokai Medical Corporation	Riei Co., Ltd	K.K. Nihon Kaigo Iryo Center
Committed Occupancy[1]	100%	100%	100%	100%
Gross Revenue (2024)[2]	¥61.20 million	¥47.12 million	¥101.04 million	¥35.28 million
Gross Revenue (2023)[2]	¥61.20 million	¥47.12 million	¥101.04 million	¥35.28 million
Purchase Price[3]	¥671.00 million (S$10.35 million)	¥485.00 million (S$7.48 million)	¥1,107.00 million (S$17.07 million)	¥445.00 million (S$5.67 million)
Year of Purchase	2009	2009	2009	2013
Appraised Value[4] (as at 31 December 2024)	¥968.00 million[5] (S$8.40 million)	¥713.00 million[5] (S$6.20 million)	¥1,730.00 million[5] (S$15.00 million)	¥558.00 million[5] (S$4.80 million)
Name of Appraiser(s)	Cushman & Wakefield K.K.	Cushman & Wakefield K.K.	Cushman & Wakefield K.K.	Cushman & Wakefield K.K.

(1) Committed occupancy of each property for year 2023 and 2024 remain unchanged
(2) Based on gross rental per annum, excluding C-Tax and other income
(3) Based on the exchange rate at point of acquisition
(4) Based on the exchange rate as at 31 December 2024
(5) As at 31 December 2024, the property recorded depreciation on revaluation against corresponding value as at 31 December 2023

PROPERTY	MAISON DES CENTENAIRE HANNAN	MAISON DES CENTENAIRE OHHAMA	SUNHILL MIYAKO	HIBISU SHIROKITA KOENDORI
				
Prefecture	Osaka	Osaka	Osaka	Osaka
Land Tenure	Freehold	Freehold	Freehold	Freehold
Land Area (sq m)	7,827	1,281	10,867	723
Floor Area (sq m)	4,331	1,717	4,299	1,447
Number of Units (Rooms)	95	47	34	52
Number of Storeys	3	5	4	4
Year of Completion	2010	1990	1996	2022
Name of Lessee (s)	Miyako Enterprise Co., Ltd	Miyako Enterprise Co., Ltd	Miyako Enterprise Co., Ltd	K.K. BISCUSS
Committed Occupancy[1]	100%	100%	100%	100%
Gross Revenue (2024)[2]	¥125.56 million	¥49.00 million	¥67.00 million	¥43.68 million
Gross Revenue (2023)[2]	¥124.65 million	¥49.00 million	¥67.00 million	¥7.87 million
Purchase Price[3]	¥1,600.00 million (S$19.82 million)	¥600.00 million (S$7.43 million)	¥800.00 million (S$9.91 million)	¥832.00 million (S$7.72 million)
Year of Purchase	2014	2014	2014	2023
Appraised Value[4] (as at 31 December 2024)	¥1,950.00 million[5] (S$16.90 million)	¥801.00 million[5] (S$6.90 million)	¥964.00 million (S$8.30 million)	¥934.00 million[5] (S$8.10 million)
Name of Appraiser(s)	JLL Morii Valuation and Advisory K.K.	JLL Morii Valuation and Advisory K.K.	JLL Morii Valuation and Advisory K.K.	Enrix Co., Ltd

(1) Committed occupancy of each property for year 2023 and 2024 remain unchanged
(2) Based on gross rental per annum, excluding C-Tax and other income
(3) Based on the exchange rate at point of acquisition
(4) Based on the exchange rate as at 31 December 2024
(5) As at 31 December 2024, the property recorded depreciation on revaluation against corresponding value as at 31 December 2023

OUR PORTFOLIO

PROPERTY	HIBISU SUITA	HIBISU HIGASHI SUMIYOSHI	ORANGE NO SATO	SAWAYAKA SEASIDE TOBA
				
Prefecture	Osaka	Osaka	Wakayama	Mie
Land Tenure	Freehold	Freehold	Leasehold with 99 years from 1 November 2019	Freehold
Land Area (sq m)	637	1,735	2,377	2,803
Floor Area (sq m)	1,534	3,857	4,005	7,360
Number of Units (Rooms)	56	138	98	129
Number of Storeys	5	3	3	7
Year of Completion	2023	2024	1997	2012
Name of Lessee (s)	K.K. BISCUSS	K.K. BISCUSS	Medical Corporation Kenko Choju-kai	K.K. Sawayaka Club
Committed Occupancy[1]	100%	100%	100%	100%
Gross Revenue (2024)[2]	¥49.06 million	¥29.75 million	¥87.60 million	¥110.40 million
Gross Revenue (2023)[2]	¥4.09 million	- [6]	¥87.60 million	¥110.40 million
Purchase Price[3]	¥934.40 million (S$8.67 million)	¥2,446.20 million (S$20.74 million)	¥1,200.00 million (S$15.00 million)	¥1,380.00 million (S$17.66 million)
Year of Purchase	2023	2024	2019	2013
Appraised Value[4] (as at 31 December 2024)	¥1,040.00 million[5] (S$9.00 million)	¥2,690.00 million (S$23.30 million)	¥1,180.00 million[5] (S$10.20 million)	¥1,610.00 million (S$13.90 million)
Name of Appraiser(s)	Enrix Co., Ltd	Enrix Co., Ltd	CBRE K.K.	CBRE K.K.

(1) Committed occupancy of each property for year 2023 and 2024 remain unchanged
(2) Based on gross rental per annum, excluding C-Tax and other income
(3) Based on the exchange rate at point of acquisition
(4) Based on the exchange rate as at 31 December 2024
(5) As at 31 December 2024, the property recorded depreciation on revaluation against corresponding value as at 31 December 2023
(6) Acquistion completed on 7 August 2024

PROPERTY	HODAKA NO NIWA	EXCELLENT TENPAKU GARDEN HILLS	BON SEJOUR YOKOHAMA SHIN-YAMASHITA	HANADAMA NO LE NAKAHARA
				
Prefecture	Gifu	Aichi	Kanagawa	Kanagawa
Land Tenure	Freehold	Freehold	Freehold	Freehold
Land Area (sq m)	39,955	6,593	1,653	935
Floor Area (sq m)	6,117	4,000	3,273	1,847
Number of Units (Rooms)	100	94	74	47
Number of Storeys	1	4	5	4
Year of Completion	2004	2013	2006	2006
Name of Lessee (s)	Medical Corporation Kenko Choju-kai	K.K. Kokanomori	Benesse Style Care Co., Ltd	K.K. Japan Amenity Life Association
Committed Occupancy[1]	100%	100%	100%	100%
Gross Revenue (2024)[2]	¥100.75 million	¥108.00 million	¥100.85 million	¥52.80 million
Gross Revenue (2023)[2]	¥100.75 million	¥108.00 million	¥100.85 million	¥52.80 million
Purchase Price[3]	¥1,300.00 million (S$16.25 million)	¥1,645.00 million (S$18.92 million)	¥1,394.00 million (S$18.36 million)	¥628.00 million (S$9.83 million)
Year of Purchase	2019	2015	2008	2010
Appraised Value[4] (as at 31 December 2024)	¥1,380.00 million[5] (S$11.90 million)	¥1,850.00 million (S$16.00 million)	¥1,760.00 million (S$15.20 million)	¥930.00 million[5] (S$8.00 million)
Name of Appraiser(s)	CBRE K.K.	CBRE K.K.	CBRE K.K.	Cushman & Wakefield K.K.

(1) Committed occupancy of each property for year 2023 and 2024 remain unchanged
(2) Based on gross rental per annum, excluding C-Tax and other income
(3) Based on the exchange rate at point of acquisition
(4) Based on the exchange rate as at 31 December 2024
(5) As at 31 December 2024, the property recorded depreciation on revaluation against corresponding value as at 31 December 2023

OUR PORTFOLIO

PROPERTY	OCEAN VIEW SHONAN ARASAKI	SAWAYAKA MINATOKAN	SMILING HOME MEDIS MUSASHI URAWA	SMILING HOME MEDIS KOSHIGAYA GAMO
				
Prefecture	Kanagawa	Nigata	Saitama	Saitama
Land Tenure	Freehold	Freehold	Freehold	Freehold
Land Area (sq m)	3,067	3,551	802	1,993
Floor Area (sq m)	5,304	2,246	1,603	3,834
Number of Units (Rooms)	79	50	44	100
Number of Storeys	6	3	3	6
Year of Completion	2007	2010	1991/2004	1989/2005
Name of Lessee (s)	K.K. Japan Amenity Life Association	K.K. Sawayaka Club	Green Life Higashi Nihon	Green Life Higashi Nihon
Committed Occupancy[1]	100%	100%	100%	100%
Gross Revenue (2024)[2]	¥132.99 million	¥52.00 million	¥44.82 million	¥91.26 million
Gross Revenue (2023)[2]	¥132.99 million	¥52.00 million	¥44.82 million	¥91.26 million
Purchase Price[3]	¥1,700.00 million (S$18.72 million)	¥650.00 million (S$8.32 million)	¥612.00 million (S$8.24 million)	¥1,289.00 million (S$17.37 million)
Year of Purchase	2015	2013	2008	2008
Appraised Value[4] (as at 31 December 2024)	¥2,130.00 million[5] (S$18.40 million)	¥772.00 million[5] (S$6.70 million)	¥851.00 million (S$7.40 million)	¥1,670.00 million (S$14.40 million)
Name of Appraiser(s)	CBRE K.K.	CBRE K.K.	Enrix Co., Ltd	Enrix Co., Ltd

(1) Committed occupancy of each property for year 2023 and 2024 remain unchanged
(2) Based on gross rental per annum, excluding C-Tax and other income
(3) Based on the exchange rate at point of acquisition
(4) Based on the exchange rate as at 31 December 2024
(5) As at 31 December 2024, the property recorded depreciation on revaluation against corresponding value as at 31 December 2023

PROPERTY	AS HEIM NAKAURAWA	KONOSU NURSING HOME KYOSEIEN	SAWAYAKA SAKURAKAN	CREA ADACHI
				
Prefecture	Saitama	Saitama	Akita	Tokyo
Land Tenure	Freehold	Freehold	Freehold	Freehold
Land Area (sq m)	1,762	8,715	6,276	1,694
Floor Area (sq m)	2,712	5,634	5,044	2,499
Number of Units (Rooms)	64	120	110	87
Number of Storeys	4 + 1 (basement)	5	4	4
Year of Completion	2006	2004/2005	2006	2015
Name of Lessee (s)	As Partners Co., Ltd	Iryouhoujin Shadan Kouaikai	K.K. Sawayaka Club	K.K. Genki na Kaigo
Committed Occupancy[1]	100%	100%	100%	100%
Gross Revenue (2024)[2]	¥60.00 million	¥112.00 million	¥70.00 million	¥71.50 million
Gross Revenue (2023)[2]	¥60.00 million	¥112.00 million	¥70.00 million	¥71.50 million
Purchase Price[3]	¥812.00 million (S$12.72 million)	¥1,500.00 million (S$17.80 million)	¥725.00 million (S$11.06 million)	¥1,100.00 million (S$13.20 million)
Year of Purchase	2010	2018	2010	2021
Appraised Value[4] (as at 31 December 2024)	¥1,130.00 million (S$9.80 million)	¥1,780.00 million (S$15.40 million)	¥961.00 million (S$8.30 million)	¥1,380.00 million (S$11.90 million)
Name of Appraiser(s)	Enrix Co., Ltd	Enrix Co., Ltd	CBRE K.K.	CBRE K.K.

(1) Committed occupancy of each property for year 2023 and 2024 remain unchanged
(2) Based on gross rental per annum, excluding C-Tax and other income
(3) Based on the exchange rate at point of acquisition
(4) Based on the exchange rate as at 31 December 2024

OUR PORTFOLIO

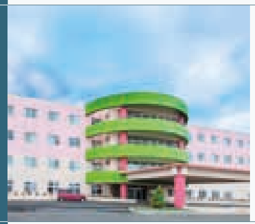
PROPERTY	ASSISTED LIVING EDOGAWA	SENIOR CHONAIKAI MAKUHARI KAN	LIVE IN WAKABA[6]	HABITATION HAKUSHO
				
Prefecture	Tokyo	Chiba	Chiba	Chiba
Land Tenure	Freehold	Freehold	Freehold	Freehold
Land Area (sq m)	1,832	2,853	6,574	15,706
Floor Area (sq m)	2,977	4,361	5,431	6,959
Number of Units (Rooms)	86	108	135	124
Number of Storeys	4	5	3	3 + 1 (basement)
Year of Completion	2021	1992/2004	1993	1986
Name of Lessee (s)	Zen Wellness Co., Ltd.	Riei Co., Ltd	K.K. Taijyu	K.K. Hakusho
Committed Occupancy[1]	100%	100%	100%	100%
Gross Revenue (2024)[2]	¥92.88 million	¥101.50 million	¥129.60 million	¥119.68 million
Gross Revenue (2023)[2]	¥92.88 million	¥101.50 million	¥129.60 million	¥119.68 million
Purchase Price[3]	¥1,700.00 million (S$17.34 million)	¥1,403.00 million (S$18.90 million)	¥1,766.00 million (S$22.06 million)	¥1,607.00 million (S$20.07 million)
Year of Purchase	2022	2008	2017	2017
Appraised Value[4] (as at 31 December 2024)	¥1,880.00 million[5] (S$16.30 million)	¥1,890.00 million (S$16.30 million)	¥2,280.00 million (S$19.70 million)	¥1,700.00 million (S$14.70 million)
Name of Appraiser(s)	CBRE K.K.	Enrix Co., Ltd	Enrix Co., Ltd	Enrix Co., Ltd

(1) Committed occupancy of each property for year 2023 and 2024 remain unchanged
(2) Based on gross rental per annum, excluding C-Tax and other income
(3) Based on the exchange rate at point of acquisition
(4) Based on the exchange rate as at 31 December 2024
(5) As at 31 December 2024, the property recorded depreciation on revaluation against corresponding value as at 31 December 2023
(6) Formerly known as Habitation Wakaba

PROPERTY	GROUP HOME HAKUSHO	HABITATION KAMAGAYA	HABITATION KISARAZU ICHIBANKAN	ASSISTED LIVING TOKE
				
Prefecture	Chiba	Chiba	Chiba	Chiba
Land Tenure	Freehold	Freehold	Freehold	Freehold
Land Area (sq m)	2,859	1,996	5,096	2,293
Floor Area (sq m)	416	5,118	7,065	2,824
Number of Units (Rooms)	9	100	150	80
Number of Storeys	2	6+ 1 (basement)	4	3
Year of Completion	2004	2006	2017	2021
Name of Lessee (s)	K.K. Hakusho	Fuyo Shoji K.K.	Fuyo Shoji K.K.	Zen Wellness Co., Ltd.
Committed Occupancy[1]	100%	100%	100%	100%
Gross Revenue (2024)[2]	¥8.00 million	¥115.50 million	¥197.20 million	¥72.00 million
Gross Revenue (2023)[2]	¥8.00 million	¥115.50 million	¥197.20 million	¥72.00 million
Purchase Price[3]	¥105.00 million (S$1.31 million)	¥1,650.00 million (S$21.20 million)	¥3,200.00 million (S$37.90 million)	¥1,180.00 million (S$12.04 million)
Year of Purchase	2017	2020	2021	2022
Appraised Value[4] (as at 31 December 2024)	¥109.00 million (S$0.90 million)	¥1,880.00 million (S$16.30 million)	¥3,640.00 million[5] (S$31.50 million)	¥1,280.00 million[5] (S$11.10 million)
Name of Appraiser(s)	Enrix Co., Ltd	Enrix Co., Ltd	Cushman & Wakefield K.K.	CBRE K.K.

(1) Committed occupancy of each property for year 2023 and 2024 remain unchanged
(2) Based on gross rental per annum, excluding C-Tax and other income
(3) Based on the exchange rate at point of acquisition
(4) Based on the exchange rate as at 31 December 2024
(5) As at 31 December 2024, the property recorded depreciation on revaluation against corresponding value as at 31 December 2023

OUR PORTFOLIO

PROPERTY	SAWAYAKA HIGASHIKAGURA -KAN	LIVERARI SHIROISHI HANA ICHIGO-KAN	LIVERARI SHIROISHI HANA NIGO-KAN	SUNNY SPOT MISONO
				
Prefecture	Hokkaido	Hokkaido	Hokkaido	Hokkaido
Land Tenure	Freehold	Freehold	Freehold	Freehold
Land Area (sq m)	4,813	628	436	429
Floor Area (sq m)	5,467	1,051	747	724
Number of Units (Rooms)	110	48	24	18
Number of Storeys	4	3	3 + 1 (basement)	3
Year of Completion	2010	2011	1990	1993
Name of Lessee (s)	K.K. Sawayaka Club	K.K. Living Platform Care	K.K. Living Platform Care	K.K. Challenge Platform
Committed Occupancy[1]	100%	100%	100%	100%
Gross Revenue (2024)[2]	¥81.09 million	¥24.00 million	¥12.00 million	¥14.40 million
Gross Revenue (2023)[2]	¥81.09 million	¥24.00 million	¥12.00 million	¥14.40 million
Purchase Price[3]	¥866.00 million (S$13.36 million)	¥298.00 million (S$3.43 million)	¥152.00 million (S$1.75 million)	¥177.00 million (S$2.04 million)
Year of Purchase	2012	2015	2015	2015
Appraised Value[4] (as at 31 December 2024)	¥1,050.00 million (S$9.10 million)	¥372.00 million (S$3.20 million)	¥187.00 million (S$1.60 million)	¥214.00 million[5] (S$1.90 million)
Name of Appraiser(s)	Colliers K.K.	Cushman & Wakefield K.K.	Cushman & Wakefield K.K.	Cushman & Wakefield K.K.

(1) Committed occupancy of each property for year 2023 and 2024 remain unchanged
(2) Based on gross rental per annum, excluding C-Tax and other income
(3) Based on the exchange rate at point of acquisition
(4) Based on the exchange rate as at 31 December 2024
(5) As at 31 December 2024, the property recorded depreciation on revaluation against corresponding value as at 31 December 2023

PROPERTY	SILVER HEIGHTS HITSUJIGAOKA (ICHIBANKAN & NIBANKAN)	BLUE RISE NOPPORO	BLUE TERRACE TAISETSU	BLUE TERRACE KAGURA
				
Prefecture	Hokkaido	Hokkaido	Hokkaido	Hokkaido
Land Tenure	Freehold	Freehold	Freehold	Freehold
Land Area (sq m)	5,694	1,921	1,268	2,064
Floor Area (sq m)	9,013	2,663	2,608	3,788
Number of Units (Rooms)	123	70	80	100
Number of Storeys	5 to 6	5	3	3
Year of Completion	Ichibankan in 1987; Nibankan in 1991	2007	2010	2016
Name of Lessee (s)	K.K. Silver Heights Sapporo	K.K. Blue Care	K.K. Blue Care	K.K. Blue Care
Committed Occupancy[1]	100%	100%	100%	100%
Gross Revenue (2024)[2]	¥88.77 million	¥51.91 million	¥49.96 million	¥79.20 million
Gross Revenue (2023)[2]	¥88.77 million	¥51.91 million	¥49.96 million	¥79.20 million
Purchase Price[3]	¥1,100.00 million (S$13.23 million)	¥699.00 million (S$7.13 million)	¥679.00 million (S$6.93 million)	¥1,180.00 million (S$12.04 million)
Year of Purchase	2016	2022	2022	2022
Appraised Value[4] (as at 31 December 2024)	¥1,320.00 million[5] (S$11.40 million)	¥805.00 million (S$7.00 million)	¥763.00 million[5] (S$6.60 million)	¥1,300.00 million[5] (S$11.30 million)
Name of Appraiser(s)	Colliers K.K.	Colliers K.K.	Colliers K.K.	Colliers K.K.

(1) Committed occupancy of each property for year 2023 and 2024 remain unchanged
(2) Based on gross rental per annum, excluding C-Tax and other income
(3) Based on the exchange rate at point of acquisition
(4) Based on the exchange rate as at 31 December 2024
(5) As at 31 December 2024, the property recorded depreciation on revaluation against corresponding value as at 31 December 2023

OUR PORTFOLIO

FRANCE
11 Properties

1 GRAND EST
- Résidence Ducale
- Les Jardins de Creney

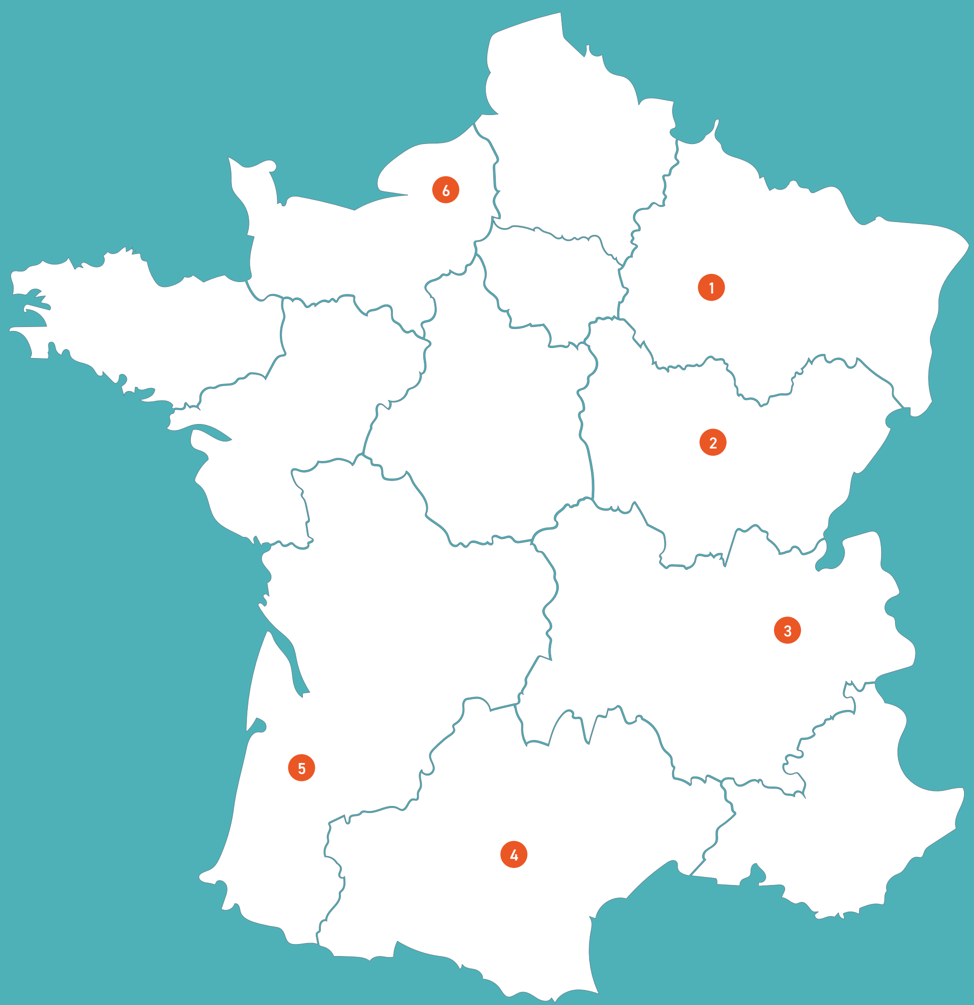
2 BOURGOGNE-FRANCHE-COMTÉ
- Résidence d'Automne

3 AUVERGNE-RHÔNE-ALPES
- Résidence du Champ de Courses
- Les Clos Rousset

4 OCCITANIE
- Les Cinq Sens

5 NOUVELLE-AQUITAINE
- Résidence La Boétie & Montaigne
- Résidence du Pyla-sur-Mer
- Les Jardins de Saintonge

6 NORMANDIE
- La Demeure du Bois Ardent
- Résidence La Barillière



PROPERTY	RÉSIDENCE DUCALE	LES JARDINS DE CRENEY	RÉSIDENCE D'AUTOMNE	RÉSIDENCE DU CHAMP DE COURSES
				
Region	Grand Est	Grand Est	Bourgogne-Franche-Comté	Auvergne-Rhône-Alpes
Land Tenure	Freehold	Freehold	Freehold	Freehold
Land Area (sq m)	7,361	10,770	5,252	6,744
Floor Area (sq m)	3,886	3,063	2,981	4,380
Number of Units (Beds)	73	61	55	73
Number of Storeys	3	2	3	3
Year of Completion/ Renovation	2012	2012	1970/2014	2022
Name of Lessee (s)[4]	DomusVi	DomusVi	DomusVi	DomusVi
Committed Occupancy	100%	100%	100%	100%
Gross Revenue (2024)[5]	€0.01 million	€0.01 million	€0.01 million	€0.03 million
Gross Revenue (2023)[1]	-	-	-	-
Purchase Price[2]	€6.23 million (S$8.95 million)	€5.94 million (S$8.54 million)	€5.66 million (S$8.13 million)	€15.71 million (S$22.58 million)
Year of Purchase	2024	2024	2024	2024
Appraised Value[3] (as at 31 December 2024)	€6.48 million (S$9.20 million)	€6.13 million (S$8.70 million)	€5.97 million (S$8.40 million)	€16.30 million (S$23.00 million)
Name of Appraiser(s)	Cushman & Wakefield Valuation France	Cushman & Wakefield Valuation France	Cushman & Wakefield Valuation France	Cushman & Wakefield Valuation France

(1) Acquisition of eleven nursing homes located in France was completed on 20 December 2024
(2) Based on the exchange rate at point of acquisition
(3) Based on the exchange rate as at 31 December 2024
(4) Lessees are special purpose vehicles under DomusVi Group
(5) Based on gross revenue from 20 to 31 December 2024

OUR PORTFOLIO

PROPERTY	LES CLOS ROUSSET	LES CINQ SENS	RÉSIDENCE LA BOÉTIE & MONTAIGNE	RÉSIDENCE DU PYLA-SUR-MER
				
Region	Auvergne-Rhône-Alpes	Occitanie	Nouvelle-Aquitaine	Nouvelle-Aquitaine
Land Tenure	Freehold	Freehold	Freehold	Freehold
Land Area (sq m)	7,581	6,209	10,128	10,959
Floor Area (sq m)	3,952	2,803	5,942	4,111
Number of Units (Rooms)	82	72	104	83
Number of Storeys	2	3	4	3
Year of Completion/ Renovation	2012	2006/2017	2019	1991/2022
Name of Lessee (s)[4]	DomusVi	DomusVi	DomusVi	DomusVi
Committed Occupancy	100%	100%	100%	100%
Gross Revenue (2024)[5]	€0.02 million	€0.02 million	€0.03 million	€0.03 million
Gross Revenue (2023)[1]	-	-	-	-
Purchase Price[2]	€7.97 million (S$11.46 million)	€8.09 million (S$11.63 million)	€14.96 million (S$21.50 million)	€17.53 million (S$25.20 million)
Year of Purchase	2024	2024	2024	2024
Appraised Value[3] (as at 31 December 2024)	€8.28 million (S$11.70 million)	€8.42 million (S$11.90 million)	€15.39 million (S$21.80 million)	€18.22 million (S$25.80 million)
Name of Appraiser(s)	Cushman & Wakefield Valuation France	Cushman & Wakefield Valuation France	Cushman & Wakefield Valuation France	Cushman & Wakefield Valuation France

(1) Acquisition of eleven nursing homes located in France was completed on 20 December 2024
(2) Based on the exchange rate at point of acquisition
(3) Based on the exchange rate as at 31 December 2024
(4) Lessees are special purpose vehicles under DomusVi Group
(5) Based on gross revenue from 20 to 31 December 2024

PROPERTY	LES JARDINS DE SAINTONGE	LA DEMEURE DU BOIS ARDENT	RÉSIDENCE LA BARILLIÈRE
			
Region	Nouvelle-Aquitaine	Normandie	Normandie
Land Tenure	Freehold	Freehold	Freehold
Land Area (sq m)	9,601	6,437	10,551
Floor Area (sq m)	3,789	3,931	3,795
Number of Units (Rooms)	83	76	88
Number of Storeys	2	3	2
Year of Completion/ Renovation	1990/2013	1995/2022	2002/2012
Name of Lessee (s)[4]	DomusVi	DomusVi	DomusVi
Committed Occupancy	100%	100%	100%
Gross Revenue (2024)[5]	€0.02 million	€0.02 million	€0.03 million
Gross Revenue (2023)[1]	-	-	-
Purchase Price[2]	€8.60 million (S$12.36 million)	€7.71 million (S$11.08 million)	€12.83 million (S$18.44 million)
Year of Purchase	2024	2024	2024
Appraised Value[3] (as at 31 December 2024)	€8.93 million (S$12.60 million)	€7.95 million (S$11.20 million)	€13.27 million (S$18.80 million)
Name of Appraiser(s)	Cushman & Wakefield Valuation France	Cushman & Wakefield Valuation France	Cushman & Wakefield Valuation France

(1) Acquisition of eleven nursing homes located in France was completed on 20 December 2024
(2) Based on the exchange rate at point of acquisition
(3) Based on the exchange rate as at 31 December 2024
(4) Lessees are special purpose vehicles under DomusVi Group
(5) Based on gross revenue from 20 to 31 December 2024

INVESTOR RELATIONS

COMMUNICATION WITH UNITHOLDERS & THE INVESTMENT COMMUNITY

The Manager of PLife REIT ("Manager") places great importance on investor relations and upholds a culture of open communication to its Unitholders and the investment community. We adopt a proactive approach in the outreach to all stakeholders by engaging and communicating with them on a regular basis.

We believe that investors are able to make well-informed decisions when the REIT's financial performance, operations and corporate developments are disclosed timely in a coherent, succinct manner through various communication channels.

To this end, all important information pertaining to PLife REIT is promptly published through press releases and announcements on SGX-ST via SGXNet and uploaded onto its corporate website at www.plifereit.com.

PROACTIVE ENGAGEMENTS WITH THE INVESTMENT COMMUNITY

Today, PLife REIT is regarded as a premium healthcare S-REIT and is recommended for its reliable and stable performance among research analysts covering the stock. Its financial performance and corporate developments are also regularly picked up by established news outlets such as The Business Times, The Edge Singapore and Singapore Business Review.

By proactively articulating the REIT's investment strategy, such as acquisitions or capital raising initiatives, we aim to maintain the confidence of investors and create enduring value for Unitholders.

On 22 October 2024, PLife REIT launched its maiden Equity Fund Raising by way of a private placement, raising gross proceeds of approximately S$180.0 million for the acquisition of 11 France Properties. The private placement was oversubscribed, receiving strong demand from both new and existing institutional and accredited investors, reflecting confidence in the REIT's strategy and growth prospects.

PLIFE REIT BAGS SHAREHOLDER COMMUNICATIONS EXCELLENCE AWARD AT SIAS INVESTORS' CHOICE AWARDS 2024

On 17 September 2024, PLife REIT won the Shareholder Communications Excellence Award ("SCEA") in the REITs & Business Trusts category at the Securities Investors Association (Singapore) (commonly known as "SIAS") Investors' Choice Awards 2024.

The award recognises companies that have achieved high levels of corporate governance, sustainability, transparency and shareholder communication. This accolade underscores PLife REIT's dedication to transparent and effective communication with all stakeholders, safeguarding shareholders' interests while aligning its goal of keeping investors informed and engaged.

PLife REIT is included in several indices which enhance trading liquidity as well as visibility to investors and index funds worldwide. The indices include:

- FTSE ST All Share Index
- FTSE ST Mid Cap Index
- FTSE ST Real Estate Investment Trust Index
- FTSE Global Equity Index Series
- iEdge S-Reit Index
- FTSE EPRA NAREIT Global Developed Index

MULTI-CHANNEL COMMUNICATIONS

The Manager communicated with existing and potential investors, analysts, media and Unitholders through the following communication channels:

CORPORATE WEBSITE

PLife REIT's corporate website (www.plifereit.com) provides quick access to detailed information on the REIT. Stock data, SGXNet announcements, financial statements, press releases, presentation slides, annual reports, and other corporate developments are updated regularly to keep Unitholders and the investment community informed on the REIT's performance. The Manager aims to provide investors with further insight into its growth plan and corporate developments through its corporate website. Furthermore, the Manager actively interacts with Unitholders, encouraging them to provide feedback or submit their enquiries via a feedback form on the corporate website. Investors can also subscribe to email alerts of all announcements and press releases issued by PLife REIT.

CORPORATE LITERATURE

To ensure understanding of its corporate developments, the REIT regularly publishes updates on its financials and operations in a coherent and informative manner. Following its release on SGXNet, all announcements on corporate developments, financial statements, press releases and presentation slides are posted on the corporate website promptly. This ensures swift dissemination of information to Unitholders.

INVESTOR OUTREACH PROGRAME

Through its outreach programme, the Manager engages investors and analysts on a regular basis. Additionally, the Manager informs and articulates its strategies and plans to the investment community through proactive engagements with the investment community, including the media. To fortify relationships with the media, the Manager periodically arranges site visits to its key properties in Singapore and overseas. These visits bolster investors, analysts and the media's understanding of the REIT's portfolio.

ANNUAL GENERAL MEETING ("AGM")

Through AGMs, Unitholders can communicate with the Board of Directors and management of REIT Manager to have their questions or concerns addressed. Every year, the REIT holds its AGM in April in Singapore. An EGM may also be held, if necessary, to discuss specific issues. In 2024, PLife REIT's AGM was held on 30 April at Gleneagles Hospital.

INVESTOR RELATIONS

INVESTOR RELATIONS KEY ACTIVITIES IN FY2024

1st Quarter
• Investors' Meeting • Citi's 2024 Global Property CEO Conference in Florida, USA • DBS Vickers Pulse of Asia in Singapore • SGX-NHIS S-REITs Corporate Day 2024 in Seoul, Korea
2nd Quarter
• Investors' Meeting • HSBC 8th Annual Asia Credit Conference in Singapore • Maybank Invest ASEAN Corporate Day 2024 in Penang, Malaysia • Citi 2024 Asia Pacific Property Conference in Hong Kong
3rd Quarter
• Investors' Meeting • Maybank 1H 2024 Results Investors' Luncheon
4th Quarter
• Analysts' Briefing • Group Investors' Call/Meeting • OCBC 2H 2024 Results Investors' Luncheon • DBS-SGX-REITAS Conference in Bangkok • UBS SG Corporate Day in Kuala Lumpur, Malaysia

ANALYST COVERAGE

The following brokerage houses provide research coverage on PLife REIT as of 31 December 2024:

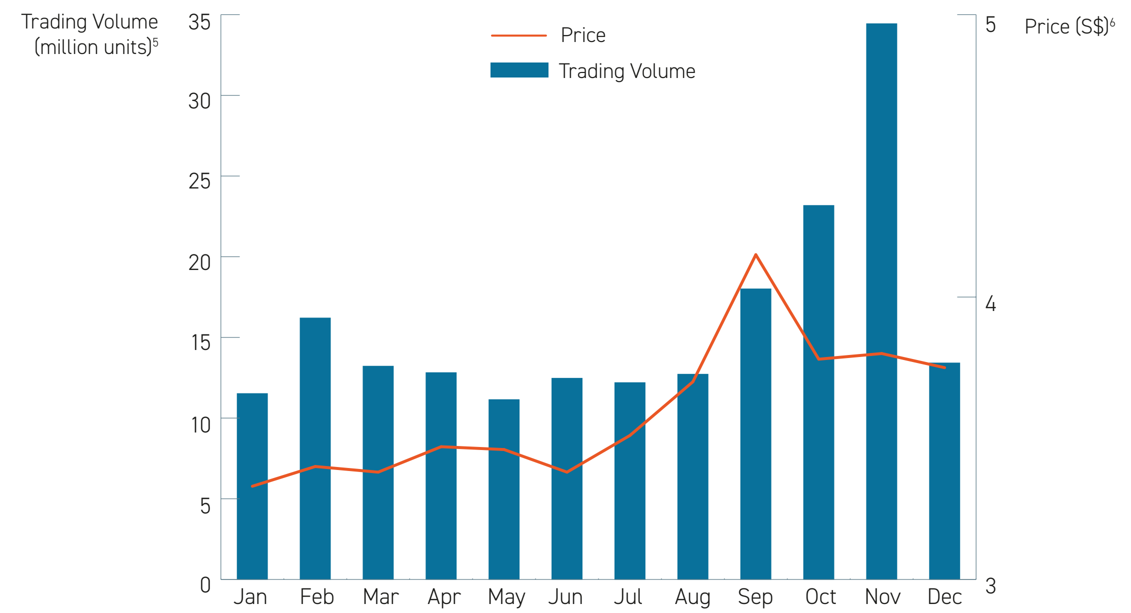
- CGS International Research
- Citi Investment Research
- DBS Group Research
- UOB Kay Hian Research
- OCBC Investment Research

To-date, we have a total of 7 research analysts covering the REIT, with Maybank Research and Macquarie Research initiating coverage on PLife REIT on 8 January 2025 and 5 March 2025, respectively.

PLIFE REIT UNIT PERFORMANCE PRICE IN FY2024

	2023	2024
Opening Price (S$)	3.78	3.68
Closing Price (S$)	3.67	3.75
High (S$)[1]	4.30	4.20
Low S($)[2]	3.34	3.41
Trading Volume (million units)[3]	106.55	187.32
% of S-REIT Trading Volume	0.27	0.41
Market Capitalisation (S$ million)[4]	2,220.36	2,446.39

PLIFE REIT MONTHLY TRADING PERFORMANCE IN FY2024



Source: Bloomberg

(1) Based on the Intra-day high price
(2) Based on the Intra-day low price
(3) Total trading volume for the respective financial year
(4) Based on last trading price of the respective financial year
(5) Sum of trading volume in the respective months
(6) Based on the closing price at the end of the month

ENTERPRISE RISK MANAGEMENT REPORT

Proactive and effective risk management plays a critical role in PLife REIT's operations. While all operations are aligned to PLife REIT's focus on generating rental income to deliver regular and stable distributions and achieve long-term growth for our Unitholders, the Board of Directors ("Board") of the Manager is cognisant of the risks entailed, be it inherent or operational, and endeavours to maintain a robust internal controls and risk management system to safeguard the interest of Unitholders and the business and assets of PLife REIT and its subsidiaries (the "Group"). The internal controls system incorporates the risk management and this system encompasses 3 key principles that facilitate an effective and efficient operation, enabling the Manager and the Group to respond to a variety of operational, financial, compliance, environmental, human capital and information technology risks. These principles include:

- **Corporate Culture** - Build a strong risk management and controls culture by setting the appropriate tone at the top, promoting awareness, ownership and proactive management of key risks.
- **Organisation Structure** - Put in place an organisation structure that ensures proper segregation of duties, where possible, defines risk management responsibility and authority and promotes ownership and accountability of risk management.
- **Process** - Implement robust and effective processes and systems for identifying, monitoring and controls of risk.

The following outlines the key aspects and approaches of the risk management process of PLife REIT:

1) GOVERNANCE

The Board has the ultimate overall responsibility for the internal controls and risk management systems. The Board is supported by the Audit and Risk Committee which provides dedicated oversight of internal controls and risk management system of the Group.

2) ERM FRAMEWORK AND POLICIES

The Manager maintains a robust risk management system to assess, mitigate and monitor risks through an Enterprise Risk Management ("ERM") programme. An ERM committee has also been established to assist the Board and the Audit and Risk Committee ("ARC") in the oversight and monitoring of risks and the corresponding risk countermeasures. The overall ERM framework is documented in the Manager's Risk Management Policy including the roles and responsibilities of the Board, ARC and ERM committee in the ERM programme. The ERM Committee comprises Heads of Department of the Manager from the operational, financial and technical areas, and is responsible for managing risks in their respective areas by identifying key risks that may affect the risk exposure of the Manager and the Group, and for evaluating the relevance and adequacy of existing controls and mitigating factors associated with the risks. The ERM process entails assessment of key risks that are relevant to the Manager and the Group based on the business and macro conditions of the current year, taking into consideration the strategic goals and broad value drivers of PLife REIT. An external risk consultant is engaged to facilitate the ERM reporting process and the Manager works closely with the external risk consultant to conduct regular risk workshops for a structured approach of identification and assessment of risks and the risk appetite of the Group. The external risk consultant also validates the sufficiency and adequacy of the internal controls and the mitigating factors associated with the key risks identified on an annual basis by reviewing Control Self-Assessment ("CSA") questionnaires signed by the respective process owners. CSA questionnaires are based on the controls and mitigating measures to address the key risks identified and assessed from the ERM process. For rigorous monitoring and control, the Manager has established internal key risk indicators that serve as an early-warning system to highlight risks that might escalate beyond agreed tolerance levels. The Group's risk profile is reviewed on a semi-annual basis and the identified key risks are reported to the ARC annually. If any material non-compliance and internal control weaknesses are identified during the ERM assessment, the recommendations to address them will also be reported to the ARC and the Board accordingly.

3) RISKS IDENTIFICATION AND ASSESSMENT

The Manager identifies key risks, assesses their likelihood and materiality to the Group's businesses and documents their corresponding controls and mitigating factors in a risk register. The key risks identified include but are not limited to:

Business Model / Strategy

Investment or making an acquisition can expose PLife REIT to external events and impacts. Such external events and impacts may arise from the macro related factors which include but are not limited to geo-political tensions, financial and economic environment as well as industry specific risks associated with local government, related sectorial and real estate market conditions, such as changes in local regulations, fluctuation of capital values of properties and change in demand and supply of the healthcare and healthcare-related industry. Increase in demand of quality healthcare, aged care and healthcare related assets from real estate investors, developers, private equity funds, REITs and other alternative and ESG (Environmental, Social and Governance) investors, can heighten the competition for PLife REIT. Black-swan events such as the Covid-19 pandemic which has adversely affected worldwide economies could in turn impact the sub markets which PLife REIT has currently invested in or plans to invest into.

To mitigate such risks, PLife REIT carries out various measures as part of its business and investment model/strategy:

- Diversify into new markets/countries to manage geographical concentration

ENTERPRISE RISK MANAGEMENT REPORT

- Work closely with the Sponsor and third parties to identify alternative opportunities and growth platforms
- Monitor asset class and tenant concentration
- Focus on mature healthcare/aged care markets
- Adhere to established quantitative and qualitative investment criteria
- Monitor, evaluate and assess the macro event impacted environment and its risk implications to the Group's business and sectors

The business and investment model/strategy encompasses the whole investment eco-system, from the high level investment strategy and planning to the detailed operational pre and post investment evaluation of the opportunities/projects. In addition, all investment proposals are subject to rigorous and disciplined assessment/evaluation of the available information obtained by the Manager to assess whether the proposals satisfy the Group's investment criteria before making a recommendation to the Board. The Manager adheres to a stringent set of policies and procedures and conducts comprehensive due diligence reviews to address the legal, financial, tax, environmental related and physical aspects of the property to mitigate the relevant investment risks.

Investment Evaluation

Any new country or market which PLife REIT ventures into could potentially lead to a misalignment of the Group's strategic and investment objectives and its external environment (e.g. culture, communication approach, business ethics, laws and regulations). This could result in higher administrative cost and inefficiency in business operations which affect the Group's ability to drive synergy and maximise overall performance. It is therefore crucial to systematically integrate the new portfolio into PLife REIT's existing processes and asset management framework. To mitigate such risks, the Manager has put in place robust investment strategy and evaluation framework, as well as asset management strategy and policy. The Manager works with established partners, service providers and advisors who have relevant knowledge and experience in the new markets, and are able to facilitate and bridge the knowledge and cultural gaps where the Group is not familiar with. The Manager closely monitors the performance of the newly acquired properties and keeps abreast of local market conditions with the help of experienced local asset managers appointed to manage the portfolio.

Interest Rate and Foreign Exchange

To maintain stable distribution and steady net asset value of PLife REIT, the Manager exercises prudent financial risk management to manage the exposure to interest rate volatility on its borrowings and foreign exchange risk on foreign investments. The Manager constantly monitors the exposure and utilises various financial instruments, such as interest rate swap, interest rate cap and cross currency interest rate swap etc. to hedge against the market fluctuations. With the recent acquisition in France, the Group has deployed cross currency swap by swapping the SGD proceeds raised from Equity Fund Raising ("EFR") to EUR to fund the acquisition in France. In this manner, the Group adopts a natural hedge for both France and Japan investments to maintain a stable net asset value. In addition, it has also entered into foreign currency forward exchange contracts to hedge the net foreign income from Japan and France against currency volatility. Our policy is to hedge at least 50% (up to 100%) of all financial risks. The Group has put in place ¥ and € net income hedges till 1Q 2029 and 1Q 2030 respectively, and about 87% of interest rate exposure is hedged. The Group has also executed several interest rate swaps (including forward starting swaps) to extend maturing hedges for another four to seven years.

Debtor Management

The Group has put in place procedures to assess the credit worthiness of the lessees to safeguard its cashflow stability. Periodic review of the existing lessees are conducted which includes checks on their financial status to assess the likelihood of potential rent default. Overseas revenue is further secured through the following means:

- Security deposits (ranging from 3 to 6 months) in placed for most of the Japan properties; and
- Rental and lease guarantees have also been secured for some properties.

Climate Risk

The Group monitors evolving or emerging risks and such risks when identified will be kept on close watch and actions will be taken to mitigate the risks, when necessary. Climate change and potentially catastrophic weather events may expose the Group to sustainability risk, inclusive of climate risk. As the impacts of climate change become more pronounced, there is heightened concern regarding corporations' capacity to manage these challenges and adapt accordingly. Physical climate risks, including heat stress and flooding, can adversely affect working conditions and threaten physical assets. Additionally, transition climate risks, such as more stringent regulations and elevated carbon taxes, contribute to increased operational costs for businesses. Climate risk has been identified as one of the key risks for the Group in response to the increased regulatory and compliance requirements on climate reporting, and to safeguard our portfolio against any potential risk.

Leadership Development and Retention

The Manager has put in place a framework for management succession planning, with the key objective to identify and develop potential successors for business critical roles of the Manager. This initiative seeks to minimise disruptions to business operations caused by the attrition of key personnel. An assessment has been conducted to identify the business critical roles within the organisation and identify successors, followed by the implementation of development plans. The Manager regularly reviews

ENTERPRISE RISK MANAGEMENT REPORT

the management succession plan and provide leadership development training to prepare successors for critical roles, accelerating their readiness and enhancing staff retention. Additionally, the Manager conducts annual performance reviews and assesses career progression opportunities for all staff. Department heads of the Manager are responsible for managing human resource matters, including staff career development plans. To ensure competitive compensation, the Manager regularly conducts salary benchmarking exercises, aligning staff remuneration with market standards, while linking salary adjustments to performance. Moreover, the Manager fosters a family-oriented working environment, contributing to a lower staff attrition rate.

Funding / Loan

The ability to raise funds from both banks and capital markets has enabled PLife REIT to diversify its sources of funding to avoid over-reliance on any single source of funding. In 2024, the Group successfully launched its maiden EFR to raise approximately S$180.0 million to finance the acquisition of eleven nursing homes in France. Consequently, gearing has improved and led to higher debt headroom. As to debt-funded acquisitions such as the Japanese acquisition completed in August 2024, to mitigate refinancing risks post acquisition, the Manager was mindful to put in place long-term financing (at least 3 years or more). In addition, the Manager is constantly monitoring the market to extend debt maturities and typically pre-emptively refinance maturing loan ahead of its maturity. PLife REIT aims to have no more than 30% of the total debts due in a single year, to avoid bunching effect. The Manager has also put in place policies and assigned designated personnel to observe the compliance of financial covenants in loan agreements and the leverage limit regulated under the MAS' Property Funds Appendix. The Board is kept apprised of PLife REIT's debt and capital management at every meeting held quarterly. There is no long-term debt refinancing need till September 2026.

Project Management

Following Unitholders' approval on 30 September 2021 for the lease renewal transaction of the Singapore Hospitals which included a renewal capex agreement, the physical construction of the renewal capex works at Mount Elizabeth Hospital ("RCW") has commenced in January 2023 and progressed smoothly into its second year of works. Established procedures relating to project management have since been put in place. As the RCW entails additions and alterations works involving major retrofitting and reconfiguration within a "live" hospital environment, it is important to ensure that the works are executed appropriately. Several key risks are identified from the safety and health, quality, time and budget aspects and the Manager has set up a series of countermeasures to mitigate the respective risks. The safety and health aspects shall be prioritised given the nature of the working environment, a "live" operating hospital. The appointed contractor shall conduct extensive risk assessments and develop a workable action plan to overcome the risks identified. Furthermore, all relevant stakeholders are made aware of their respective roles and responsibilities in the project and shall be committed to cooperate in order to cover the risks identified from all aspects so that preventive and corrective measures, if necessary, would be implemented. In addition, clauses pertaining to charges for any breach or non-compliance by the appointed consultants and contractor are included as part of the work agreement. By doing so, it serves as a deterrent to prevent the appointed consultants and contractor from being negligent in terms of the site work and to strictly adhere to the rules, regulations and requirements put forth for executing and undertaking the RCW. In terms of time and budget, all approvals, procurements and significant milestones will be closely tracked to ensure completion of the RCW within the targeted schedule and predetermined budget. To date, we have handed over more than 50% of the scheduled works to the hospital. Our target is to complete at least 85% by 31 July 2025, with the remaining 15% by December 2025.

CORPORATE GOVERNANCE

Parkway Trust Management Limited, in its capacity as the manager of PLife REIT ("Manager") recognises that an effective corporate governance framework is crucial for the performance and business affairs of the Manager and therefore, maximising the success of PLife REIT. The Manager is firmly committed to good corporate governance and has adopted a comprehensive corporate governance framework that meets best practice principles. In particular, the Manager has an obligation to act with due care and diligence, and in the best interests of the unitholders of PLife REIT ("Unitholders").

The following sections describe the Manager's main corporate governance policies and practices with reference to the Code of Corporate Governance 2018 (as amended, "CG Code"). The Manager confirms that it has complied with the CG Code in all material respects and to the extent that there are any deviations from the CG Code, the Manager will provide explanation for such deviation and details of the alternative practices which have been adopted by the Manager which are consistent with the intent of the relevant principle of the CG Code.

THE MANAGER OF PLIFE REIT

PLife REIT, constituted as a trust and has no personnel of its own, is externally managed by the Manager in accordance with the terms of the trust deed constituting PLife REIT dated 12 July 2007 (as amended, the "Trust Deed"). The Manager appoints experienced and well-qualified management personnel to handle its current business and operations. All directors and employees of the Manager are remunerated by the Manager, and not PLife REIT.

The Manager has general powers of management over PLife REIT and its main responsibility is to manage PLife REIT's assets and liabilities for the benefit of Unitholders.

The Manager sets the strategic direction of PLife REIT and makes recommendations to the trustee of PLife REIT ("Trustee") on the acquisition, divestment and enhancement of assets of PLife REIT in accordance with its investment strategy.

Other main functions and responsibilities of the Manager are as follows:

1. uses its best endeavours to carry on and conduct its business in a proper and efficient manner, to ensure that the business of PLife REIT is carried on and conducted in a similar manner, and to conduct all transactions with or for PLife REIT at arm's length and on normal commercial terms;

2. ensures compliance with the Trust Deed and applicable laws and regulations, including the Securities and Futures Act 2001 of Singapore ("SFA"), the listing manual ("Listing Manual") of the Singapore Exchange Securities Trading Limited ("SGX-ST"), the Code on Collective Investment Schemes ("CIS Code") issued by the Monetary Authority of Singapore ("MAS") which includes the Property Funds Appendix in Appendix 6 of the CIS Code (the "Property Funds Appendix") and the tax ruling issued by the Inland Revenue Authority of Singapore on the taxation of PLife REIT and its Unitholders; and

3. attends to all regular communications with Unitholders.

The Trust Deed outlines certain circumstances under which the Manager can retire in favour of a corporation approved by the Trustee to act as the manager of PLife REIT or the Manager can be removed by notice given in writing by the Trustee upon the occurrence of certain events. A copy of the Trust Deed is available for inspection by the Unitholders at the registered office of the Manager during usual office hours[1].

1 Prior appointment with the Manager is appreciated.

CORPORATE GOVERNANCE

BOARD MATTERS

The Board's Conduct of Affairs

Principle 1: *The company is headed by an effective Board which is collectively responsible and works with Management for the long-term success of the company.*

The board of directors of the Manager ("Board'') is responsible for the overall leadership and oversight of the management and corporate governance of the Manager, including setting strategic corporate strategy and directions of the Manager, overseeing the proper conduct of the Manager and ensuring that senior management provides business leadership while demonstrating the highest quality of management skills with integrity and enterprise. All Board members participate in matters relating to corporate governance, business operations, risk management, financial performance and the nomination and review of directors. The Board has approved a framework for the management of the Manager, including a system of internal controls and business risk management process that enables risks to be assessed and managed.

The Board meets regularly, at least once every quarter, to deliberate on the strategic objectives and policies of PLife REIT. Matters requiring the Board's decision and approval include investments, acquisitions and disposals, major leases and assets enhancement works, operating and capital expenditure, loan or debt financing or refinancing taking into consideration PLife REIT's commitment in terms of capital and other resources, the annual budget, the release of the quarterly business updates, semi-annual and full year results, the appointment of directors and other material transactions. Such matters have been clearly communicated to the management in writing. The Board also reviews the financial performance of PLife REIT against approved budget, assesses material risks to the assets and business operations of PLife REIT, examines liability management, and acts on any comments from the auditors of PLife REIT. Where necessary, additional Board meetings are held to address significant transactions or issues.

In discharge of its functions, the Board is supported by an Audit and Risk Committee ("ARC") that provides independent oversight of the Manager. The Board is also supported by a Nominating and Remuneration Committee ("NRC") which oversees the remuneration matters of the directors and key management personnel of the Manager, nomination of directors and the effectiveness of the Board. Each Board committee operates under delegated authority of the Board and is governed by its respective terms of reference approved by the Board.

The Board has adopted a set of internal controls which it believes is adequate in safeguarding Unitholders' interests and PLife REIT's assets. Appropriate delegation of authority has been given to management to facilitate operational efficiency.

The Board recognises that all directors of the Manager have fiduciary duties to act objectively in the best interests of PLife REIT and hold the management accountable for performance. As such, any director who has, or appears to have, direct or indirect interest that may conflict with any subject matter under discussion by the Board shall declare his interest and recuse himself from the information flow and discussion of the subject matter. He shall also abstain from any decision-making on the subject matter. The Manager has in place a code of conduct, which includes core values such as upholding ethical standards of professional practice, treating all internal and external parties with mutual respect and without prejudice, prohibiting any form of bribery and corruption, maintaining confidentiality regarding its business and avoiding conflicts of interest. All employees of the Manager are required to abide by the code of conduct, as well as policies and guidelines pertaining to employment and accountability.

CORPORATE GOVERNANCE

The number of Board and Board committee meetings held during the financial year ended 31 December 2024 ("FY2024"), as well as the attendance of each Board member at these meetings, are set out below.

Director	Board Meetings	Audit and Risk Committee Meetings	Nominating and Remuneration Committee Meetings	Annual General Meeting
Mr. Ho Kian Guan	5	5	-	1
Dr. Jennifer Lee Gek Choo	5	5	2	1
Ms. Cheah Sui Ling	5	5	2	1
Ms. Theresa Goh Cheng Keow(1)	1	1	-	-
Dato' Sri Muthanna Bin Abdullah	5	-	-	1
Mr. Tomo Nagahiro	5	-	-	1
Dr. Prem Kumar Nair	5	-	2	1
Dr. Chow Chorng Ann Peter	5	-	-	1
Mr. Yong Yean Chau	5	-	-	1
No. of Meetings held in FY2024	**5**	**5**	**2**	**1**

Note:
(1) Appointed as independent director, member of ARC and member of NRC on 25 October 2024.

Changes to laws, regulations, accounting standards and commercial risks are monitored closely. To keep pace with regulatory changes that have an important bearing on the Manager's or directors' obligations, the directors will be briefed either during Board meetings or at specially-convened sessions with the relevant professionals. The directors are also encouraged to participate in seminars and/or training to keep abreast of the latest developments relevant to the Manager and PLife REIT. During FY2024, the directors were briefed on directors' duties and responsibilities by external solicitors engaged by the Manager. Mr. Tomo Nagahiro and Dato' Sri Muthanna Bin Abdullah attended the Sustainability E-Training for Directors provided by the Institute of Singapore Chartered Accountants (ISCA) (in partnership with SAC Capital). Dato' Sri Muthanna and Dr. Chow Chorng Ann Peter also attended the Essentials for Directors of REIT Managers course provided by the REIT Association of Singapore.

Newly-appointed director receives letter of appointment setting out his or her roles, duties and obligations as a director of the Manager. An orientation and induction programme will be conducted to provide each new director with information on the Board's structure and responsibilities, the overall strategic business plans and direction of PLife REIT, as well as the duties and statutory obligations of a director of the Manager. A newly-appointed director who has no prior experience as a director of Singapore listed company ("First-time Director") shall also attend mandatory training prescribed by the Listing Manual within a year from his or her appointment date. In this regard, Dr. Prem Kumar Nair and Dr. Chow Chorng Ann Peter who were appointed during FY2023 have completed the mandatory training programmes prescribed under the Listing Manual on 7 November 2024 and 9 October 2024 respectively. Ms. Theresa Goh Cheng Keow who is a First-time Director appointed in FY2024 will complete the training programmes prescribed under the Listing Manual by 24 October 2025 and was provided with an overview of PLife REIT and the Manager by the management as part of the orientation and induction programme.

The management provides the Board with complete and adequate information on the business and operations of PLife REIT and the Manager, on a regular and quarterly basis, at Board meetings.

The annual calendar of Board meetings is scheduled in advance. Board papers are circulated to directors in advance of the scheduled meetings, providing directors sufficient time to review and consider the matters being tabled and discussed at the meetings. Senior executives are also invited to attend Board meetings to provide insights into the matters being discussed and to respond to any queries from the directors.

The Board has separate and independent access to management and the company secretary at all times. The Board is entitled to request, and will be provided with, additional information from management in a timely manner as needed to make informed decisions. The company secretary is responsible for corporate secretarial administration, ensuring that procedural matters relating to the Board are adhered to and that applicable rules and regulations are complied with. The company secretary also attends all Board meetings. The appointment and removal of the company secretary is a Board reserved matter. Additionally, the Board has access to independent professional advice, where appropriate, at the Manager's expense.

CORPORATE GOVERNANCE

BOARD COMPOSITION AND GUIDANCE

Principle 2: *The Board has an appropriate level of independence and diversity of thought and background in its composition to enable it to make decisions in the best interests of the company.*

The Board currently consists of eight members, seven of whom are non-executive directors, including three independent directors. The Chairman of the Board is Mr. Ho Kian Guan. None of the directors has entered into any service contract directly with PLife REIT.

Current Director's Appointment and Membership on Board Committees

Director	Board membership	Audit and Risk Committee	Nominating and Remuneration Committee
Mr. Ho Kian Guan	Chairman and Independent Director	Member	-
Ms. Cheah Sui Ling	Independent Director	Chairman	Member
Ms. Theresa Goh Cheng Keow(1)	Independent Director	Member	Chairman
Dato' Sri Muthanna Bin Abdullah	Non-Executive Director	-	-
Mr. Tomo Nagahiro	Non-Executive Director	-	-
Dr. Prem Kumar Nair	Non-Executive Director	-	Member
Dr. Chow Chorng Ann Peter	Non-Executive Director	-	-
Mr. Yong Yean Chau	Executive Director	-	-

Note:
(1) Appointed as independent director, member of ARC and member of NRC on 25 October 2024. Ms. Goh was appointed as Chairman of NRC on 21 February 2025.

The composition of the Board is determined using the following principles:

1. the Chairman of the Board and Chief Executive Officer ("CEO") should in principle be separate persons;

2. the Board should comprise directors with a broad range of expertise and commercial experience (including expertise in funds management and the property industry), and knowledge of PLife REIT; and

3. at least one-third of the Board should comprise independent directors.

Independent Directors

For FY2024, the Board had four independent directors out of a total of nine directors, namely Mr. Ho Kian Guan, Dr. Jennifer Lee Gek Choo, Ms. Cheah Sui Ling and Ms. Theresa Goh Cheng Keow. None of the independent directors has served beyond nine years on the Board.

When evaluating the independence of the directors, the Board takes into account the guidance in the CG Code where an "independent" director is defined as one who is independent in conduct, character and judgement, and has no relationship with the Manager, its related corporations, its substantial shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of a director's independent business judgement in the best interests of the Manager and PLife REIT. Further, additional independence requirements are imposed under Regulations 13D to 13H of the Securities and Futures (Licensing and Conduct of Business) Regulations ("SFLCB Regulations"). Under the SFLCB Regulations, a director is considered to be independent if the director (i) is independent from the management of the Manager and PLife REIT; (ii) is independent from any business relationship with the Manager and PLife REIT; (iii) is independent from every substantial shareholder of the Manager and every substantial unitholder of PLife REIT; (iv) is not a substantial shareholder of the Manager or a substantial unitholder of PLife REIT; and (v) has not served as a director on the Board for a continuous period of 9 years or longer. The Chairman of the Board shall also not be an executive director or a person who is a member of the immediate family of the CEO.

As part of the annual review process, each independent director is required to provide a declaration of independence with regard to the independence criteria set out in the CG Code and the SFLCB Regulations. These declarations are submitted to the NRC and the Board for review. The NRC and the Board will also consider each independent director's views and conduct at both Board meetings and Board committee meetings in their assessment, including whether such independent director possesses personal attributes such as independent thinking and keen observation, and the ability to maintain integrity and strong principles. Additionally, they will assess the director's ability to question management, exercise constructive skepticism, and apply sound judgment.

CORPORATE GOVERNANCE

For FY2024, the NRC conducted an annual review of the directors' independence, taking into consideration the independence criteria outlined in the CG Code and the SFLCB Regulations. The NRC considered that Mr. Ho Kian Guan, Dr. Jennifer Lee Gek Choo, Ms. Cheah Sui Ling and Ms. Theresa Goh Cheng Keow are independent, as they have each demonstrated independence of view and conduct at both Board meetings and Board committee meetings, and have consistently exercised independent judgment in the best interests of PLife REIT. Based on the NRC's review and recommendation, the Board concurred that Mr. Ho, Dr. Lee, Ms. Cheah and Ms. Goh are considered independent. As a result, at least one-third of the Board comprises independent directors.

The Board has considered the relevant requirements under the SFLCB Regulations and its views in respect of each of the directors as follows:

Name of Director	(i) had been independent from the management of the Manager and PLife REIT during FY2024	(ii) had been independent from any business relationship with the Manager and PLife REIT during FY2024	(iii) had been independent from every substantial shareholder of the Manager and every substantial unitholder of PLife REIT during FY2024	(iv) had not been a substantial shareholder of the Manager or a substantial unitholder of PLife REIT during FY2024	(v) has not served as a director of the Manager for a continuous period of 9 years or longer as at the last day of FY2024
Mr. Ho Kian Guan	✓	✓	✓	✓	✓
Dr. Jennifer Lee Gek Choo	✓	✓	✓	✓	✓
Ms. Cheah Sui Ling	✓	✓	✓	✓	✓
Ms. Theresa Goh Cheng Keow[(1)]	✓	✓	✓	✓	✓
Dato' Sri Muthanna Bin Abdullah[(2)]		✓		✓	✓
Mr. Tomo Nagahiro[(2)]		✓		✓	✓
Dr. Prem Kumar Nair[(2)]		✓		✓	✓
Dr. Chow Chorng Ann Peter[(2)]		✓		✓	✓
Mr. Yong Yean Chau[(2)]		✓		✓	

Notes:
(1) Appointed as independent director, member of ARC and member of NRC on 25 October 2024.

(2) Dr. Prem Kumar Nair and Dr. Chow Chorng Ann Peter are currently employed by related corporation of the Manager and each of them is a director of various subsidiaries or associated companies of IHH Healthcare Berhad ("IHH"), which wholly-owns the Manager and is a substantial unitholder of PLife REIT. Mr. Tomo Nagahiro and Dato' Sri Muthanna Bin Abdullah are directors on the board of IHH and are accustomed to act in the accordance with the directions, instructions and wishes of IHH. Mr. Yong Yean Chau is the Executive Director and Chief Executive Officer of the Manager. As such, during FY2024, each of them is deemed (a) to have a management relationship with the Manager and PLife REIT; and (b) connected to a substantial shareholder of the Manager and substantial unitholder of PLife REIT.

The Board of the Manager is satisfied that, as at 31 December 2024, each of the abovementioned directors was able to act in the best interests of all Unitholders of PLife REIT as a whole. For the purposes of Regulation 13E(b)(ii) of the SFLCB Regulations, as at 31 December 2024, each director was able to act in the best interests of all the Unitholders as a whole.

The Board has not appointed a lead independent director given that the Chairman is an independent director who is not part of the management team, as described under section of "Chairman and CEO" below.

Non-executive Directors

Non-executive directors do not exercise any management functions in the Manager, PLife REIT or any of its subsidiaries. Although all directors share equal responsibility for the performance of the Manager and PLife REIT, the role of the non-executive directors is particularly important in ensuring that the management's performance in meeting agreed goals and objectives is reviewed, and that the performance reporting is monitored. Additionally, the strategies proposed by management are fully discussed, rigorously examined and developed, with careful consideration on the long-term interests of PLife REIT's assets and the Unitholders. The non-executive and/or independent directors meet regularly without the presence of management as needed, and feedback from these meetings is communicated by the chairman of such meetings to the Chairman of the Board or the Board, as appropriate.

The majority of the directors are non-executive and/or independent of management. This enables the management to benefit from their external, diverse and objective perspectives on issues brought before the Board. It also allows the Board to engage with management through a robust exchange of ideas and views, helping to shape the strategic direction. This, along with a clear separation of roles of the Chairman and CEO, as described below, fosters a healthy professional relationship between the Board and management, with clear roles and robust oversight as they deliberate the business activities of the Manager.

CORPORATE GOVERNANCE

Board Diversity

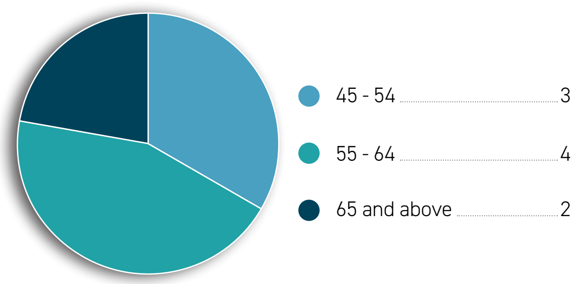
The Manager recognises and embraces the benefits of having a diverse Board and views increasing diversity at Board level as essential element for maintaining a competitive advantage. With the recommendation of the NRC, the Board has adopted a board diversity policy that outlines the approach to diversity on the Board, including gender, age, cultural background and ethnic diversity. The Board Diversity Policy is considered when determining the optimum composition of the Board, aiming for an appropriate balance where possible. All Board appointments are made based on merit, taking into account skills and experience. The Board recognises that Board diversity is crucial to the sustainable development of the Manager and emphasises the importance of Board diversity to manage the diversified business portfolio of the Manager and/or PLife REIT. The Board takes necessary measures to ensure that Board diversity will be considered in every Board appointment as well as annual assessment.

The composition of the Board is regularly reviewed to ensure it has the appropriate mix of expertise, experience and size. In conducting this review, the Board strives to achieve a balanced representation of skill, experience, age, cultural background and gender.

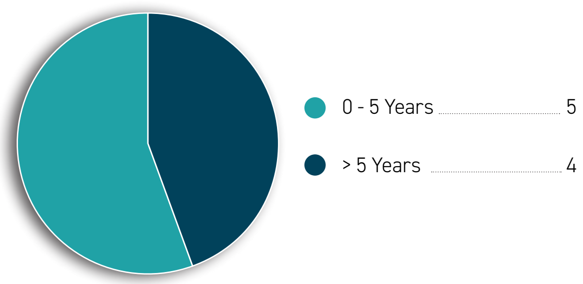
For FY2024, the Board comprised nine members (including three female directors) from diverse backgrounds, expertise and experience including finance, banking, investment, legal, real estate, healthcare business and operations, organisational and leadership development and business and general management. Prior to appointments, the Board considers candidates based on merit against objective criteria, with due regard on the benefits of diversity. At the recommendation of the NRC, the Board has committed to maintaining at least 25% female directors on a best efforts basis with a view to increasing to 30% over time to achieve greater gender parity. Additionally, the Board is working towards achieving appropriate age, ethnic and cultural background diversity. The measures to achieve the desired Board diversity will be reviewed periodically, and the NRC will recommend changes to the Board, as appropriate.

The Board composition in terms of age, independence, tenure and gender as at 31 December 2024 are as follows:-

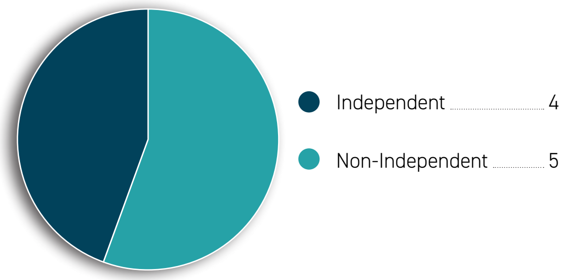
Age Spread



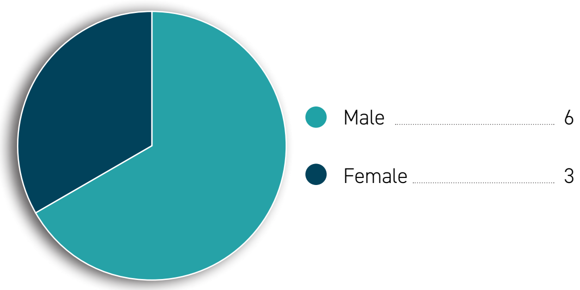
Tenure Mix



Board Independence



Board Gender Diversity



CORPORATE GOVERNANCE

During FY2024, the Board reviewed its composition, level of independence and diversity, and is satisfied that the current size and composition are appropriate for facilitating effective decision-making and constructive debate. This takes into account the scope and nature of the Manager's and PLife REIT's operations, the business requirements and the need to avoid undue disruptions from changes to the composition of the Board and its committees.

The profiles of the directors are set out on pages 16 to 23 of this Annual Report.

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Principle 3: *There is a clear division of responsibilities between the leadership of the Board and Management, and no one individual has unfettered powers of decision-making.*

The positions of Chairman and CEO are held by two separate individuals to maintain an effective check and balance, ensuring increased accountability and greater capacity for independent decision making by the Board. The Chairman of the Board, Mr. Ho Kian Guan is an independent director. The CEO is Mr. Yong Yean Chau who is also an executive director of the Manager. The Chairman and the CEO are not immediate family members and are not related to each other.

There is a clear and written separation of the roles and responsibilities between the Chairman and the CEO. The Chairman is responsible for the overall management of the Board, ensuring that the directors and management work together with integrity and competence, and that the Board engages with management in constructive debate on strategy, business operations, enterprise risk and other plans. The Chairman also ensures effective communication with the Unitholders and takes a leading role in promoting high standards of corporate governance with the support of the Board and management.

The CEO has full executive responsibilities over the business directions and operational decisions in the day-to-day management of the Manager and PLife REIT.

BOARD MEMBERSHIP

Principle 4: *The Board has a formal and transparent process for the appointment and re-appointment of directors, taking into account the need for progressive renewal of the Board.*

The Board has a formal and transparent process for the appointment and re-appointment of directors, considering the need for progressive renewal of the Board. The Board is supported by the NRC on matters related to the appointment and succession of Board members, Board effectiveness and directors' independence.

For FY2024, the NRC of the Manager consisted of Dr. Jennifer Lee Gek Choo (Chairman of the NRC), Ms. Cheah Sui Ling and Ms. Theresa Goh Cheng Keow, all of whom are non-executive and independent directors, as well as Dr. Prem Kumar Nair, a non-executive director. The NRC meets at least once a year to deliberate on remuneration matters, as well as matters related to the appointment and succession of Board members, Board performance evaluation and directors' independence.

The NRC has a set of terms of reference that define its scope of responsibility and authority, which includes the following:

(a) reviewing and recommending to the Board a framework for the remuneration of key management personnel, and determining specific remuneration packages for the Board and key management personnel covering all aspects of remuneration, including but not limited to directors' fees, salaries, allowances, bonuses, options, unit-based incentives, awards and benefits-in-kind;

(b) reviewing the appropriateness of remuneration awarded to attract, retain and motivate the executive director and key management personnel required to manage the Manager and PLife REIT successfully;

(c) reviewing the remuneration and employment conditions within the industry, as well as those of the peer companies, to ensure that the executive director and key management personnel are adequately remunerated;

(d) reviewing the adequacy and form of remuneration for the directors and key management personnel to ensure that the remuneration realistically commensurate with the responsibilities and risks involved in being an effective member, as well as corporate and individual performance;

CORPORATE GOVERNANCE

(e) considering the eligibility of the executive director and key management personnel for benefits under long-term incentive schemes and the administration thereof;

(f) reviewing the use of long-term incentives, including share schemes, for the executive director and key management personnel;

(g) recommending to the Board on the selection, appointment and re-appointment of directors (including alternate directors, if applicable);

(h) recommending to the Board the review of the Board succession plans for the directors, in particular, the Chairman and CEO;

(i) undertaking the assessment of the effectiveness of the Board as a whole, the Board committees, and the contribution of the Chairman and each individual director to the Board's effectiveness;

(j) recommending training and professional development programs for the Board; and

(k) determining the independence of each director annually, and when circumstances require, and providing its views to the Board for consideration.

The appointment of director is a matter reserved for Board approval. The search for candidates is conducted through contacts and recommendations. The NRC will evaluate and assess the candidate based on the directors' criteria approved by the Board, as well as the candidate's academic and professional qualifications, expertise, commercial experience and knowledge, taking into account the scope and nature of the Manager's and PLife REIT's operations. Suitable candidates are then recommended by the NRC to the Board for approval. The Board will deliberate and review the proposed appointment of a new director, taking into account the NRC's recommendation. Such an appointment is subject to the approval of MAS. A formal letter outlining the director's duties and responsibilities will be given to the new director upon his/her appointment to the Board.

As the Manager is not a listed company, directors of the Manager are not subject to periodic retirement by rotation. Pursuant to an undertaking issued by Parkway Holdings Limited as the sole shareholder of the Manager to the Trustee on 16 March 2017 ("Undertaking"), Unitholders are given the right to endorse the appointment of the directors of the Manager by way of ordinary resolution at the annual general meetings ("AGM") of Unitholders. Accordingly, approximately one-third of the directors of the Manager are put forth for the Unitholders' endorsement of appointment during PLife REIT's AGM since 2017. If any director's appointment is not being endorsed by the Unitholders at the AGM, such director shall resign from the Board either (i) within 21 days from the date of the relevant AGM or (ii) in the event that the Board determines that a replacement director has to be appointed, no later than the date when such replacement director is appointed. Pursuant to Rule 720(6) of the Listing Manual, information regarding the directors who will be subject to Unitholders' endorsement or re-endorsement at the upcoming AGM is provided on pages 85 to 89 of this Annual Report.

The Board, through the NRC, reviews the succession plans of the Board and management on an annual basis, particularly the succession planning for the independent directors of the Manager. In view of the regulatory requirement that an independent director of the Manager shall not be appointed for a continuous period of 9 years or longer on the Board, the NRC has set an internal timeline to commence the search for a replacement independent director as early as one year before the retirement of the current independent director. This timeline ensures that sufficient time is allocated to find a suitable replacement, thereby maintaining the continuity and sustainability of the Board.

Management continuity is also a key priority to the Board to ensure business continuity and the sustainability of the Manager. As part of the management succession plan, the business critical roles ("BCR") of the Manager and their successors are identified. The BCR and the identified successors have been undergoing on-going, on-the-job development, with increased job responsibilities and wider exposure to the Board. In addition to the on-going job development, a leadership development plan approved by the NRC is in place to enhance the readiness of the identified successors for the BCR. The leadership development plan includes short courses focused on specific areas such as leadership skills, people management and business management, as well as executive or advanced management programmes offered by well-established universities or service providers.

CORPORATE GOVERNANCE

BOARD PERFORMANCE

Principle 5: The Board undertakes a formal annual assessment of its effectiveness as a whole, and that of each of its board committees and individual directors.

A review of the Board's performance is conducted annually to assess the effectiveness of the Board and the Board committees. The review includes an evaluation of the Board composition, directors' contribution and commitment at board meetings, access to information, procedures, accountability and standards of conduct, skills and any specific areas where improvement may be needed by an individual director and the Board collectively. Attendance at meetings and the contributions of each director to the Board are also considered. The Board has not engaged an external facilitator to conduct the assessment. Each director is required to complete a questionnaire evaluating the Board and the Board committees for the financial year under review. A summary of the feedback and recommendations from the directors was prepared and presented to the NRC and the Board respectively. The NRC has reviewed the summary and provided its comments and recommendations, if any, to the Board for approval.

The Board has also established a general policy that a director should not hold more than five listed company board representations concurrently, taking into account market practices and the level of commitment required. This ensures that the Board functions effectively as a whole and that each director is able to dedicate sufficient time and attention to the affairs of PLife REIT and the Manager, including attending and contributing to Board meetings.

The Board and the NRC assessed the effectiveness and performance of the Board and the Board committees on an annual basis. Based on attendance and the level of participation at Board and the Board committee meetings held during the financial year, the Board is satisfied with its effectiveness and the commitment demonstrated by all directors. Each director has contributed effectively to the Board and has been able to adequately and diligently carry out their duties.

REMUNERATION MATTERS

Principle 6: The Board has a formal and transparent procedure for developing policies on director and executive remuneration, and for fixing the remuneration packages of individual directors and key management personnel. No director is involved in deciding his or her own remuneration.

Principle 7: The level and structure of remuneration of the Board and key management personnel are appropriate and proportionate to the sustained performance and value creation of the company, taking into account the strategic objectives of the company.

Principle 8: The company is transparent on its remuneration policies, level and mix of remuneration, the procedure for setting remuneration, and the relationships between remuneration, performance and value creation.

As highlighted above, the NRC reviews and recommends to the Board a general framework for the remuneration of the Board and key management personnel. In line with the current practice, the NRC also reviews and recommends to the Board the specific remuneration packages for each director and key management personnel ("KMP") to ensure that the remuneration payable aligns with the objectives of the Manager's remuneration guidelines. For the avoidance of doubt, the NRC members do not participate in any decisions concerning their own remuneration.

The directors' fees and remuneration of employees of the Manager are paid in its own capacity using its own funds and fees received from PLife REIT and not from the funds of PLife REIT.

The Manager advocates a performance-based remuneration system for its staff. The NRC, which has an independent majority, ensures that there is an effective and formal process in place to establish the remuneration system. The remuneration of the KMP is reviewed by the NRC annually, based on both financial and non-financial key performance indicators ("KPIs") linked to the performance of PLife REIT for the financial year under review, as well as individual performance of each KMP in contributing to the long-term strategic goals of PLife REIT and the Manager. The financial KPI includes the distributable income of PLife REIT, while the non-financial KPIs include analyst coverage, tenant satisfaction, retention of key employees and regulatory compliance ("Performance Criteria").

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The remuneration for the KMP consists of fixed pay and short-term and long-term incentives. The fixed pay component includes fixed salary and allowances. The short-term and long-term incentives are linked to the individual performance, based on their value creation capability, being the ability to contribute and achieve the Performance Criteria in their respective roles, as well as the overall performance of PLife REIT for the financial year.

The Performance Criteria and its target were approved by the Board prior to each financial year. Under the long-term incentive plan ("LTI Plan"), the eligible employee will be awarded with the PLife REIT's units owned by the Manager based on the achievement of the Performance Criteria for the financial year under review.

The LTI Plan is designed to enhance executive performance, encourage talent retention and provide eligible employees with a personal, direct interest in PLife REIT, thereby creating better alignment of the interest between management and the interest of the Unitholders. The LTI Plan also serves to motivate eligible employees to achieve the performance targets of PLife REIT. The Manager believes that the LTI Plan will make its remuneration package sufficiently competitive to recruit, reward, retain and motivate outstanding employees, which are paramount to achieving the Manager's long-term objective of sustainable returns for the Unitholders.

The non-executive directors receive their directors' fees based on their contributions, taking into account factors such as their responsibilities, effort and time spent serving on the Board and the Board committees, as well as their value creation capability. This includes the directors' ability to provide valuable experience and expertise in various aspects of PLife REIT's operations and offer stewardship to PLife REIT and the management of the Manager. The fees received by non-executive directors are at fixed rates and are determined by the shareholder of the Manager on an annual basis. In addition to their basic fee, the non-executive directors who hold the position of chairman of the Board or any Board committee are paid an additional fee. For the avoidance of doubt, the CEO of the Manager, who is also an executive director, does not receive any director's fee. None of the directors is involved in decisions concerning their own remuneration. The NRC also ensures that non-executive directors are not over-compensated to the extent that their independence may be compromised. In discharging its duties, the NRC may seek advice from external consultants whenever deemed necessary.

During the financial year under review, an external independent remuneration consultant, HR Guru Pte. Ltd., was engaged to review the competitiveness of the remuneration payable to the Manager's non-executive directors and employees. The remuneration consultant has no relationships with the Manager or its directors that would affect its independence and objectivity.

Disclosure of Remuneration

The directors' fee structure of the Manager for the financial year under review is as shown in the table below:-

	Chairman (S$ per annum)	Member (S$ per annum)
Board of Directors	110,000	55,000
Audit and Risk Committee	38,000	16,000
Nominating and Remuneration Committee	28,000	12,000

The remuneration paid to the non-executive directors for FY2024 is as follows:

Name of Director	Total Directors' Fees (S$)
Mr. Ho Kian Guan	126,000
Dr. Jennifer Lee Gek Choo	99,000
Ms. Cheah Sui Ling	105,000
Ms. Theresa Goh Cheng Keow(3)	15,421
Dato' Sri Muthanna Bin Abdullah	55,000
Mr. Tomo Nagahiro(1)	55,000
Dr. Prem Kumar Nair(2)	67,000
Dr. Chow Chorng Ann Peter(2)	55,000

Notes:
(1) Director's fees were paid to Mitsui & Co., Ltd.
(2) Director's fees were paid to Parkway Holdings Limited.
(3) Appointed on 25 October 2024.

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The remuneration of the non-executive directors is paid wholly in cash. Save as disclosed above, the non-executive directors do not receive any salary, performance-related income or bonuses, benefits-in-kind or any other long-term incentives.

The remuneration of the CEO and top 5 key executives of the Manager for FY2024 is as follows:

	Total Remuneration for FY2024[1]				
Name	**Fixed Salary[2]**	**Cash Bonus[3]**	**Long-Term Incentives[4]**	**Benefits-in-kind**	**Total**
Yong Yean Chau	53%	26%	18%	3%	S$1,626,935
Between S$1,000,001 to S$1,250,000					
Loo Hock Leong	60%	23%	15%	2%	100%
Between S$750,001 to S$1,000,000					
Tan Seak Sze	61%	22%	14%	3%	100%
Between S$250,000 to S$500,000					
Patricia Ng	74%	25%	0%	1%	100%
Wayne Lee	75%	24%	0%	1%	100%
Tan Ling Cher	78%	21%	0%	1%	100%

Notes:
(1) The remuneration disclosed are rounded to the nearest whole number.
(2) Inclusive of employer's CPF.
(3) The bonuses declared for FY2024 and the amount is inclusive of employer's CPF.
(4) The value of the long-term incentives ("LTI") disclosed is based on the LTI awards to be vested to the eligible recipients for achievement of the performance targets set for FY2024. The value of the units is computed based a designated unit price which is the average closing price of 5 trading days prior to the first NRC meeting after the year under review. The grant of LTI awards is contingent upon achievement of the performance targets set by the Board for each financial year. The LTI awards will vest to the eligible recipients over a three-year period with vesting of the second and third tranches subject to achievement of performance targets in subsequent financial years.

The total remuneration of top 5 key executives (excluding CEO) for FY2024 was approximately S$3.2 million.

No director or KMP of the Manager is paid in the form of shares or interests in the Manager's controlling shareholder or its related entities.

The NRC considers all aspects of remuneration, including termination terms, to ensure they are fair. For FY2024, there were no termination, retirement and post-employment benefits granted to the directors and KMP other than the payment in lieu of notice in the event of termination specified in the employment contract of the KMP.

No employee of the Manager was a substantial unitholder of PLife REIT or an immediate family member of a director, the CEO/ executive director or a substantial unitholder of PLife REIT, and whose remuneration exceeded S$100,000 during FY2024. "Immediate family member" means the spouse, child, adopted child, stepchild, sibling and parent.

Remuneration Disclosures under the United Kingdom's Alternative Investment Fund Managers Regulations 2013 (as amended) (AIFMR)

The Manager is required under the AIFMR to make quantitative disclosures of remuneration. Disclosures are provided in relation to (a) the staff of the Manager; (b) staff who are senior management; and (c) staff who have the ability to materially affect the risk profile of PLife REIT.

All individuals included in the aggregated figures disclosed are rewarded in line with the Manager's remuneration policies.

The aggregate amount of remuneration awarded by the Manager to its staff in respect of FY2024 was approximately S$8.6 million. This figure comprised fixed pay of approximately S$5.9 million, variable pay of approximately S$2.5 million and allowances and benefits-in-kind of approximately S$0.2 million. There was a total of 25 beneficiaries of the remuneration described above.

In respect of FY2024, the aggregate amount of remuneration awarded by the Manager to its key executives (which are senior management and members of staff whose actions have a material impact on the risk profile of PLife REIT) was approximately S$4.8 million, comprising 6 individuals identified having considered, among others, their roles and decision-making powers.

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RISK MANAGEMENT AND INTERNAL CONTROLS

Principle 9: *The Board is responsible for the governance of risk and ensures that Management maintains a sound system of risk management and internal controls, to safeguard the interests of the company and its shareholders.*

The Board acknowledges its responsibility in the overall internal control framework and the maintenance of a sound system of internal controls. The system includes, among other things, enterprise risk management and internal auditing. However, the Board recognises that no cost-effective internal control system or risk management process can preclude all errors and irregularities. A system is designed to manage, rather than eliminate, the risk of failure to achieve business objectives, and it can provide only reasonable and not absolute assurance against material misstatement or loss.

The Manager has appointed experienced and well-qualified management personnel to handle the day-to-day operations of the Manager and PLife REIT. In assessing business risks, the Board considers the economic environment and risks relevant to the property and healthcare industries. It reviews management reports and feasibility studies on investment risks before approving any investment decisions. The Board meets regularly to review the operations of the Manager, the business risks of PLife REIT, examine liability management and act upon any comments from the auditors of PLife REIT.

To ensure a robust risk management system is maintained, the Manager has implemented an Enterprise Risk Management ("ERM") framework and policies to identify the nature and extent of significant financial, operational, compliance and information technology risks, in order to achieve strategic objectives and value creation of PLife REIT. An outline of the Manager's ERM framework and policies is provided on pages 63 to 65 of this Annual Report. Any material non-compliance and internal control weaknesses, along with recommendations to address them, as well as any mitigating controls or gaps (if any), are also presented to the ARC and the Board.

The system of risk management is embedded within the Manager's internal control system to address ongoing changes and challenges, and to reduce uncertainties to PLife REIT. The ARC, with the assistance of internal and external auditors, as well as an external risk consultant, reviews and reports to the Board on the adequacy and effectiveness of the Manager's internal control systems, including financial, compliance, operational and information technology controls.

The ARC and the Board review the adequacy and efficiency of the risk management system and internal controls on an annual basis. Based on the most recent evaluation of the controls conducted by the internal and external auditors, as well as the external risk consultant, the CEO and the Chief Financial Officer[2] ("CFO") of the Manager have provided written assurance to the Board that the financial records of PLife REIT have been properly maintained and that the financial statements present a true and fair view of the operations and finances of PLife REIT for FY2024. The CEO, CFO and the Chief Investment Officer (collectively as the KMP) have also provided the Board with written assurance that the Manager's internal controls and risk management systems are effective and adequate for the year under review.

Nonetheless, the ARC will:

(a) satisfy itself, by such means as it shall consider appropriate, that adequate counter measures (i.e. mechanisms and processes, such as sound internal control systems) are in place to identify and mitigate any material business risks associated with the Manager and PLife REIT;

(b) ensure that a review of the effectiveness and adequacy of the Manager's internal controls, including financial, operational, compliance and information technology controls, and risk management policies and systems, is conducted at least annually. Such review can be carried out by internal auditors, external auditors and/or the ERM committee;

(c) ensure that the internal control recommendations made by internal auditors, external auditors and/or the ERM committee have been implemented by the Manager; and

(d) ensure that the Board is in a position to comment on the adequacy of the internal controls of the Manager.

2 Mr. Loo Hock Leong, current Chief Financial Officer of the Manager has been re-designated as Chief Financial Officer and Chief Operating Officer with effect from 1 January 2025.

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The Board believes that the ERM framework is adequate and effective, considering the size of PLife REIT and the business environment in which it operates. The Board has also observed that management, being familiar with the ERM framework, implements it effectively and provides the ARC and the Board with timely updates on risk management activities. With regard to the Manager's internal controls, the Board is confident that these internal controls are audited annually by both internal and external auditors, and any lapses in internal controls are promptly brought to the Board's attention for corrective measures to be implemented as soon as practicable.

Taking into account the abovementioned evaluation of the controls conducted by the internal and external auditors as well as the external risk consultant, the review performed by the Manager's ERM committee, and the assurance received from the KMP of the Manager, the Board is of the opinion that PLife REIT's internal controls (including financial, operational, compliance and information technology controls) and risk management systems in place were adequate and effective as at 31 December 2024. The ARC concurs with the Board's comment regarding PLife REIT's internal controls (including financial, operational, compliance and information technology controls) and risk management systems as outlined above. For FY2024, the Board and the ARC have not identified any material weaknesses in the Manager's internal controls and risk management systems.

AUDIT AND RISK COMMITTEE

Principle 10: The Board has an Audit Committee which discharges its duties objectively.

For FY2024, the Audit and Risk Committee ("ARC") of the Manager consisted of Ms. Cheah Sui Ling (Chairman of the ARC), Dr. Jennifer Lee Gek Choo, Mr. Ho Kian Guan and Ms. Theresa Goh Cheng Keow, all of whom are independent non-executive directors. The members of the ARC collectively possess recent and relevant expertise or experience in financial management and are appropriately qualified to discharge their responsibilities.

The ARC has oversight responsibilities in key areas, including the financial reporting process and integrity, risk management and internal controls (including financial, operational, compliance and information technology controls), management of financial and fraud risks, the internal and external audit process (including scope, resources effectiveness and independence), whistle-blowing policies, processes and reporting, interested parties transactions and reporting, and the Manager's process for monitoring compliance with the laws, regulations and its code of business conduct. The ARC members meet at least once every quarter to deliberate on matters under its responsibility.

The ARC has a set of terms of reference that define its scope of responsibility and authority, which includes the following:

(a) reviewing the adequacy and effectiveness of the internal controls and risk management systems, including financial, operational, compliance and information technology controls, at least annually;

(b) reviewing with management the effectiveness of the system for monitoring compliance with laws and regulations (including the Listing Manual and the Property Funds Appendix) and the results of management's investigation and follow-up (including disciplinary action) of any fraudulent acts or non-compliance;

(c) reviewing the policy and arrangements for concerns about possible improprieties in financial reporting or other matters, ensuring that there are mechanisms in place for such concerns to be safely raised, independently investigated, and for appropriate follow-up action to be taken;

(d) monitoring the procedures established to regulate related party transactions, including ensuring compliance with the provisions of the Listing Manual relating to "interested person transactions" and the provisions of the Property Funds Appendix relating to "interested party transactions";

(e) reviewing the assurance from the CEO and CFO on the financial records and financial statements, as well as the assurance from the KMP on the adequacy and effectiveness of the risk management and internal control systems;

(f) reviewing the adequacy, effectiveness, independence and objectivity, scope and results of the external auditors;

(g) reviewing external audit reports to ensure that, where deficiencies in internal controls or significant findings have been identified, recommendations made by the external auditors are received and discussed, and that appropriate and prompt remedial action is taken by management;

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(h) reviewing the nature and extent of non-audit services performed by external auditors;

(i) making recommendations to the Board on the appointment, re-appointment and removal of the external auditors, as well as the remuneration and terms of engagement of the external auditors;

(j) reviewing, on an annual basis, the adequacy, effectiveness, independence, scope and results of the internal audit function, ensuring that the internal audit function is adequately resourced and staffed with individuals who have the relevant qualifications and experience, and that it has unfettered access to all documents, records, properties and personnel, including access to the ARC;

(k) reviewing internal audit reports at least twice a year to ensure that the guidelines and procedures established to monitor related party transactions have been complied with;

(l) meeting with external and internal auditors, without presence of management annually;

(m) investigating any matters within the ARC's terms of reference, as deemed necessary;

(n) reporting to the Board on material matters, findings and recommendations; and

(o) assisting the Board in reviewing the Manager's sustainability issues and approach to sustainability reporting, reviewing the Manager's environmental, social and governance ("ESG") framework, monitoring and managing ESG factors identified as material to the business, overseeing and managing the standards, management processes and strategies to achieve sustainability practices in collaboration with management, and assisting the Board in ensuring the establishment and maintenance of a sound system of sustainability governance and an appropriate sustainability framework, while providing updates and recommendations to the Board on sustainability issues.

The ARC has authority to investigate any matter within its terms of reference. It also has full access to, and co-operation from, the management and the discretion to invite any director or executive officer to attend its meetings.

During the year under review, the ARC has reviewed:

- quarterly business updates, half-yearly and full-year financial statements of PLife REIT before its announcement;
- reports on audit findings reported by the internal and external auditors;
- reports on material business risks of PLife REIT reported by the external risk consultant;
- sustainability report of PLife REIT;
- compliance work plan and updates reported by the compliance officer; and
- related party transactions of PLife REIT.

In addition, the ARC has conducted a review of all non-audit services provided by the external auditors and is satisfied that the nature and extent of such services will not prejudice the independence and objectivity of the external auditors. For FY2024, the aggregate amount of fees paid and payable by PLife REIT to the external auditors was S$463,000, comprising non-audit service fees of S$168,000 and audit service fees of S$295,000. In appointing the audit firms for the Group, the ARC is satisfied that PLife REIT has complied with Rules 712 and 715 of the Listing Manual.

The ARC meets with the external auditors, without the presence of management, at least once a year.

The ARC is briefed regularly on the impact of the new accounting standards on PLife REIT's financial statements by the external auditors.

The ARC does not comprise former partners or directors of the Manager's or PLife REIT's external auditors within a period of two years commencing on the date of their ceasing to be a partner or director of the external auditors, or hold any financial interest in the external auditors currently engaged by PLife REIT and the Manager.

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INTERNAL AUDIT

The Manager has put in place a system of internal controls and procedures, including financial, operational, compliance and information technology controls, as well as risk management systems, to safeguard PLife REIT's assets, Unitholders' interests, and to manage risk.

The internal audit function of the Manager is currently outsourced to an independent assurance service provider, BDO Advisory Pte Ltd, Singapore, which is a member of the BDO International Limited, United Kingdom and forms part of the international BDO network of independent member firms. BDO conducts their internal audits based on the BDO Global Internal Audit Methodology which is consistent with the International Standards for the Professional Practice of Internal Auditing adopted by The Institute of Internal Auditors. The internal audit team is well-resourced and is led by an engagement partner who is also the Head of Risk Advisory Services in BDO Singapore with more than 20 years of audit and advisory experience and is a Chartered Accountant (Singapore), Certified Internal Auditor and Certified Information System Auditor.

The ARC reviews the adequacy and effectiveness of the internal auditor at least once a year. The ARC is satisfied that the internal auditor possesses the relevant qualifications and experience and has met the standards established by internationally recognised professional bodies, including the Standards for the Professional Practice of Internal Auditing set by The Institute of Internal Auditors. The internal auditor reports directly to the ARC on audit matters, and the ARC approves the hiring, removal, evaluation and fees of the internal auditor. The internal auditor has unfettered access to all documents, records, properties and personnel within the Manager, including unrestricted access to the ARC, the Board and management. The ARC also reviews and approves the annual internal audit plan and reviews the internal audit reports and activities. The ARC meets with the internal auditor, without the presence of management, at least once a year.

For FY2024, the ARC has reviewed the adequacy and effectiveness of the internal audit function performed by BDO Advisory Pte Ltd, and is satisfied that the internal audit function is independent, effective and adequately resourced.

WHISTLE-BLOWING POLICY

The Manager has put in place a fraud and whistle-blowing policy (the "Whistle-Blowing Policy") that reflects the Manager's commitment to conducting its business within a framework that upholds the highest ethical and legal standards. In line with this commitment and PLife REIT's commitment to open communication, the Whistle-Blowing Policy outlines procedures and mechanisms by which employees and external parties can, in confidence, raise concerns about possible improprieties in financial reporting or other matters related to the Manager and its staff. The Whistle-Blowing Policy aims to foster and maintain an environment where employees of the Manager and external parties can act appropriately, without fear of retaliation, and assures them that the reports will be independently investigated and whistle-blowers will be protected from reprisals or victimisation for whistle-blowing in good faith.

Whistle-blowers may report any matters of concern by email at whistleblow@parkwaylifereit.com. The report submitted through this channel will be received by the ARC, which has the absolute discretion to establish an investigation team independent from the alleged individual, to investigate the matter. The investigation team will investigate the alleged misconduct and report its findings directly to the Chairman of the ARC. The ARC, responsible for overseeing and monitoring the implementation of the Whistle-Blowing Policy, reviews and ensures that independent investigations and any necessary follow-up actions are carried out.

The Manager is committed to ensuring that whistle-blowers who act in good faith are treated fairly and protected from reprisals and victimisation. All reports and related communications, including the identity of the whistle-blower, will be documented and kept confidential, provided that this does not hinder or obstruct the investigation, and except where disclosure is required to relevant authorities. The whistle-blower should provide as much detail as possible to facilitate a proper investigation. Additionally, the whistle-blower must provide contact details so that the investigation team can reach out for further information if needed.

The ARC reviewed the Whistle-Blowing Policy and was satisfied that arrangements are in place for the independent investigation of such matters and for appropriate follow-up action. All employees of the Manager are informed of the Whistle-Blowing Policy and are required to confirm their understanding of the Whistle-Blowing Policy.

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UNITHOLDER RIGHTS AND RESPONSIBILITIES

Principle 11: *The company treats all shareholders fairly and equitably in order to enable them to exercise shareholders' rights and have the opportunity to communicate their views on matters affecting the company. The company gives shareholders a balanced and understandable assessment of its performance, position and prospects.*

Principle 12: *The company communicates regularly with its shareholders and facilitates the participation of shareholders during general meetings and other dialogues to allow shareholders to communicate their views on various matters affecting the company.*

Principle 13: *The Board adopts an inclusive approach by considering and balancing the needs and interests of material stakeholders, as part of its overall responsibility to ensure that the best interests of the company are served.*

Communication with Unitholders

The Listing Manual of the SGX-ST requires a listed entity to disclose to the market, among other things, matters that are likely to have a material effect on the price or value of the entity's securities. The Manager upholds a strong culture of continuous disclosure and transparent communication with Unitholders, various stakeholders and the investing community. It has also put in place an investor relations policy that outlines the policies and practices adopted by the Manager. Investors can subscribe to email alert for all announcements and press releases issued by PLife REIT, or submit questions at their convenience via an enquiry form on PLife REIT's corporate website.

The investor relations function is headed by the CEO and CFO of the Manager. The Manager adopts a proactive approach in engaging with the Unitholders, existing and potential investors, analysts and the media through various communication channels and programmes, such as the corporate website, corporate literature, the annual general meeting and investor outreach programmes, throughout the year. The sustainability report of PLife REIT set out on pages 94 to 115 of this Annual Report, outlines PLife REIT's approach to addressing stakeholders' concerns and methods of engagement, and also highlights the key areas of focus for the management of stakeholders during FY2024.

In line with the Manager's objective of transparent communication, timely and full disclosure of all material information relating to PLife REIT is made through public releases or announcements via SGXNET at first instance and uploaded to PLife REIT's corporate website at https://www.plifereit.com thereafter. The Manager ensures that unpublished price sensitive information is not disclosed selectively, and in the event of any inadvertent disclosure of such information, the Manager will promptly make the necessary disclosure to the public via SGXNET and release it on PLife REIT's corporate website.

It is the aim of the Board to provide Unitholders with a balanced and comprehensive assessment of PLife REIT's performance, position and prospects.

Unitholders are encouraged to attend the annual general meeting ("AGM") of PLife REIT to ensure a high level of accountability and to stay informed about the strategies and goals of PLife REIT. All Unitholders are entitled to attend and vote at general meetings, either in person or by proxy. All directors of the Manager attended the AGM held in 2024, and the external auditors were also present during the AGM to address Unitholders' queries.

The notice of the AGM is dispatched to Unitholders in the manner set out in the Listing Manual. The Board welcomes questions from Unitholders, who have the opportunity to raise issues either informally or formally, before or during the AGM.

Each item of special business included in the notice of the AGM is accompanied, where appropriate, by an explanation for the proposed resolution and a proxy form with instructions on the appointment of proxies. Separate resolutions are prepared for substantially distinct issues at the AGM. The resolutions approved at the AGM will be announced on or after the day the AGM is held. The minutes of the general meetings, which include significant comments or queries raised by Unitholders and the responses from the Board and management, are published on SGXNET and made available on PLife REIT's corporate website within one month from the date of the AGM.

In support of greater transparency of voting at the AGM and good corporate governance, the Manager employs electronic polling, whereby all resolutions are voted by poll. Detailed results showing the number of votes cast for and against each resolution, along with the respective percentages, are published at the meeting. Prior to voting at the AGM, the voting procedures will be communicated to Unitholders. The votes cast by each Unitholder are directly proportional to their respective unitholdings in PLife

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REIT. If any Unitholder is unable to attend the AGM, the Trust Deed allows them to appoint up to two proxies to attend, speak and vote on their behalf at the general meeting.

Distributions

PLife REIT has a distribution policy, with more information on the policy set out on page 165 of this Annual Report. The "Distribution Statements" are outlined on pages 125 and 126 of this Annual Report.

DEALINGS IN PLIFE REIT'S UNITS

The Trust Deed requires each director to notify the Manager of any acquisition of units or changes in the number of units they hold or in which they have an interest, within two business days after such acquisition or change. This is in line with the requirements of Section 137Y of the SFA *(relating to notification of unitholdings by directors and CEO of the Manager)*. The CEO of the Manager is also required to provide a similar notice under the section. All dealings in units by the directors and CEO will be announced via SGXNET.

Further, Section 137ZC of the SFA *(relating to notification of unitholdings by responsible persons)* requires the Manager to, among other things, announce via SGXNET the details of any acquisition or disposal of interest in PLife REIT's units by the Manager no later than the end of the business day following the day on which the Manager became aware of the acquisition or disposal.

The Manager has put in place a securities dealing policy for its directors and employees. As part of the internal policy, directors and employees are required to obtain pre-trade approval for any dealings in PLife REIT units. They are encouraged to hold units and avoid dealing with them based on short-term considerations. Additionally, directors and employees are prohibited from dealing in the units under the following circumstances:

(a) in the period commencing one month before the public announcement of PLife REIT's semi-annual and annual results and (where applicable) property valuations, ending on the date of the relevant announcement; and

(b) at any time while in possession of unpublished price sensitive information.

For better corporate governance, the Manager has voluntarily adopted a prohibition period of two weeks prior to the public announcement of PLife REIT's quarterly business updates, ending on the date of the relevant announcement.

DEALINGS WITH CONFLICTS OF INTEREST

The Manager has instituted the following procedures to deal with potential conflicts of interest issues:

(a) The Manager will be a dedicated manager to PLife REIT and will not manage any other REIT which invests in the same type of properties as PLife REIT.

(b) All resolutions in writing of the Board in relation to matters concerning PLife REIT must be approved by a majority of the directors, including at least one independent director.

(c) At least one-third of the Board shall comprise independent directors.

(d) All related party transactions are reviewed by the ARC. Where a related party transaction is subject to approval by ARC, majority approval of ARC is required. If a member of the ARC has an interest in a transaction, he or she will abstain from voting.

(e) In respect of matters in which Parkway Holdings Limited, the sponsor of PLife REIT ("Sponsor") and/or its subsidiaries have an interest, direct or indirect, any nominees appointed by the Sponsor and/or its subsidiaries to the Board to represent their interest will abstain from voting and recuse from meetings and decisions in respect of such matters. In such matters, the quorum must comprise a majority of independent directors and must exclude the nominee directors of the Sponsor and/or its subsidiaries.

(f) In respect of matters in which a director or his associates have an interest, direct or indirect, such interested director will

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abstain from voting. In such matters, the quorum must comprise a majority of the Board and must exclude such interested director.

(g) Under the Trust Deed, the Manager and its associates are prohibited from being counted in a quorum for or voting at any meeting of Unitholders convened to approve any matter in which the Manager or any of its associates has a material interest. For so long as the Manager is the manager of PLife REIT, the controlling shareholders (as defined in the Listing Manual) of the Manager and their respective associates are prohibited from being counted in the quorum for or voting at any meeting of Unitholders convened to consider a matter in respect of which the relevant controlling shareholders of the Manager and/or their associates have a material interest.

(h) It is also provided in the Trust Deed that if the Manager is required to decide whether or not to take any action against any person in relation to any breach of any agreement entered into by the Trustee for and on behalf of PLife REIT with a related party of the Manager, the Manager shall be obliged to consult with a reputable law firm (acceptable to the Trustee) which shall provide legal advice on the matter. If the said law firm is of the opinion that the Trustee, on behalf of PLife REIT, has a prima facie case against the party allegedly in breach under such agreement, the Manager shall be obliged to take appropriate action in relation to such agreement. The Board (including its independent directors) will have a duty to ensure that the Manager so complies. Notwithstanding the foregoing, the Manager shall inform the Trustee as soon as it becomes aware of any breach of any agreement entered into by the Trustee for and on behalf of PLife REIT with a related party of the Manager and the Trustee may take such action as it deems necessary to protect the rights of Unitholders and/or which is in the interests of Unitholders. Any decision by the Manager not to take action against a related party of the Manager shall not constitute a waiver of the Trustee's right to take such action as it deems fit against such related party.

PLife REIT's properties are located in Singapore, Japan, Malaysia and France and its strategy is to invest primarily in income-producing real estate and/or real estate-related assets 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 Sponsor has interests in several healthcare and/or healthcare-related properties globally, including those located in its key markets. Potential conflicts of interest between the Sponsor and PLife REIT may arise in respect of acquisition and ownership of healthcare and/or healthcare-related assets, including Singapore where PLife REIT's initial properties are located, and where PLife REIT's investment strategy is to invest in healthcare and/or healthcare-related properties located therein.

In order to mitigate any conflicts of interest between the Sponsor and PLife REIT, the ARC will, during its review of future transactions to be entered into by PLife REIT, take into account the expiry of the right of first refusal granted by the Sponsor, together with any other relevant factors that may arise during the assessment process, and arrive at its view based on all relevant factors. Additionally, the existing internal control systems for dealing with conflicts of interest will be reviewed periodically to assess its effectiveness and suitability. Further measures will be considered and implemented to refine the internal control procedures to address potential conflicts of interest.

In addition, the nominee directors appointed by the Sponsor to the Board are committed not to disclosing to the Sponsor any information regarding offers made to PLife REIT for the potential acquisition of new properties, as well as offers made by PLife REIT for the potential acquisition of new properties, except for those related to properties where the nominee directors can confirm that the Sponsor has no intention of acquiring.

The Manager has also put in place a conflict of interest policy applicable to all its employees to ensure that any actual or potential conflicts of interest are disclosed, and that necessary approvals are obtained where required.

RELATED PARTY TRANSACTIONS

The Manager's Internal Control System

The Manager has established an internal control system to ensure that all future related party transactions (which term includes an "interested person transaction" as defined under the Listing Manual and an "interested party transaction" under the Property Funds Appendix) are conducted on normal commercial terms and are not prejudicial to the interests of PLife REIT or the Unitholders. As a general rule, the Manager must demonstrate to the ARC that such transactions meet these criteria, which may include, where

CORPORATE GOVERNANCE

practicable, obtaining quotations from parties unrelated to the Manager, or obtaining one or more valuations from independent professional valuers (in accordance with the Property Funds Appendix).

The Manager maintains a register to record all related party transactions entered into by PLife REIT, along with the supporting bases, including any quotations from unrelated parties and independent valuations obtained. The Manager also includes a review of all related party transactions entered into by PLife REIT in its internal audit plan. The ARC reviews the internal audit reports at least twice a year to ensure compliance with the established guidelines and procedures for monitoring related party transactions. Additionally, the Trustee has the right to review these audit reports to confirm compliance with the Property Funds Appendix.

Furthermore, the following procedures will be carried out:

- transactions (either individually or as part of a series or if aggregated with other transactions involving the same related party during the same financial year) equal to or exceeding S$100,000 in value but below 3.0% of the value of PLife REIT's net tangible assets will be subject to review by the ARC at regular intervals;

- transactions (either individually or as part of a series or if aggregated with other transactions involving the same related party during the same financial year) equal to or exceeding 3.0% but below 5.0% of the value of PLife REIT's net tangible assets will be subject to the review and prior approval of the ARC. Such approval shall only be given if the transactions are on normal commercial terms and are consistent with similar types of transactions made by the Trustee with third parties which are unrelated to the Manager; and

- transactions (either individually or as part of a series or if aggregated with other transactions involving the same related party during the same financial year) equal to or exceeding 5.0% of the value of PLife REIT's net tangible assets will be reviewed and approved prior to such transactions being entered into, on the basis described in the preceding paragraph, by the ARC which may, as it deems fit, request advice on the transaction from independent sources or advisers, including the obtaining of valuations from independent professional valuers. Further, under the Listing Manual and the Property Funds Appendix, such transactions would have to be approved by the Unitholders at a meeting of Unitholders.

Where matters concerning PLife REIT relate to transactions entered into or to be entered into by the Trustee for and on behalf of PLife REIT with a related party of the Manager or PLife REIT, the Trustee is required to consider the terms of such transactions to satisfy itself that such transactions are conducted on an arm's length basis and on normal commercial terms, are not prejudicial to the interests of PLife REIT or the Unitholders, and in accordance with all applicable requirements under the Property Funds Appendix and/or the Listing Manual relating to the transaction in question. Further, the Trustee has the ultimate discretion under the Trust Deed to decide whether or not to enter into a transaction involving a related party of the Manager or PLife REIT. If the Trustee is to sign any contract with a related party of the Manager or PLife REIT, the Trustee will review the contract to ensure that it complies with the requirements relating to interested party transactions in the Property Funds Appendix (as may be amended from time to time) and the provisions of the Listing Manual relating to interested person transactions (as may be amended from time to time) as well as such other guidelines as may from time to time be prescribed by the MAS and the SGX-ST to apply to REITs.

PLife REIT will, in compliance with Rule 905 of the Listing Manual, announce any interested person transaction if such transaction, by itself or when aggregated with other interested person transactions entered into with the same interested person during the same financial year, is 3.0% or more of PLife REIT's latest audited net tangible assets.

The Manager also discloses in the Annual Report the aggregate value of the related party transactions entered during the relevant financial year as required under the Listing Manual and the Property Funds Appendix. Please refer to page 209 of this Annual Report for the disclosure.

Role of the Audit and Risk Committee for Related Party Transactions

All related party transactions must be reviewed by the ARC and where applicable, approved by a majority of the ARC members to ensure compliance with the Manager's internal control system and the relevant provisions of the Listing Manual as well as the Property Funds Appendix. The review will include an examination of the nature of the transactions and its supporting documents or any other data deemed necessary to the ARC.

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ADDITIONAL INFORMATION ON ENDORSEMENT OR RE-ENDORSEMENT OF APPOINTMENT OF DIRECTORS (AS THE CASE MAY BE) (INFORMATION REQUIRED PURSUANT TO APPENDIX 7.4.1 OF THE LISTING MANUAL)

	Mr. Ho Kian Guan	Ms. Theresa Goh Cheng Keow
Date of Appointment	21 October 2016	25 October 2024
Date of last endorsement or re-endorsement of appointment (as the case may be)	22 April 2022	Not Applicable
Age	79	63
Country of principal residence	Singapore	Singapore
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	At the recommendation of the NRC of the Manager, the Board has reviewed and considered the background and experience of Mr. Ho. The Board approved the appointment of Mr. Ho as Independent Director and member of the ARC of the Manager.	At the recommendation of the NRC of the Manager, the Board has reviewed the qualification and experience of Ms. Goh. The Board approved the appointment of Ms. Goh as Independent Director, member of the ARC and NRC of the Manager. Additionally, the Board has approved the appointment of Ms. Goh as Chairman of the NRC upon retirement of the incumbent NRC Chair.
Whether appointment is executive, and if so, the area of responsibility	Non-executive	Non-executive
Job Title	Independent Director, Chairman of the Board of Directors and Member of ARC	Independent Director, Member of ARC and Chairman of NRC
Professional qualifications	• Business Administration and Commerce	• Masters of Science Industrial and Organisational Psychology, City University of New York (Baruch College) • Bachelor of Business Administration, National University of Singapore • Senior Accredited Director, Singapore Institute of Directors
Working experience and occupation(s) during the past 10 years	• Executive Chairman of Keck Seng Investments (Hong Kong) Limited • Executive Chairman of Keck Seng (Malaysia) Berhad	• 13 July 2018 to Present – Founder and Executive Director of 360 Dynamics Pte. Ltd.

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ADDITIONAL INFORMATION ON ENDORSEMENT OR RE-ENDORSEMENT OF APPOINTMENT OF DIRECTORS (AS THE CASE MAY BE) (INFORMATION REQUIRED PURSUANT TO APPENDIX 7.4.1 OF THE LISTING MANUAL)

	Mr. Ho Kian Guan	Ms. Theresa Goh Cheng Keow
Shareholding interest in the listed issuer and its subsidiaries	No	No
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	Nil	Nil
Conflict of Interest (including any competing business)	Nil	Nil
Undertaking (in the format set out in Appendix 7.7) under Rule 720(1) has been submitted to the listed issuer	Yes	Yes
Other Principal Commitments Including Directorships		
Past (for the last 5 years)	• Non-Executive Director of Shangri-la Asia Limited	• Chairman and Director of Sata Commhealth • Director of Singapore Institute of Directors • Director of Agency For Integrated Care Pte. Ltd.
Present	• Executive Chairman of Keck Seng Investments (Hong Kong) Limited • Executive Chairman of Keck Seng (Malaysia) Berhad	• Director of Canossa Mission Singapore • Director of 360 Dynamics Pte. Ltd.
Information Required		
a) Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No	No

CORPORATE GOVERNANCE

ADDITIONAL INFORMATION ON ENDORSEMENT OR RE-ENDORSEMENT OF APPOINTMENT OF DIRECTORS (AS THE CASE MAY BE) (INFORMATION REQUIRED PURSUANT TO APPENDIX 7.4.1 OF THE LISTING MANUAL)

	Mr. Ho Kian Guan	Ms. Theresa Goh Cheng Keow
Information Required		
b) Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No	No
c) Whether there is any unsatisfied judgment against him?	No	No
d) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No	No
e) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No	No

CORPORATE GOVERNANCE

ADDITIONAL INFORMATION ON ENDORSEMENT OR RE-ENDORSEMENT OF APPOINTMENT OF DIRECTORS (AS THE CASE MAY BE) (INFORMATION REQUIRED PURSUANT TO APPENDIX 7.4.1 OF THE LISTING MANUAL)

	Mr. Ho Kian Guan	Ms. Theresa Goh Cheng Keow
Information Required		
f) Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No	No
g) Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No	No
h) Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No	No
i) Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No	No
j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:-		

CORPORATE GOVERNANCE

ADDITIONAL INFORMATION ON ENDORSEMENT OR RE-ENDORSEMENT OF APPOINTMENT OF DIRECTORS (AS THE CASE MAY BE) (INFORMATION REQUIRED PURSUANT TO APPENDIX 7.4.1 OF THE LISTING MANUAL)

	Mr. Ho Kian Guan	Ms. Theresa Goh Cheng Keow
Information Required		
i) any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or	No	No
ii) any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or	No	No
iii) any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or	No	No
iv) any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?	No	No
k) Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	No	No

DISCLOSURE ON FEES

FEES PAYABLE BY PLIFE REIT

The trust deed constituting PLife REIT dated 12 July 2007 (as amended, the "Trust Deed") is binding on each unitholder of PLife REIT ("Unitholder") (and persons claiming through such Unitholder) as if such Unitholder had been a party to the Trust Deed and as if the Trust Deed contains covenants by such Unitholder to observe and be bound by the provisions of the Trust Deed, and an authorisation by each Unitholder to do all such acts and things as the Trust Deed may require Parkway Trust Management Limited (the "Manager") and/or HSBC Institutional Trust Services (Singapore) Limited (the "Trustee") to do.

The Manager has covenanted in the Trust Deed to use its best endeavours to carry on and conduct its business in a proper and efficient manner, ensure that PLife REIT is carried on and conducted in a proper and efficient manner, and to conduct all transactions with or for PLife REIT at arm's length and on normal commercial terms.

Under Clauses 15.1, 15.3, 15.4, 15.5 and 15.6 of the Trust Deed, the Manager is entitled to the following fees in return for its services:

	Fees payable by PLife REIT	Amount payable to the Manager
1	Management fee	**Base Fee** 0.3% per annum of the value of all the assets of PLife REIT, including all its authorised investments for the time being held or deemed to be held upon the trusts of the Trust Deed ("Deposited Property"). **Performance Fee** 4.5% per annum of the net property income of PLife REIT for that financial year. Subject to the guidelines for real estate investment trusts issued by the Monetary Authority of Singapore as Appendix 6 ("Property Funds Appendix") to the Code on Collective Investment Schemes ("CIS Code"), the Base Fee and Performance Fee shall be paid to the Manager in the form of cash and/or Units (as the Manager may elect prior to each payment) out of the Deposited Property and in such proportion as may be determined by the Manager. If in the form of Units, the Manager shall be entitled to receive such number of units as may be purchased with the relevant amount of the management fee attributable to the relevant period at an issue price set out in accordance with the Trust Deed.
2	Fee for acquisition of properties	**Acquisition Fee** 1.0% of the Enterprise Value of any real estate or real estate related asset acquired directly or indirectly by PLife REIT, pro-rated, if applicable, to the proportion of PLife REIT's interest. For this purpose, where the assets acquired by PLife REIT are shares in a special purpose vehicle whose primary purpose is to hold/own real estate (directly or indirectly), "Enterprise Value" shall mean the sum of the equity value and the total net debt attributable to the shares being acquired by PLife REIT and where the asset acquired by PLife REIT is a real estate, "Enterprise Value" shall mean the value of the real estate. In the event that there is payment to third party agents or brokers in connection with the acquisition, such payment shall be paid out of the Deposited Property. Unless required under the Property Funds Appendix to be paid in the form of Units only, the Manager may opt to receive such Acquisition Fee in the form of cash or Units or a combination of cash and Units as it may determine. Units representing the Acquisition Fee or any part thereof will be issued at an issue price on a similar basis as that for the management fee. In the event the Manager receives Acquisition Fee in connection with a transaction with a related party, any such Acquisition Fee shall be paid in the form of Units.

DISCLOSURE ON FEES

	Fees payable by PLife REIT	Amount payable to the Manager
3	Fee for divestment of properties	**Divestment Fee** 0.5% of the Enterprise Value of any real estate or real estate related asset sold or divested directly or indirectly by PLife REIT, pro-rated, if applicable, to the proportion of PLife REIT's interest. Unless required under the Property Funds Appendix to be paid in the form of Units only, the Manager may opt to receive such Divestment Fee in the form of cash or Units or a combination of cash and Units as it may determine. Units representing the Divestment Fee or any part thereof will be issued at an issue price on a similar basis as that for the management fee. Any payment to third party agents or brokers in connection with the divestment of any real estate or real estate related assets of PLife REIT shall be paid by PLife REIT. In the event the Manager receives Divestment Fee in connection with a transaction with a related party, any such Divestment Fee shall be paid in the form of Units.
4	Fee for lease management	**Lease Management Fee** 1.0% per annum of the revenue of the real estate held directly or indirectly by PLife REIT and managed by the Manager (excluding the Hospital Properties for the duration of the master lease arrangements). "Hospital Properties" shall mean the three private hospitals in Singapore owned by PLife REIT, comprising The Mount Elizabeth Hospital Property, The Gleneagles Hospital Property and The Parkway East Hospital Property. For the avoidance of doubt, no Lease Management Fee shall be payable to the Manager in respect of the Hospital Properties for the duration of the master lease agreements.
5	Fee for marketing services	**Marketing Services Commission** (i) One month's gross rent inclusive of service charge, for securing a lease of three years or less; (ii) Two months' gross rent inclusive of service charge, for securing a lease of more than three years; (iii) Half month's gross rent inclusive of service charge, for securing a renewal of lease of three years or less; and (iv) One month's gross rent inclusive of service charge, for securing a renewal of lease of more than three years. If a third party agent secures a lease, the Manager will be responsible for any marketing services commission payable to such third party agent, and the Manager will be entitled to a marketing services commission of:- (i) 1.2 months' gross rent inclusive of service charge for securing or renewal of a lease of three years or less; and (ii) 2.4 months' gross rent inclusive of service charge for securing or renewal of a lease of more than three years. The marketing services commission may be adjusted accordingly at the time of securing or renewal of a lease by the Manager or a third party agent, to be consistent with and no higher than the prevailing market rates of such marketing services commission in the country where the real estate is located.
6	Fee for property management	**Property Management Fee** 2.0% per annum of the revenue of the real estate held directly or indirectly by PLife REIT and managed by the Manager (excluding the Hospital Properties for the duration of the master lease agreements). For the avoidance of doubt, no Property Management Fee shall be payable to the Manager in respect of the Hospital Properties for the duration of the master lease agreements.

DISCLOSURE ON FEES

The Manager is of the view that the fee structure of PLife REIT promotes alignment of interests between the Manager and the long-term interests of Unitholders. The rationale for each fee component is elaborated upon below:

Base Fee

As an external manager, the Manager manages the assets and liabilities of PLife REIT for the benefit of its Unitholders and should be fairly compensated for conducting the overall management of PLife REIT's various affairs, which includes, among others, formulation of business plans, execution of PLife REIT's strategies, performing data analytics, monitoring operating costs, evaluating asset enhancement initiatives and investment opportunities. Another key responsibility is ensuring that PLife REIT complies with the applicable provisions of the Securities and Futures Act 2001 ("SFA") and all other relevant laws and regulations, such as the listing manual of Singapore Exchange Securities Trading Limited ("Listing Manual"), the CIS Code (including the Property Funds Appendix), the Trust Deed, the tax ruling issued by Inland Revenue Authority of Singapore on the taxation of PLife REIT and its Unitholders and all relevant contracts entered on behalf of PLife REIT. The Base Fee compensates the Manager for establishing a core team of representatives who are appointed in accordance with the SFA to execute its responsibilities as manager of a real estate investment trust.

The Base Fee is linked to the value of all the assets of PLife REIT as the complexity and scope of work is commensurate to the size of PLife REIT's portfolio. In the event that the portfolio of PLife REIT grows, the degree and complexity of the Manager's responsibilities will correspondingly increase and the Manager has to be amply remunerated. This ensures that the Manager is able to dedicate its efforts to the growth of PLife REIT.

Performance Fee

The Performance Fee in respect of every calendar year shall be paid in arrears, no more frequent than once a year. The Performance Fee structure of PLife REIT will incentivise the Manager to seek continuous growth opportunities and encourage the Manager to act in the interests of Unitholders by increasing the rental income generated from the real estate held directly or indirectly by PLife REIT (the "Properties of PLife REIT") while reducing property level expenses. Accordingly, the Performance Fee incentivises the Manager to take a holistic and double-pronged approach towards the management of PLife REIT to improve the operating performance of PLife REIT so that the Manager may, together with Unitholders, enjoy a higher net property income.

Acquisition Fee and Divestment Fee

The Acquisition Fee and Divestment Fee are structured in order to incentivise the Manager to source for inorganic growth, as well as to realise mature assets where suitable in the interests of Unitholders, in accordance with the acquisition growth and active asset management strategies of PLife REIT. Bearing in mind that the Manager has to undertake an extensive scope of work over and above the overall management of PLife REIT when undertaking acquisition or divestment opportunities (including but not limited to compliance with the applicable laws, rules and regulations relating to the acquisition or divestment, exploring shortlisting and monitoring investment opportunities, conduct of due diligence, evaluation and in depth assessment of the acquisition or divestment opportunity, negotiations with counterparties, conduct of board meetings and as the case may be, preparation of circulars and announcements), the Manager should be compensated fairly to reflect the effort expended and the costs incurred during such undertakings. It should be noted that the Acquisition Fee and Divestment Fee are only payable where the acquisition or divestment has been successfully completed.

Lease Management Fee

The Manager is entitled to the Lease Management Fee for provision of lease management services to the Properties of PLife REIT (excluding the Hospital Properties for the duration of the master lease agreements) which includes coordinating tenant's fitting-out requirements, administration of rental collection, management of rental arrears and administration of all property tax matters. In consideration for the provision of such lease management services, the Manager should be entitled to fair remuneration. For avoidance of doubt, the Manager does not earn any Lease Management Fee for the Properties of PLife REIT located in Japan whereby the related services are carried out by the Japan asset managers under the *Tokumei Kumiai* ("TK") structure. The Manager has also excluded the Hospital Properties for the duration of the master lease agreements to avoid any double counting of fees.

DISCLOSURE ON FEES

Marketing Services Commission

The Marketing Services Commission is structured to incentivise the Manager to secure longer term leases which in turn provides stability in the income stream of PLife REIT. Accordingly, the Manager is entitled to a higher commission where the term of the lease is longer than three years. Higher commissions are payable for securing leases with new tenants as compared to renewals of existing leases due to the increased effort which has to be expended by the Manager to market, source for, attract and negotiate with new tenants. The Marketing Services Commission payable to the Manager if a third party agent secures a lease is higher to take into account the Manager's expenses as the Manager is responsible for paying such third party agent. The Manager has to liaise, instruct and oversee the marketing activities of such third party agent and should be fairly compensated for its efforts. The Marketing Services Commission will serve to ensure that the Manager secures leases in the interests of PLife REIT and Unitholders.

Property Management Fee

The Manager is entitled to the Property Management Fee for provision of property management services to the Properties of PLife REIT (excluding the Hospital Properties for the duration of the master lease agreements). Generally, when providing property management services, the Manager has to ensure compliance with the local regulations, manage relations with many counterparties, and constantly review and assess the Properties of PLife REIT to ensure that there is minimal disruption to existing operations. The Manager has to co-ordinate and plan to manage the Properties of PLife REIT and also ensure that Properties of PLife REIT are well-managed so as to maximise returns for Unitholders.

In return for providing property management services which are beyond the ordinary scope of the Manager's overall management services, the Manager should be compensated fairly for its expertise. In addition, the Property Management Fee has been structured so that the Manager is incentivised to improve the performance of the Properties of PLife REIT managed by the Manager as these fees are pegged to the gross revenue of the real estate. For avoidance of doubt, the Manager does not earn any Property Management Fee for the Properties of PLife REIT located in Japan whereby the related services are carried out by the Japan asset managers under the TK structure. The Manager has also excluded the Hospital Properties for the duration of the master lease agreements to avoid any double counting of fees.

SUSTAINABILITY REPORT

BOARD STATEMENT

GRI 2-12, 2-13, 2-14, 2-22

The Board of Directors ("the Board") of Parkway Trust Management Limited, the Manager of Parkway Life Real Estate Investment Trust ("PLife REIT" or "the REIT") are pleased to present our Financial Year 2024 ("FY2024") Sustainability Report. Guided by our mission to incorporate sustainability into PLife REIT's operations, the Board is collectively responsible for the long-term success of Parkway Life REIT. The Board's role includes setting strategic objectives, with a focus on sustainability. The Board has assessed that the ESG material matters identified previously remain relevant in FY2024. In addition, the Board collaborates with management to ensure those matters are continuously monitored and effectively managed.

As per the MAS's Environmental Risk Management Guidelines for Asset Managers, we have previously evaluated environmental risks and incorporated them into PLife REIT's risk management framework. This follows the Task Force on Climate-related Financial Disclosures' (TCFD) recommendations and World Health Organisation's (WHO) guidance on sustainable healthcare facilities.

This year, we continue to collaborate with the IHH Group to address greenhouse gas (GHG) emissions from our Singapore portfolio. We also partnered with our Japan asset managers on energy & emissions data collection for reporting. Our reporting boundaries are based on GHG Protocol methodology, allowing us to present our emissions data more accurately and ensure alignment across the Group. We are guided by IHH Group's target to achieve net zero carbon emissions by 2050, and have been actively engaging with our stakeholders in reducing our carbon footprint through capital expenditure (CAPEX) initiatives.

PLife REIT is committed to sustainable growth, conducting all our business activities with the highest standards of professionalism, corporate governance and business integrity, in accordance with the regulations and best practices in our countries and areas of operation. As we navigate integrating sustainability into our operations, we remain focused on creating long-term value while contributing positively to the healthcare sector and the communities we serve.

ABOUT THIS REPORT

GRI 2-3, 2-4, 2-5

PLife REIT's Sustainability Report outlines our sustainability approach and its implementation within the operations of PLife REIT and the Manager, alongside our collaborative efforts with tenants/operators in this field. This publication underscores our steadfast commitment to transparency and accountability in our actions. Covering the sustainability performance of properties within PLife REIT's portfolio from 1 January 2024, to 31 December 2024[1], this report adheres to the financial year ended 31 December 2024, and complies with SGX-ST Listing Rules 711A and 711B, the Sustainability Reporting Guide outlined in Practice Note 7.6 of the SGX-ST Listing Rules and has been prepared with reference to the Global Reporting Initiative (GRI) Standards 2021.

To build upon our inaugural environmental risk assessment in 2021, we are in the midst of analysing the quantitative impacts of climate risks across our portfolio. This analysis evaluates the potential impact of both physical risks—such as extreme weather events and long-term changes in climate patterns—and transition risks associated with policy shifts. Results from this exercise would allow us to refine our risk management framework to enhance resilience and identify strategic opportunities, ensuring our portfolio is consistent with the global transition to a low-carbon economy. PLife REIT has engaged our internal auditor to perform an internal review of our sustainability reporting process. External assurance has not been sought for the information contained herein, although consideration will be given to this aspect for future reports.

Reporting Scope

GRI 2-1, 2-2

PLife REIT owns a curated portfolio of 75 properties as of 31 December 2024, spanning across different geographical locations and serving diversified roles within the healthcare industry. In Singapore, it owns the largest portfolio of strategically-located private hospitals comprising Mount Elizabeth Hospital, Gleneagles Hospital and Parkway East Hospital. In Japan, it has 60 high quality nursing home and care facility properties in various prefectures. In France, it also owns 11 nursing home properties, marking our inaugural entry into Europe in December 2024. Additionally, we have strata-titled units and carpark lots at MOB Specialist Clinics in Kuala Lumpur, Malaysia. More details on our Portfolio can be found on page 36 of this Annual Report.

The primary focus of this sustainability report is on the activities of PLife REIT and the Manager for our Singapore and Japan portfolios[2], which collectively account for more than 91% of PLife REIT's total portfolio value as of 31 December 2024. The REIT's Singapore hospitals are leased out on master lease arrangement to the subsidiary of IHH Healthcare Berhad ("IHH"), wherein IHH is the ultimate holding company of the Manager; and properties in Japan are leased out to various nursing home operators. To achieve sustainability at the property level, we work closely with the tenants/operators with a focus of creating a positive influence in the areas of ESG.

This sustainability report is prepared in conjunction with the FY2024 Annual Report. Please refer to page 30 of this Annual Report, under the Financial Highlights section for a summary of PLife REIT's economic performance.

(1) To accommodate different reporting cycles for our Japan properties, our emissions figures for Japan properties reported on pages 104 to 105 covers a 12-month period from October 2023 to September 2024

(2) Our Malaysia and France portfolios have been excluded from the scope of SR2024. Our Malaysia portfolio has been assessed to be immaterial and scoped out as it represents less than 1% portfolio value for the same period, while the France portfolio was excluded due to the transaction being completed only in December 2024.

SUSTAINABILITY REPORT

Feedback

We welcome your feedback to assist us in the continual improvement in our sustainability journey. Please direct any enquiries, comments or feedback on both our sustainability performance and sustainability report to contact@plifereit.com.

SUSTAINABILITY AT PARKWAY LIFE REIT

SUSTAINABILITY HIGHLIGHTS

Economic	Environment	Social	Governance
Supported the local authority at Akita Prefecture in their flood improvement works along Kawashita River at Sawayaka-kan property in 2023. The works are in progress and expected to be completed by March 2025.	Gleneagles Hospital upgraded two chillers with an AI-driven Building Management System	Diversity, Inclusion & Non-Discrimination: • 69% of the Manager's total workforce are women • 46% of the Management working in the Manager are women • Zero cases of discrimination	Zero incidents of significant* fines and non-monetary sanctions against PLife REIT and the Manager
100% of our acquisitions in the last 12 months were screened according to our Operating Policy	Parkway East Hospital replaced the entire chiller plant system, including three chillers and two cooling towers to optimise energy consumption	Zero incidents of serious office injuries	
100% of our assets have a 10-year CAPEX projection in place	Mount Elizabeth Hospital's Project Renaissance involved upgrading chillers and water fittings for better efficiency and conservation	Training and Development: Average 25.1 hours of training per employee	
100% of our assets were checked for enhancement opportunities in the last year	In 2 of our Japan nursing home properties, fluorescent lights were replaced by LED light fittings to improve lighting quality and to promote energy savings		

* Significant shall mean more than 1% of the Profit Before Tax of PLife REIT and the Manager respectively

SUSTAINABILITY GOVERNANCE

GRI 2-9, 2-10, 2-11, 2-14, 2-17

In 2017, the Manager formed the Sustainability Steering Committee (SSC) to direct the sustainability efforts of the REIT and Manager. The SSC is made up of senior management staff from the Manager, comprising Heads of Department. This allows PLife REIT to anchor its sustainability vision and ensure its incorporation in managerial decisions. The SSC is responsible for communicating sustainability-related performance. It provides reports to the Audit and Risk Committee (ARC) about managing environmental risks and aids the Board in terms of sustainability issues. They receive assistance from the Sustainability Task Force (STF) who is responsible for developing, implementing and maintaining sustainability-related practices and initiatives, and monitoring the sustainability performance of the REIT and Manager. It consists of personnel from various departments such as the Heads of Function from Investment Management, Strategic Planning, Asset Management and Projects, Legal and Compliance, Finance, and Admin & IT.

SUSTAINABILITY REPORT

Our sustainability governance structure is shown as below:

Board of Directors	The Board has ultimate responsibility for the sustainability reporting and should determine the ESG factors identified as material to the business and oversee the management and monitoring of the material ESG factors.
Audit and Risk Committee (ARC)	The ARC assists the Board in the review of sustainability issues and approach to sustainability reporting, monitoring and managing the material ESG factors, and ensuring that a sound system of sustainability governance is maintained to the Board and provides appropriate updates and recommendations on the sustainability issues.
Sustainability Steering Committee (SSC)	SSC provides oversight in terms of direction and management of sustainability approach and activities of the REIT and Manager. It is also responsible for communicating sustainability-related performance and updates the Board directly on overall sustainability matters.
Sustainability Task Force (STF)	STF is responsible for developing, implementing and maintaining sustainability-related practices and initiatives and monitoring the REIT's sustainability performance.

MATERIALITY ASSESSMENT OF OUR ESG FACTORS

GRI 3-1,3-2

Material ESG factors are identified, evaluated and updated on a regular basis by the STF and SSC, drawing upon knowledge gained from daily interactions with the stakeholders and the evolving business environment. Where required, this process is facilitated by an external consultant to ensure material topics are up to date with the changing business landscape and priorities of stakeholders.

In FY2023, we enhanced our annual review of material topics by conducting a materiality refresh exercise, building on the material topics arising from the materiality assessment which was initially undertaken in 2017.

Our methodology for this exercise aligns with the GRI Materiality and Stakeholder Engagement Reporting Principles, as outlined below:

Identification	Engagement	Prioritisation	Validation
• A comprehensive list of material topics was identified by undertaking a wide-ranging desktop research process. This included examining global sustainability trends, regulatory frameworks and policies, and peer comparisons • Identified 16 ESG topics deemed most relevant to PLife REIT through the review, inclusive of material topics reported last year that were still deemed relevant	• Disseminated to key internal stakeholders online survey to rate the 16 ESG topics on the basis of importance to stakeholders and impact to PLife REIT's business • Our materiality survey garnered responses from internal stakeholders comprising the senior and middle management that made up approximately 50% of the Manager's headcount	• For clear visualisation of the results from the online survey exercise, an interim materiality matrix was prepared • This resulted in a clear distinction on 12 ESG topics deemed most material to PLife REIT • 7 of these top ranked ESG topics were combined into 3 on the basis of synergies and relevance, resulting in a final list of 8 ESG material topics	• The Manager's management and the Board reviewed and validated the prioritisation and combination of ESG material topics

SUSTAINABILITY REPORT

For FY2024, an extensive review was conducted, involving the Manager's management and the Board. We have concluded that the past years' material topics remain relevant.

Category	Material Sustainability Factors
Economic	Economic Contribution and Risk Management Sustainable Investment
Environment	Climate Change and Resource Management
Social	Diversity and Inclusion People and Learning Stakeholder Engagement
Governance	Cyber-Readiness, Security and Data Privacy Ethics, Compliance and Reporting

2024 TARGETS AND PERFORMANCE

To do our part to create a future that is sustainable, while taking guidance from the United Nations Sustainable Development Goals (UN SDGs), we have outlined our targets and consolidated how we measure up against these goals in the following table.

Overview of 2024 Targets and Performance

Category	Material Sustainability Factors	Our Targets	FY24 Performance
Economic	Economic Contribution and Risk Management	• 100% of our new acquisitions to be screened following the Operating Policy	• Target Met
		• 100% of our assets to have a 10-year CAPEX projection	• Target Met
	Sustainable Investment	• 100% of our assets to be regularly checked for enhancement opportunities	• Target Met
Environment	Climate Change and Resource Management (Energy, Emissions)	• Annual review and update of environmental risk register reassessment of transitional and physical risk	• Target Met
		• Complete relevant climate risk assessment on at least 30% of current portfolio by 2025 and 100% by 2030	• In Progress
		• Align and support IHH Healthcare Berhad's (Group) target to cap carbon growth by 2025 and achieve Net-Zero by 2050	• In Progress
		• Initiate energy efficiency improvements for up to 10% of investment properties annually, with the intention to cover 100% of our portfolio by 2050	• Target Met

SUSTAINABILITY REPORT

Overview of 2024 Targets and Performance			
Category	**Material Sustainability Factors**	**Our Targets**	**FY24 Performance**
Social	People and Learning	• Zero incidents resulting in employee fatality or permanent disability *(refers to employees of the Manager, in office and on-site)*	• Target Met
		• 100% of employees continue to meet all mandatory training requirements for their role	• Target Met
	Diversity and Inclusion	• Zero validated incidents of discrimination	• Target Met
		• Maintaining at least 25% women directors on the Board with best efforts and with a view to increasing to 30% over time to achieve greater gender parity	• Target Met
	Stakeholder Engagement	• Complete at least 1 employee engagement exercise annually and review all feedback received	• Target Met
		• Receive annual survey responses from at least 90% of tenants (by gross revenue)	• Target Met
		• Organise at least 1 community involvement project annually	• Target Met
Governance	Ethics, Compliance, and Reporting	• Zero incidents of significant* fines and non-monetary sanctions against PLife REIT and the Manager	• Target Met
	Cyber-readiness, Security, and Data Privacy	• Achieve 100% completion on employee cyber security awareness training annually	• Target Met

* Significant shall mean more than 1% of the Profit Before Tax of PLife REIT and the Manager respectively

ECONOMIC PILLAR

We demonstrate our commitment to securing long-term growth and value for our Unitholders through our real estate investments geared towards healthcare and healthcare-related purposes. In addition, our skills in capital and property management also play a key role. These elements shape a diversified business strategy that consistently delivers income for Unitholders, as well as contribute to economic progression within the society and support the transition towards a low-carbon economy.

SUSTAINABILITY REPORT

Economic contribution and Risk Management

GRI 3-3, 201-1, 2-23, 2-24

Economic performance impacts the availability and accessibility of resources to our facilities, access to employment, and general working conditions. The Manager is committed to delivering regular and stable distributions and achieving long-term growth for our Unitholders. To achieve this commitment, firm partnership with credible operators is prioritised to ensure sustainable long-term value creation.

Economic contribution is key to the success of the REIT and our practices and performance in this area are detailed in our financial statements. Please refer to Message to Unitholders on pages 4 to 6, Financial Highlights on pages 30 to 31, and Financial Statements on pages 117 to 208, of this Annual Report for more details.

A solid enterprise risk management framework is key to PLife REIT's ability to maintain a comprehensive risk management system and enables assessment and management of financial, operational and technical risks. We have integrated environmental risk assessment and management into our enterprise risk management framework to better manage potential financial, reputational and regulatory risks associated with our operations. The detailed FY2024 Enterprise Risk Management Report can be found on pages 63 to 65.

SUSTAINABLE INVESTMENT

GRI 3-3, 2-23

Investment and asset management decisions and activities are crucial in driving the growth of the REIT, which makes formulating and executing investment and asset management strategic plans critical to delivering long-term sustainable returns for PLife REIT. There are several policies and practices put in place to ensure acquisitions, divestments and asset management activities are carried out in accordance with our strategic direction and with proper levels of due diligence. These evaluation procedures and processes are governed by our internal investment guidelines and the Manager's Operating Policy – Investment / Divestment ("Operating Policy"), which ensures that acquisitions and divestments are in compliance with relevant regulatory requirements and in line with the investment / divestment objectives of the REIT.

With the adoption of TCFD disclosures, we have integrated environmental risk assessment into our investment policy. For the evaluation of new investments, we will ensure that the acquisitions fulfil the REIT's investment criteria, comply with relevant environmental laws, and undergo thorough due diligence to assess environmental liabilities, such as pollution and flood risks, and their impacts. Where possible, we incorporate green clauses into lease agreements and work with vendors or developers to obtain green certifications for properties.

Policies and Guides:	2024 Performance:	2025 Target:
Operating Policy	**Target met** – 100% of our new acquisitions to be screened following the Operating Policy	100% of our new acquisitions to be screened following the Operating Policy
Operating Policy on Asset Management	**Target met** – 100% of our assets to have a 10-year CAPEX projection	100% of our assets to have a 10-year CAPEX projection
	Target met – 100% of our assets to be regularly checked for enhancement opportunities	100% of our assets to be regularly checked for enhancement opportunities
		100% of Japan portfolio to adopt LED lightings by 2027

SUSTAINABILITY REPORT

SUSTAINABILITY REPORT

Asset Stewardship

The REIT's portfolio of assets largely consists of long-term lease arrangements; therefore, day-to-day operation and maintenance falls under the responsibility of and are performed by tenants and operators. Nonetheless, as part of our active ownership strategy, we regularly review and manage CAPEX requirements of our assets to ensure that they maintain their long-term value and use. A 10-year CAPEX projection tailored to the specific needs of each asset was developed and shall be reviewed periodically to ensure relevance. Since 2018, we have expanded our review to include assessment of environmental, social and governance factors. The specialised nature of healthcare assets makes it critical for us to foster strong relationships with our operators. We work closely with them and seek to support their operational needs through implementation of collaborative Asset Enhancement Initiatives (AEI) for the assets. As part of our joint efforts with tenants/operators to drive sustainability, we have conducted AEIs for the REIT's portfolio, including the installation of energy efficient equipment at various properties as well as refurbishment works to maintain the competitiveness of older properties.

Japan Properties

In FY2024, we reached out to our operators to seek potential areas to improve sustainability and competitiveness of the assets. We successfully collaborated with one of our operators in Japan to extend their lease and to carry out renewal works within the property (Senior Chonaikai Makuhari-kan) and to refurbish the kitchen and dining areas located over four floors. The renewal works incorporated sustainable materials and energy efficient equipment such as utilising carpet tiles made from recycled materials, lightweight and long-lasting wallpaper as well as installation of energy saving electric water heaters. As part of the on-going sustainability efforts, we are working closely with our operators on initiatives to refurbish and improve overall energy efficiency of our properties.

In the previous year, we supported the local authority at Akita Prefecture in their flood prevention improvement works along Kawashita River, which is located beside the Sawayaka Sakurakan property. The flood embankment for our property is under construction and expected to be completed by the first quarter of 2025.

Singapore Properties

As part of the lease renewal arrangement for the Singapore hospitals approved by Unitholders in FY2021, PLife REIT has injected a one-time capital expenditure of up to S$150 million to conduct certain capital expenditure works on the applicable Singapore hospitals ("Renewal Capex Works").

As announced on 29 November 2022, the Renewal Capex Works are entirely carried out at Mount Elizabeth Hospital ("MEH"). The Renewal Capex Works include major infrastructure upgrades for safety and futureproofing, and efforts focused on improving the hospital layout, expanding healthcare services, and to redefine the premium "Mount Elizabeth" patient experience.

Demonstrating our commitment to sustainability, we are targeting to obtain Green Mark Platinum status (including compliance with the BCA Green Mark 2021 code) by 2025. We have installed a building management system for the hospital block to enhance building performance with eco-friendly and sustainable features, as well as technological advances.

The physical construction of the Renewal Capex Works at MEH remains on track, having commenced in January 2023 with an estimated completion date of December 2025. Throughout the entire process of the Renewal Capex Works, PLife REIT has been working closely with the tenant/operator to ensure patient safety and minimise disruptions to operations. The construction seeks to strengthen the parties' competitiveness and enhance MEH's value through green building and energy efficiency upgrades. Since 2023, we have also dedicated CAPEX investment to enhance the safety, reliability and environmental sustainability of properties, believing that we can make a real contribution in accelerating the transition towards a net-zero future while making a meaningful shift with the following works targeted to be completed in 2025:

- Replacement of chillers with Artificial Intelligence (AI) enhanced Building Management System for Singapore hospitals;
- Replacement of water efficient fittings under the Water Efficiency Labelling Scheme for Singapore hospitals;
- Replacement of all direct current (DC) motor to electronically communicated (EC) motor for the air-conditioning and mechanical ventilation (ACMV) equipment for the Singapore hospitals, where possible;
- Replacement of all lifts with variable voltage and variable frequency (VVVF) drive and enhanced with sleep mode features for the Singapore hospitals;
- Replacement of the hot water systems with energy efficient air source heat pumps for the Singapore hospitals;
- Considering sustainable design and planning in replacement of existing equipment, where feasible;
- Achieving Green Mark Platinum for MEH and exploring Green Mark initiatives with the hospital operator for the other hospitals; and
- Exploring installation of Photovoltaic systems and electric vehicle charging stations in MEH.

ENVIRONMENTAL PILLAR

In our commitment to sustainability, we place a significant emphasis on the environmental aspect. We acknowledge the indispensable role of environmental factors in shaping our relationships with key stakeholders - employees, investors, patients - and in influencing our reputation, financial performance, and regulatory compliance. Part of our ethical responsibility and integral to the thriving of our business is the pursuit of long-term environmental sustainability.

We are committed to working closely with our tenants and operators to support their efforts toward energy efficiency across all our properties in Singapore and Japan. Our efforts are in line with Singapore's target of having at least 80% of buildings by gross floor area to be green over the next decade as part of the Singapore Green Plan 2030, and we also aim to comply with Japan's 2022 Building Energy Efficiency Act, which requires all new acquisitions of nursing home buildings to meet energy efficiency standards from 2025.

During the year, we reviewed the applicability of water, waste, and GHG emissions (Scope 1 and 2) disclosures for PLife REIT. For the Manager, these were deemed not in scope as the office space in which the Manager operates in is rented and utility costs are covered under the rental agreement. Moreover, the Manager adopts an operational control approach when defining reporting boundaries based on GHG protocol methodology.

CLIMATE CHANGE RESILIENCE

TCFD, GRI 3-3

TCFD Pillar	TCFD Recommendations	PLife REIT's response
Governance	Board oversight Management's role	• The Board takes overall responsibility for climate-related risks and opportunities. Sustainability and climate-related performance are reviewed and updated at least once a year. The Board and Management ensure evaluation of the potential and actual impact of climate-related risks and opportunities on PLife REIT's strategies, business plans and properties. • The Sustainability Steering Committee (SSC) has been delegated by the Board to design, implement, and monitor internal controls and risk management systems, develop tools and metrics to monitor exposures to environmental risk. The SSC has responsibility for identifying, assessing, mitigating, monitoring, and reporting such environmental risks to the ARC as well as the Board. Climate-related issues are monitored by the STF on a regular basis and reported to the SSC as and when needed. Please refer to page 95 on "Sustainability Governance" for more information.
Strategy	Climate-related risks and opportunities Impact on the organisation's business, strategy and financial planning Resilience of the organisation's strategy	• The Manager has identified climate-related risks, assessed the impact of climate-related risks, and integrated environmental risk management into its current Risk Management Policy and Investment Policy to ensure that environmental risks are considered and appropriately managed during research and portfolio construction. • The Manager has also conducted a qualitative assessment of climate-related transition and physical risks for all its properties, considering short-term (1-3 years), medium-term (5 – 10 years) and long-term to 2050. Please refer to pages 102 to 103 for more information about the climate-related risks identified and assessed impact under different scenarios. • During the year, the Manager has identified potential climate-related opportunities that could have an effect on the business. Moving forward, the Manager has plans to assess the potential impact of these climate-related opportunities on the business, across the different time horizons. These climate-related opportunities include Resource Efficiency – which is the increased value of investment properties and lower operating costs resulting from the transition to more efficient buildings, as well as Resilience – the increased market valuation of assets through resilience planning, by diversification of properties while considering climate-related risks.
Risk Management	Risk identification and assessment processes Risk management process Integration in overall risk management	• The Manager has integrated a set of Environmental Risk Management (ERM) guidelines into its existing Risk Management Policy to introduce process and systems to identify, monitor, assess and manage the potential and actual impact of environmental risk. The ERM guidelines incorporates environmental risks, including climate risks, by integrating them into organisational processes and actively managing these risks through continuous monitoring, and implementation of potential mitigating measures. • With the refinement of Risk Management Policy, the Manager will assess and implement collaborative AEIs to improve the environmental performance of its properties where feasible. • Moreover, the Manager will introduce training to upskill the team in addressing environmental and climate-related risk and will consider collaborating with other asset managers where such opportunities arise. Please refer to pages 102 to 103 for more information on how PLife REIT has identified and assessed our climate-related risks, and the applicable mitigation measures.
Metrics and Targets	Climate-related metrics in line with strategy and risk management process Scope 1,2,3 GHG metrics and the related risks Climate-related targets and performance against targets	• During the year, we reviewed the applicability of water, waste, and GHG emissions (Scope 1 and 2) disclosures for PLife REIT. For the Manager, these were deemed not in scope as the office space in which the Manager operates in is rented and utility costs are covered under the rental agreement. Moreover, the Manager adopts an operational control approach when defining reporting boundaries based on GHG protocol methodology. • PLife REIT is only reporting on our Scope 3 GHG emissions of tenant/operators in this sustainability report. Please refer to pages 104 to 105 for more information on PLife REIT's performance and target for "Energy & GHG Emissions". • Moving forward, PLife REIT is also exploring longer-term targets of environmental risk and opportunities such as exploring Green Mark initiatives with the hospital operator.

In FY2024, we have conducted a qualitative review of the identified risks across our properties in Singapore, Japan, and Malaysia and revised our risk register to ensure that it reflects the most current information and we will stay vigilant of any emerging risks that may arise. The identified transition and physical risks were assessed for short-term (1-3 years), medium-term (5-10 years) and long-term (2050) time periods, as aligned with our capital planning and investment time horizons of 5 to 10 years or more.

We will continue working on mitigating measures for identified medium risks as identified in the table below, which will be developed via our strategy, portfolio and risk management policies and processes in response to the results of the assessment. As most of our properties have long-term lease arrangements with tenants/ operators, we work closely with them to establish feasible targets in tackling climate change. We have collaborated with the IHH Group to devise a plan which would allow PLife REIT to attain our objective of achieving net zero by 2050, in line with Singapore's updated nationally determined contributions and the Paris Agreement. For our Japan portfolio, we continue to work closely with our operators to keep updated on relevant decarbonisation and sustainability initiatives, with a view to actively address and manage climate-related risks.

SUSTAINABILITY REPORT

CLIMATE-RELATED RISK

Risk Type	Description	Examples of Possible Impacts	Key Mitigation Measures	Risk Rating				
				Short	Medium		Long	
					Net Zero	BAU	Net Zero	BAU
Transition Risk								
World Health Organisation (WHO) requirements	The risk of increased cost of facilities enhancement to achieve climate-resilient and environmentally sustainable	WHO-issued guidance for health care sector covers environmental suitability of healthcare facilities and enhances the capacity to protect communities amidst changing climate and empower facilities to be environmentally stable and minimising release of waste into the environment	• Carry out environmental risk assessment for entire portfolio to understand the climate-related risk that we are facing. • Assess and implement collaborative asset enhancement initiatives to improve the environmental performance of its properties where feasible. • Explore Green Mark initiatives with tenants/ operators. • Committed to expend S$150 million Renewal Capex Works to upgrade the Singapore hospitals.	🟢	🟡	🟡	🟡	🟡
Regulatory and policy	The risk of increased expenditure resulting from • failure to comply with laws, regulations, contracts or court decisions relating to the impacts of climate change • regulations that affect energy efficiency and conservation	Mandatory climate-related disclosures (and stricter sustainability reporting requirements) would result in additional cost as regulated companies create and maintain processes for carbon emission monitoring. Capital financing may be affected by non-compliance disclosure of GHG emissions if a company's collection and management of basic data and information is not timely and robust.	• Collaborate with tenants/ operators to establish a green building roadmap for its portfolio on energy efficiency measures and towards net zero buildings. • Identify relevant green building programmes to actively leverage governmental grant schemes/sustainable financing as part of the green building roadmap. • Maintain the transitional risk register to continue monitoring the developments of various ESG regulations • Committed to expend S$150 million Renewal Capex Works to upgrade the Singapore hospitals.	🟡	🟡	🟡	🟡	🟡
Reputational	The risk of damage to an organisation's image and brand as a result of its actions or perceived inaction on climate-related issues.	Failure to meet increasing stakeholder expectations in relation to climate change and emissions reduction, reporting disclosures obligations, green building certifications may lead to adverse reputational impacts, resulting in difficulties securing investment capital, insurance and approvals, affecting talent retention and attraction, and leading to potential unitholder divestment. Reports where performance does not meet stakeholder expectations could worsen investor confidence and cause reductions in company valuations.	• Adopted and maintained sustainable investment policy • Closely communicate with stakeholders through stakeholder survey • Conduct regular scans to understand investee entity ESG demands.	🟢	🟡	🟢	🟡	🟢

SUSTAINABILITY REPORT

Risk Type	Description	Examples of Possible Impacts	Key Mitigation Measures	Risk Rating				
				Short	Medium		Long	
					Net Zero	BAU	Net Zero	BAU
Transition Risk								
Market	The risk of financial loss resulting from changes in tenants and unitholder's behavior	Less desirable properties in locations vulnerable to climate change may lead to reduced occupier/tenant demand, reduction in customer base, and reduced asset value. There could also be potential for increased real estate taxes.	• Adopted and maintained sustainable investment policy • Closely communicate with stakeholder through stakeholder survey • Conduct regular scans to understand investee entity ESG demands.	🟢	🟡	🟢	🟡	🟢
Technology	The risk of obsolescence or reduced competitiveness resulting from the failure to adopt new technologies or business practices that address the impacts of climate change.	Failure to implement new technologies that have the potential to address energy/ emissions/water/waste demands in the buildings' operations may lead to loss in market share and stranded assets. The usage of innovative green technologies could increase the cost of construction material and the maintenance cost of buildings.	• Regular review and management of Capital Expenditure requirements of our assets to ensure that they maintain their long-term value and use • Committed to expend S$150 million Renewal Capex Works to upgrade the Singapore hospitals	🟢	🟢	🟢	🟢	🟢

Risk Type	Description	Examples of Possible Impacts	Key Mitigation Measures	Risk Rating		
				Short	Medium (BAU)	Long (BAU)
Physical Risk						
Acute	Extreme weather such as flooding, fire index caused property damage and business disruption	Flooding events lead to damaged properties and disruption of the use of facilities. Fire events lead to damaged properties and disruption of the use of facilities. Although it is not a TCFD risk, we have taken into account the possibility of earthquakes in Japan because of its relatively high likelihood when assessing properties.	• Regularly review the portfolio constitution and ensure diversification. • Put in place a business continuity plan to minimise operational disruptions. • Conduct periodic scans of exposure to physical risks of existing properties and takes relevant actions to minimise damage to properties. • Regularly review the insurance coverage to ensure the properties are adequately insured. • Included environmental risk considerations in the investment due diligence process. • Regularly monitor updates by government statutory boards.	🟢	🟡	🟡
Chronic	Long-term, persistent impacts of climate change on an organisation's assets, operations, and supply chains.	For example, drought/water stress leads to higher water costs. Extreme weather and rising temperature lead to higher cost of refurbishments and expense of up-front countermeasures and property insurance premium		🟢	🟡	🟡

Note: Green and yellow dots represent low and medium risk rating respectively. Risk ratings are determined on the basis of combining likelihood and potential financial impact.

To enhance our climate risk assessment, PLife REIT is currently conducting a quantitative climate study across the various short, medium, long term time horizons. This study aims to identify and evaluate the potential financial impacts of physical risks under the IPCC RCP8.5 and RCP4.5 scenarios, as well as the transition risks associated with the Network for Greening the Financial System (NGFS) climate scenarios, which include the Net Zero 2050 scenario and the Current Policies scenario.

Guidelines:	2024 Performance:	2025 Target:
Adopted the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD)	**Target met** – Annual review and update of environmental risk register - reassessment of transitional and physical risk **In progress** – Complete relevant climate risk assessment on at least 30% of current portfolio by 2025 and 100% by 2030	Annual review and update of environmental risk register - reassessment of transitional and physical risk To complete relevant climate risk assessment for France Portfolio

SUSTAINABILITY REPORT

ENERGY & GHG EMISSIONS

GRI 3-3, 302-2, 305-3, 305-4

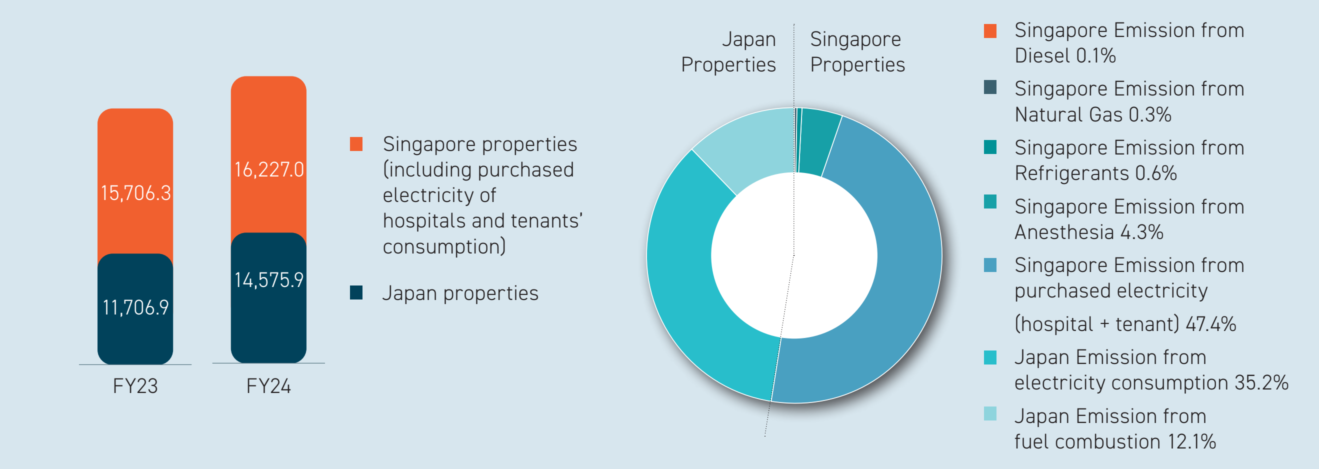
While the day-to-day operation and maintenance of the bulk of PLife REIT's portfolio falls under the responsibility of and is performed by our tenants/ operators, we recognise that energy consumption contributes a significant portion of a property's operating expenses and carbon footprint. In our execution of the CAPEX works, we will consider sustainable design and planning in the replacement of existing equipment, where feasible, to enhance the safety, reliability and environmental sustainability of our properties. We also remain committed to working closely with our tenants/ operators to support our partners' sustainability efforts and explore opportunities for collaboration to reduce the energy consumption and carbon emission of the properties, allowing us to fulfil our aim of collectively creating a positive influence in the area of sustainability.

For this year's disclosure on energy consumption and GHG emissions, we continued to collaborate with the IHH Group to address emissions regarding Singapore portfolio, and established targets for reducing emissions based on their typical operational practices. We also partnered with our Japan asset managers on collection of energy data from 57 properties.

Maintaining our operational control approach based on GHG protocol methodology in FY2024[3], our total carbon emissions[4] from our Singapore hospitals and Japan portfolios for the year were 30,802.9 tonnes of CO2e. Of these emissions, 47.3% were attributed to our Japan portfolio.

The emissions that we are accountable for fall under Scope 3, and include the energy use and emissions from our leased properties in Singapore and Japan. This encompasses purchased electricity, fuel consumption, natural gas, refrigerants, as well as anesthesia used in hospitals which are illustrated in the chart below. The total emission from Singapore properties are 16,227.0 tCO2e, with 90.0% of the emissions coming from purchased electricity used by hospitals and tenants. We will continue to track our carbon footprint as part of our efforts to decrease our emissions.

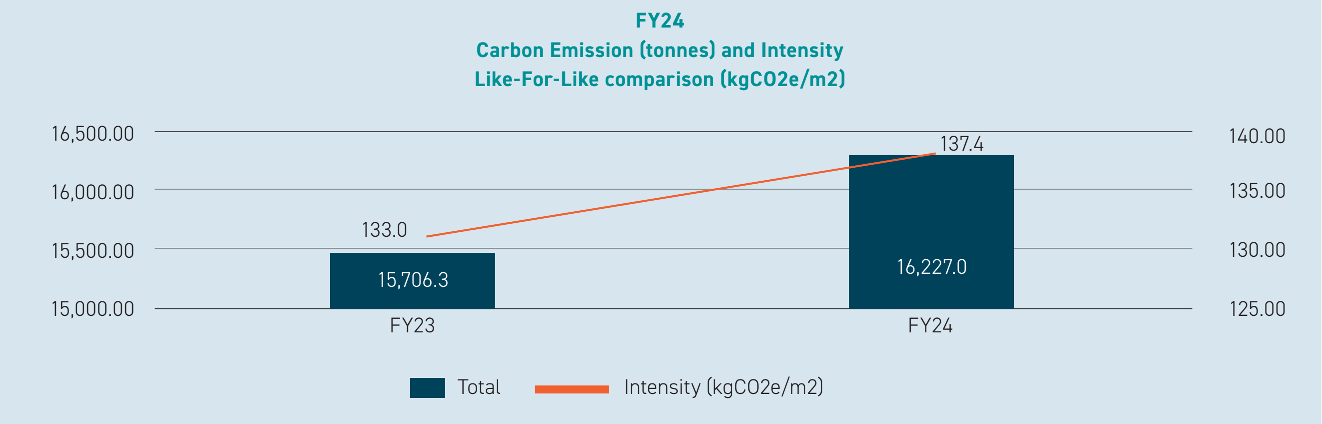
FY24 SCOPE 3 CARBON EMISSIONS



To facilitate the comparison of carbon emissions for our Singapore properties, we performed a like-for-like[5] (LFL) carbon emission and intensity comparison for our Singapore properties between 2023 and 2024. The LFL comparison revealed a 3.3% increase in emissions intensity compared to the previous year. The primary reasons for the increased energy consumption include a rise in electricity usage at Gleneagles Hospital ("GEH") due to issues with the aging chiller system, with replacement chillers currently being installed. Additionally, Mount Elizabeth Hospital ("MEH") has seen an increase in electricity consumption due to construction works associated with its 3-year asset enhancement initiative, Project Renaissance.

(3) To accommodate different reporting cycles for our Japan properties, our emissions figures for Japan properties reported covers a 12-month period from October 2023 to September 2024
(4) The carbon emission calculation comprises 57 (95%) properties in Japan. Emissions calculations utilised the latest Global Warming Potential (GWP) published by IPCC in the Sixth Assessment Report (AR6). We will continue to collaborate with our property managers in Japan to expand our reporting scope in the upcoming reporting year.
(5) The comparison between FY23 and FY24 is on a like-for-like basis and scoped to purchased electricity, diesel consumption, natural gas, refrigerants, and anaesthesia of Singapore properties.

SUSTAINABILITY REPORT



This year, we are actively collecting and disclosing energy consumption data to build on our existing emissions data, which is essential for achieving our energy reduction efficiency targets. By analysing this data, we can identify patterns and areas of high energy use, enabling us to implement targeted strategies for improvement. In Singapore[6], our total energy consumption was 159.1 TJ. The majority of energy consumption in Singapore's properties comes from electricity, which accounts for 79.3% of this total. Meanwhile, in Japan[7], our total energy consumption reached 147.7 TJ.

We strive to reduce our carbon footprint by our CAPEX emission reduction initiatives and adjusted our energy reduction targets to align with our current operations status.

In FY2024, we focused on enhancing energy efficiency across our facilities:

- At Gleneagles Hospital, we completed the replacement of two chillers in December 2024, with the remaining two scheduled for replacement in 2025. Integrated with AI-enhanced Building Management System, this upgrade enhances system performance and optimises energy savings, with expected savings of 16%.
- At Parkway East Hospital, we completed the full replacement of the chiller plant system, including three chillers and two cooling towers in August 2024. This upgrade is expected to reduce energy usage by 20% and enhance the reliability of our HVAC systems.
- At Mount Elizabeth Hospital, as part of Project Renaissance, we upgraded one chiller with a Building Management System for improved efficiency and replaced water fittings under the Water Efficiency Labelling Scheme to enhance water conservation. These upgrades are expected to improve energy consumption by 5%.
- In our nursing home properties, we replaced fluorescent lights with LED lighting at Liverari Shiraishi Hana Ichigo-kan and Liverari Shiraishi Hana Nigo-kan, completing these projects in December 2024. Similar upgrades were also completed at Sunhill Miyako in May 2024. These initiatives improve lighting quality and contribute to energy savings.

Guidelines:	2024 Performance:	2025 Target:
• IHH Group's roadmap towards net zero • Taking guidance from Singapore's Green Plan	**In progress** - Energy intensity increased by 3.3% of LFL compared to FY2023 due to aging chiller system and construction works relating to Project Renaissance for future efficiency and conservation	Initiate energy efficiency improvements for up to 10% of investment properties annually, with the intention to cover 100% of our portfolio by 2050 Remain aligned and support IHH Healthcare Berhad's (Group) target to cap carbon growth by 2025 and achieve Net-Zero by 2050

(6) Data covers diesel, natural gas, refrigerants, and electricity only.
(7) Data covers 57 of our properties in Japan. We will continue to collaborate with our property managers in Japan to expand our reporting scope in the upcoming reporting year.

SUSTAINABILITY REPORT

SOCIAL PILLAR

In our dedication to sustainable progress, the social aspect holds substantial importance. As a healthcare REIT, we are at the intersection of two sectors that play critical roles in society - healthcare and real estate. Our operations inherently impact the communities we operate in, our employees, tenants, and the broader public. The emphasis on social factors aligns with our commitment to foster positive relationships with these stakeholders, uphold exemplary ethical standards, and contribute positively to society.

DIVERSITY AND INCLUSION

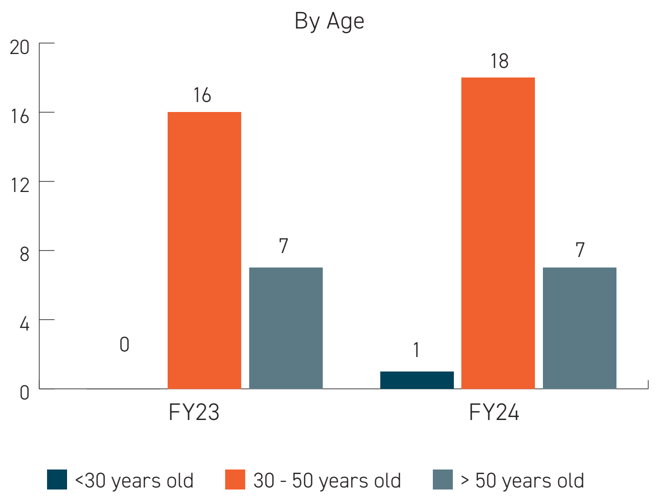
GRI 2-7, 3-3, 401-1, 405-1, 406-1

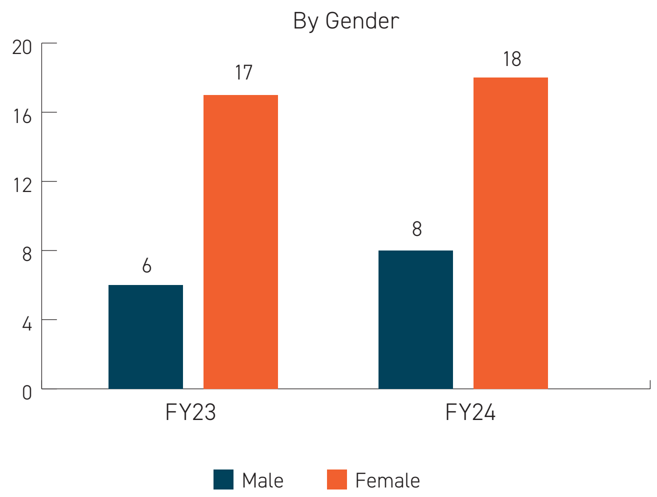
A diverse and inclusive workforce can positively impact our productivity, innovation, and overall success. As such, the Manager is committed to fostering an inclusive culture that respects individual differences and creating a conducive workplace for all staff to successfully use their talents in achieving business results, thus driving shareholder value in the longer term.

As a subsidiary of IHH, the Manager adheres to IHH Group's policy on Diversity and Inclusion which embraces diversity at the workplace, where all employees are granted equal opportunities regardless of any differences amongst individuals or groups. Staff hiring is based solely on merit and potential, with prospective candidates being assessed based on their skills and competencies that best fit to the specific role requirements. To address the stiff hiring market competition, the Manager conducts regular salary benchmarking exercise to ensure our staff is remunerated competitively vis-à-vis the market, to increase staff retention rate.

The Manager successfully hired 4 new employees during the year, with our total headcount increasing to 26, following the departure of 1 employee. All our employees are employed under a permanent contract and are working full-time, with the exception of one employee under contract arrangement. The newly recruited staff members are an equal split of 2 males and 2 females, with one aged under 30 years old and the remaining aged between 30 and 50 years old. The majority of employees are aged between 30 and 50 years old, which constitutes approximately 69% of the Manager's workforce. The total workforce is made up of about 69% females and 31% males, with women making up 46% of the management team. Gender diversity is also maintained at the Board level, with 25% of our board members being female. The Board has committed to maintaining at least 25% women directors on the Board with best efforts and with a view to increasing to 30% over time to achieve greater gender parity.

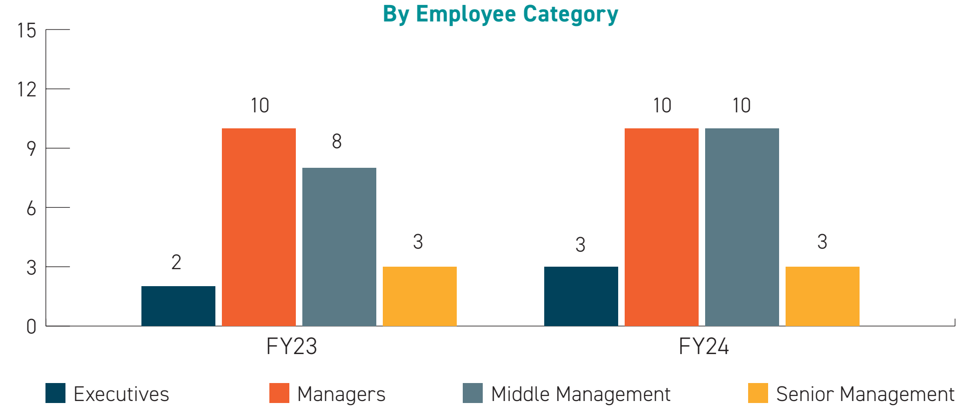
Employee Profile





SUSTAINABILITY REPORT

By Employee Category



Policy and Guides:	2024 Performance:	2025 Target:
Adheres to IHH Group's policy on Diversity and Inclusion	**Target met** - Zero incidents of discrimination	Zero validated incidents of discrimination
Board Diversity Policy	**Target met** – Maintain at least 25% women directors on the Board with best efforts and with a view to increasing to 30% over time to achieve greater gender parity	Maintain at least 25% women directors on the Board with best efforts and with a view to increasing to 30% over time to achieve greater gender parity

PEOPLE AND LEARNING

GRI 2-23, 3-3, 403-9, 403-10

Fostering employee engagement and well-being can positively increase job satisfaction, reduced turnover, and improved overall performance. Given the Manager's lean team, the health and safety of every employee is of utmost importance to the Manager.

Training and Development

GRI 2-17, 2-23, 3-3, 404-1, 404-3

Investing in training and development helps us to establish a more skilled and competent workforce, increased employee satisfaction, and improved business outcomes. We aim to build a strong and competent professional team to drive the success of the REIT. The Manager invests in its human capital by setting aside ample budget for training, encouraging employees to build their core and functional competencies and to keep abreast of the latest changes in the industry and REIT management.

New employees are required to attend the New Employee Orientation which inculcates them with the organisation's mission, vision and values. During this orientation, the Human Resources (HR) team provides an overview of the Hospital/ Corporate Structure, the Employee Self-Service System, and key HR processes. New employees are also introduced to the employee handbook, which outlines various learning and development policies, procedures, and entitlements. HR also conducts regular HR Clinic sessions to communicate new initiatives and policies, as well as to refresh existing policies for current staff.

We believe that an employee's journey is shaped by personal motivation and the mutual accountability of both the employee and the employer. We will continue to enhance existing succession planning and career development frameworks and set clear and established career pathways while establishing robust business continuity plans, to ensure the sustainability of PLife REIT. In accordance with the leadership development plan approved by the Nominating and Remuneration Committee of the Manager, a structured leadership development plan has been put in place for the business-critical roles and their successors.

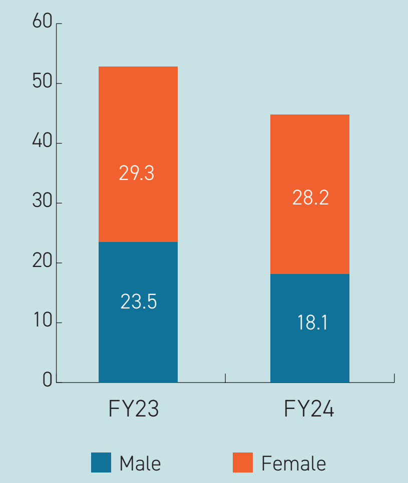
All permanent employees undergo annual performance review. Performance appraisals are two-way, with employees being encouraged to provide feedback to management. In FY2024, 100% of our employees attended their career development and performance review, which allows them to understand how they are performing to improve in the areas needed, as well as to discuss training and development needs.

SUSTAINABILITY REPORT

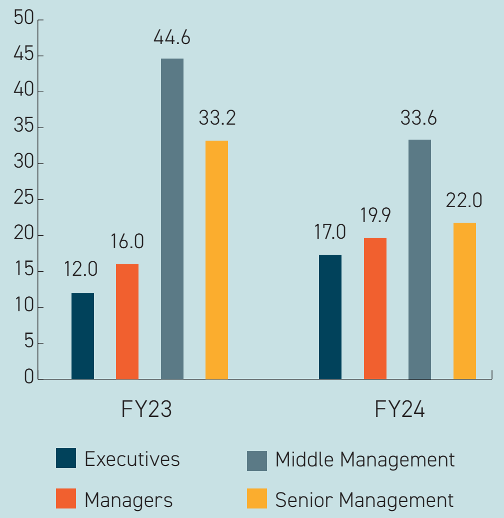
There are also mandatory trainings required to be fulfilled by the employees of the Manager who are appointed as representatives of the Manager in pursuant to the Capital Markets Services (CMS) Licence issued by the Monetary Authority of Singapore on annual basis. A policy on training requirements for the appointed CMS representatives is in place to ensure that our employees are in compliance with the mandatory training requirements and undergo updated trainings and developments in the REIT management. We also maintain a training register to keep track of the trainings and seminars attended by all employees. In FY2024, the average training hours per employee was approximately 25.1 hours. During the year under review, the existing directors who were appointed prior to FY2024 have attended the sustainability training course as prescribed by SGX-ST. The new director who was appointed in FY2024 will be attending the sustainability training course within the time period allowed by SGX-ST.

Detailed Information of Employee Training

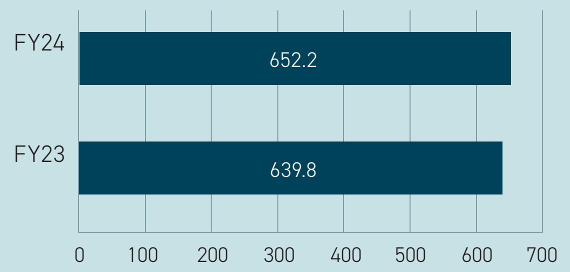
Average Training Hours Per Employee Per Year-By-Gender



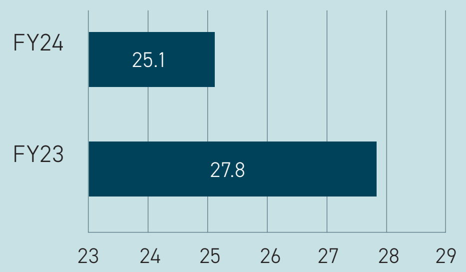
Average Training Hours Per Employee Per Employee Category



Total Training Hours



Average Training Hours Per Employee Per Year



Policy and Guides:	2024 Performance:	2025 Target:
• Employee handbook with details on Manager's human resource policies • Compliance Training Manual	**Target met** – 100% of employees met all mandatory training requirements for their role	100% of employees continue to meet all mandatory training requirements for their role

SUSTAINABILITY REPORT

OCCUPATIONAL HEALTH AND SAFETY

The Manager adheres to IHH Group's policy on Workplace Safety and Health (WSH) Program which ensures that all workplace safety and health-related matters are in compliance to the WSH Act and its subsidiary legislations. There were no incidents of serious office injury and no recordable injuries or cases of work-related ill health reported in FY2024.

Key commitments include:

- Establishing a healthy and safe workplace by integrating WSH into all workplace activities.
- Systematically managing WSH standards to meet regulatory requirements and achieve sustainable safety performance through effective risk management.
- Maintaining a safe environment for staff, contractors, vendors, doctors, patients, visitors, and contracted staff.

A staff incident reporting policy is also in place to manage, investigate, and report incidents that may cause injury, illness, environmental damage, or property loss. This policy supports early detection, analysis, and elimination of potential workplace hazards, dangerous occurrences, or occupational diseases.

Non-Occupational Medical and Healthcare Services

The Manager values the mental health and well-being of our employees and workers just as much as their physical health and safety. As part of our commitment to holistic well-being, we provide comprehensive medical and healthcare services to support their physical and mental wellness, ensuring a healthier and more resilient workforce.

The Manager provides comprehensive medical benefits to all employees, covering inpatient and outpatient care, specialist services, dental subsidies, and health screenings. These screenings enable the early identification of potential health concerns, ensuring prompt intervention and treatment. This proactive strategy promotes improved health outcomes, minimises absenteeism, boosts productivity, and enhances overall employee well-being.

Mental Wellness

In line with IHH Group's commitment to providing ongoing mental wellness resources and support for employees, all Heads of Functions (HOF) participated in the Mental Health First Aid (MHFA) webinar in June 2024. Organised by the Group, the webinar equipped HOF with essential skills to proactively support and guide individuals facing mental health challenges in the workplace.

To further support employees' mental well-being, all employees have access to "Intellect", a third-party interactive app that offers daily mental wellbeing support from clinical professionals, available anytime at their convenience. This app helps employees to manage their emotions, monitor stress-coping skills, and access self-guided tools or one-on-one counselling tailored to their individual needs.

Recognising that personal well-being directly impacts workplace performance, the Manager believes that when employees are able to effectively manage challenges at home, they are better equipped to succeed at work and contribute to the company's goals. In addition, free care and counselling services are available for employees and their family members, offering a safe space for those in need of guidance or support for personal or family-related matters.

Policy and Guides:	2024 Performance:	2025 Target:
Adheres to IHH Group's policy on Workplace Safety and Health (WSH) Program to compliance with WSH Act and subsidiary legislations	**Target met** - Zero incidents resulting in employee* fatality or permanent disability	Zero incidents resulting in employee* fatality or permanent disability

* Relates to employees of the Manager, in office and on-site

SUSTAINABILITY REPORT

STAKEHOLDER ENGAGEMENT

GRI 2-23, 2-29, 308-1, 413-1

Our stakeholders' concerns and opinions shape the work that we do and the way that we operate. Our interactions with our stakeholders are regular and take on a wide variety of forms, which provides us the opportunity to interact directly with them and enables us to accurately identify, capture, and address their sustainability priorities whilst making business-related decisions. These interactions are highlighted in the table below:

Stakeholders	Key Concerns of Each Stakeholder Group	Engagement methods	Frequency of Engagement
Unitholders and prospective investors	• Business performance and strategy • Economic, social and environment concerns • Sustainable returns	• Annual general meeting • Corporate website • Corporate literature • Investor outreach programmes • News and media releases	• Annually • Throughout the year • Throughout the year • Throughout the year • Throughout the year
Employees	• Communicate business strategy and development • Employee wellness • Reward and recognition • Training and development	• Company staff bonding events • Employment compensation and benefits • Informal and formal staff communications • Training courses • Corporate retreat • Performance appraisal	• Throughout the year • Throughout the year • Throughout the year • Throughout the year • Annually • Annually
Tenants / Operators	• Health and safety • Quality of properties • Tenancy matters	• Established channels of communication on property-related issues, such as dedicated asset manager to each property • Regular site visits • Tenants' satisfaction survey	• Throughout the year • Throughout the year • Annually
Community	• Community investment • Impact of business to environment and society	• Corporate social responsibility events • Donation to charity events	• Throughout the year • Throughout the year

2024 Performance:	2025 Target:
Target Met - Receive annual survey responses from at least 90% of tenants (by gross revenue)	Receive annual survey responses from at least 90% of tenants (by gross revenue)
Target Met - Complete at least 1 employee engagement exercise annually and review all feedback received	Complete at least 1 employee engagement exercise annually, with a target of 90% participation rate, and review all feedback received
Target Met - Organise at least 1 community involvement project annually	Organise at least 1 community involvement project annually

SUSTAINABILITY REPORT

PLife REIT was honoured to receive the shareholder Communications Excellence Award (SCEA) in the REITs & Business Trusts category at the Securities Investors' Association (Singapore) Investors' Choice Awards 2024. This prestigious recognition underscores PLife REIT's commitment to transparent, timely and effective communication with its shareholders, demonstrating the high standards set for investor relations and corporate governance.

Employee Engagement

The PLifeCARES Committee is tasked to organise regular employee bonding activities including educational talks, sports activities, and festive celebrations. This year, the Manager organised a 3-day, 2-night company retreat at Johor Bahru, Malaysia. During the retreat, the committee arranged various bonding activities like bowling and Karaoke session, which aimed at fostering teamwork and strengthening bonds among staff from different departments. Staff were given free time to shop at the Premium Outlet as a form of retail therapy, allowing them to relax and rejuvenate. In addition to the retreat, the Company frequently organises various group activities, such as nature walks, acquisition celebrations, durian feasts, and tea break get-togethers, where staff can bond over simple snacks. Moreover, each department has a designated bonding fund to promote intra-departmental connections. These initiatives play a key role in fostering a positive and engaging work environment for all employees.

A company get-together during the durian season

Staff enjoying a nature walk in Sentosa to promote health and wellness

The Manager has put in place a long-term incentive plan for retention of key personnel. Apart from ensuring that the staff are competitively remunerated, we are also actively promoting a conducive family-like working environment to lower staff attrition rate. We believe that transparency is essential for alignment of expectations and a more contented workforce; therefore, the employee handbook clearly states what is required of employees through various policies and practices such as the Code of Conduct, Collective Agreements and Grievance procedures. It also details employees' welfare entitlements, including leave, health benefits, and insurance, among others.

An Employee Engagement Survey was conducted from 7 to 25 October 2024, with an impressive 96% participation rate. The Manager attained a favorable overall Balanced Scorecard (BSC) of 80%, reflecting our commitment to the ACE (Align-Challenge-Empower) framework, which aims to drive growth by fostering a unified purpose, enhancing efficiency, and empowering employees to innovate and excel. Furthermore, the Manager received a positive Employee Net Promoter Score (eNPS), indicating that most staff would recommend the company as a great place to work to people they know.

Community Outreach

GRI 413-1

Engaging in community outreach initiatives has a positive impact on our brand reputation and fosters stronger connections with local stakeholders. The Manager is committed to making a positive impact on the local community and has a dedicated Corporate Social Responsibility (CSR) Committee to plan and execute at least 1 community involvement project annually. This year, to commemorate World Cerebral Palsy Month in October, we have collaborated with Cerebral Palsy Alliance Singapore (CPAS) for an excursion for the adults with cerebral palsy and their caregivers to the Bird Paradise on 11 October 2024. This initiative seeks to raise awareness of cerebral palsy, provide support to those impacted, and champion their rights and inclusion.

Participants from CPAS' GROW programme enjoying a meaningful lunch at Bird Paradise, kindly hosted by Bird Bakery Restaurant, with the support of volunteers and caregivers.

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A memorable day at Bird Paradise with 80 trainees from CPAS' GROW programme, supported by caregivers, volunteers, and staff from CPAS, Singapore Polytechnic, and Parkway Trust Management Limited.

This excursion was one of CPAS' largest group activity attended by 80 trainees from CPAS Goodwill, Rehabilitation, and Occupational Workshop (GROW) and supported by 70 personnel including caregivers, CPAS staff, Manager's staff, and student volunteers from Singapore Polytechnic. For many CPAS GROW trainees, especially wheelchair-users, it was an invaluable opportunity to explore the outdoors and experience rare bird sightings. The event also provided much-needed respite for caregivers, allowing them to relax and enjoy the day with the participants. The smiles from the participants were a heartwarming gift for the volunteers.

The Manager followed up with a second CSR initiative for the year, partnering with the Society for the Aged Sick (SAS), a not-for-profit nursing home that provides residential care to elderly individuals requiring skilled nursing services. Beyond medical care, SAS prioritises the mental well-being of their residents due to the risk of isolation of staying in the nursing home. SAS intends to launch a new program for the residents to have close-up interaction with trained animals. We are happy to support with a token contribution of $1,500 to kick-start the program and believe that such animal-assisted bonding will add on to the variety of events at the home thus improving the quality of life and mental well-being of the elderly.

TENANT AND OPERATOR SUSTAINABILITY

As part of the evaluation and due diligence process of acquiring new healthcare/healthcare-related properties, we conduct background research and assess the operators in order to better evaluate and manage potential counterparty risks which may affect the REIT. On top of the independent credit and financial valuation of the business operation of the operators, due diligence checks are carried out to ensure relevant licenses are complete, up to date and in compliance with local regulatory requirements. The operator's operational history and management background, as well as credit and financial assessment of the operator's business profitability are further clarified and checked via information provided by local asset managers, consultants and vendors in their independent assessment of the target operators' financial, regulatory and social performance.

Post-acquisitions, the Manager continues to maintain constant communication with our tenants/operators and asset managers on-the-ground to ensure sustained performance and management of the properties. Tenants/operators must abide by the terms underthe lease agreements. For example, in Japan, we ensure that operators adhere to non-anti-social clauses, which prevent them from engaging in anti-social activities. The Manager also conducts annual credit assessments as well as tenant satisfaction surveys to minimise any unexpected operational, financial or social issues. A tenant satisfaction survey conducted in FY2024 revealed strong support from key tenants, who collectively contribute over 90% of the REIT's revenue. The survey achieved an overall satisfaction score exceeding 4 out of 5, indicating general satisfaction among this crucial tenant base.

GOVERNANCE PILLAR

ETHICS, COMPLIANCE AND REPORTING

GRI 2-16, 2-25, 2-26, 2-27, 3-3, 205-3

As a REIT and REIT Manager, we are subject to numerous laws and regulations applicable to REIT management. Compliance with these laws and regulations is essential to protecting our intangible assets, our reputation, and building trust with stakeholders. Breaches could lead to the loss of our operating license, cause reputational damage and may lead to a loss of trust in the Manager from stakeholders such as the Board of Directors, Unitholders, regulators and employees. In addition, there are also regulations specific to the healthcare industry which affect operations at our properties. Any failures in compliance with such health and safety regulations will call into question the integrity of the Manager and raise questions about our ability to operate in an ethical way.

Compliance with Laws and Regulations

The Manager has a strong commitment to good corporate governance and regulatory compliance. Compliance for PLife REIT generally covers the following areas:

- Compliance with CMS License for Real Estate Investment Trust Management issued by the MAS
- Compliance with Anti-Corruption and Anti-Money Laundering regulation
- Compliance with Personal Data Protection Policy
- Compliance with Whistle-Blowing Policy
- Compliance with health and safety regulations of our properties

The Manager has a structured process for communicating critical concerns and managing reports. When staff become aware of a breach of internal compliance policies, they are required to report it immediately to both the Head of Department (HOD) and the Compliance Officer. The Compliance Officer will escalate the matter to the CFO and CEO for deliberation of appropriate corrective actions. Significant or material breaches

SUSTAINABILITY REPORT

are promptly communicated to the ARC for timely oversight and response, while less significant breaches are reported to the ARC at the next scheduled meeting. Regulatory breaches requiring reporting to the Monetary Authority of Singapore (MAS) or other regulatory bodies are evaluated and reported immediately, or within the prescribed time frame set by the relevant regulatory authorities.

For FY2024, there were zero incidents of significant[8] fines and non-monetary sanctions against PLife REIT and the Manager.

Ethics and Anti-Corruption

GRI 2-16, 2-23, 3-3

Maintaining high ethical standards and anti-corruption culture is not only to mitigate the reputational risks, but also to prevent unethical behavior, promote transparency and accountability. The Manager has a strong commitment to ethical business and anti-corruption culture. We adopt a zero-tolerance stance on fraud, corruption and other unethical behaviour and are committed to a high standard of compliance with accounting, financial reporting, internal controls, corporate governance and auditing requirements, as well as any legislation that is relevant to our business.

The Manager adheres to IHH Group's Anti-Bribery and Corruption Policy that sets out key principles for corporations to adopt and demonstrate commitments towards creating a business environment that is fair, transparent and free from corruption. The IHH Group's Policy elaborates the core principles and promotes compliance by all employees with the anti-corruption laws that apply to IHH Group operations, including the anti-corruption laws of all countries in which IHH Group conducts business.

Policy and Regulations:	2024 Performance:	2025 Target:
• Anti-Bribery and Corruption Policy • Additional relevant policies and regulations listed under Compliance with Laws and Regulations section above	**Target met** – Zero incidents of significant[8] fines and non-monetary sanctions against PLife REIT and the Manager	Zero incidents of significant[8] fines and non-monetary sanctions against PLife REIT and the Manager relating to regulatory, data privacy and cybersecurity breaches.

CYBER-READINESS, SECURITY AND DATA PRIVACY

GRI 2-16, 2-23, 3-3, 418-1

As the Manager of PLife REIT, we are committed to complying with all relevant regulations, including international and local data privacy laws, to ensure the confidentiality and integrity of our stakeholders' information. We focus on addressing vulnerabilities such as email security, data breaches, ransomware attacks, and other cyber threats.

The Manager adheres to IHH Group's Information Security Governance Framework, IT & Cyber Security Risk Management Policy, and Information Security Policy. These documents define our mandates and best practices in alignment with the Information Security Management System (ISMS) under the ISO/IEC 27001:2022 Standard. The policies, procedures, roles, and responsibilities outlined in these frameworks guide our approach to cybersecurity and ensure that we are meeting the highest standards of risk management and data protection.

As a CMS-licensed entity, the Manager complies with the Monetary Authority of Singapore's (MAS) Notice on Technology Risk Management and follows the best practices outlined in the Technology Risk Management Guidelines. In accordance with these guidelines, we conduct mandatory annual cybersecurity awareness training for all staff. In FY2024, 100% of employees successfully completed this training, reinforcing our organisational commitment to a security-conscious culture.

Furthermore, we are dedicated to safeguarding personal data in line with our Personal Data Protection Act policy. Our publicly available privacy statement, which can be accessed on our website, outlines how we handle the personal data of Unitholders. We are pleased to report that, in FY2024, there were zero substantiated complaints related to personal data breaches.

Policy and Guides:	2024 Performance:	2025 Target:
Information Security Policy	**Target met** – Achieve 100% completion on employee cyber security awareness training annually	Achieve 100% completion on employee cyber security awareness training annually

(8) Significant shall mean more than 1% of the Profit Before Tax of PLife REIT and the Manager respectively

SUSTAINABILITY REPORT

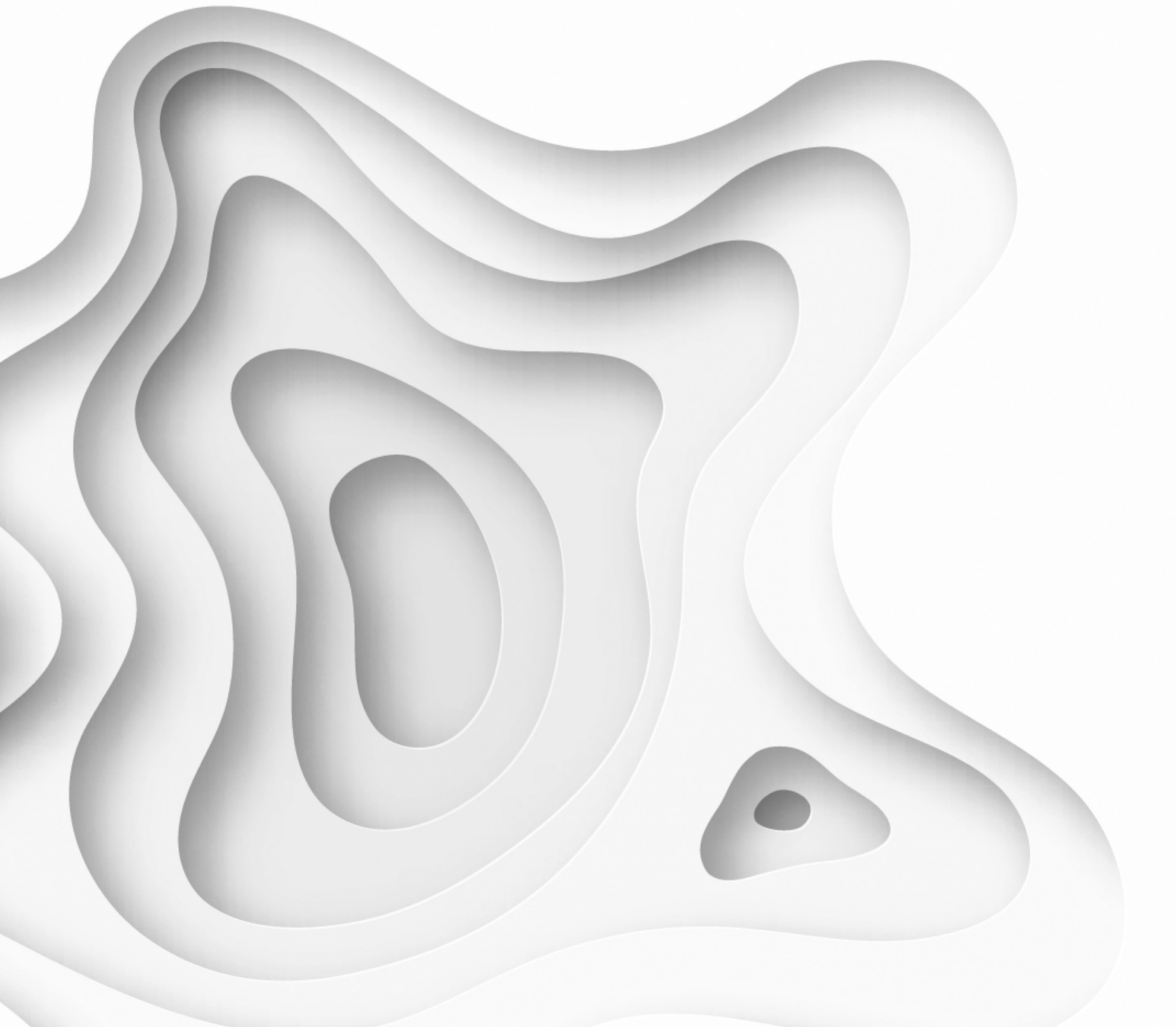
GRI INDEX

GRI Standards 2021	Disclosure Number	Disclosure Title	Section and Page Reference / Notes
		Universal Standards	
GRI 2: General Disclosures (2021)	**The Organisational and its reporting practices**		
	2-1	Organisational details	Annual Report, Corporate Profile, page 1
	2-2	Entities included in the organisation's sustainability reporting	Reporting Scope, page 94
	2-3	Reporting period, frequency and contact point	About this Report, pages 94 to 95
	2-4	Restatements of information	There are no restatements of information for FY2024
	2-5	External assurance	We have not sought external assurance and will consider it in the future.
	The Organisational and its reporting practices		
	2-6	Activities, value chain and other business relationships	Annual Report, Corporate Profile, page 1
	2-7	Employees	Diversity and Inclusion, pages 106 to 107
	Governance		
	2-9	Governance structure	Sustainability Governance, pages 95 to 96
	2-10	Nomination and selection of the highest governance body	Annual Report, Corporate Governance, pages 67 to 71
	2-11	Chair of the highest governance body	Annual Report, Corporate Governance, page 72
	2-12	Role of the highest governance body in overseeing the management of impacts	Board Statement, page 94 Annual Report, Corporate Governance, page 72
	2-13	Delegation of responsibility for managing impacts	Board Statement, page 94
	2-14	Role of the highest governance body in sustainability reporting	Board Statement, page 94 Sustainability Governance, pages 95 to 96
	2-15	Conflicts of interest	Annual Report, Corporate Governance, pages 82 to 83
	2-16	Communication of critical concerns	Ethics, Compliance and Reporting, pages 112 to 113
	2-17	Collective knowledge of the highest governance body	People and Learning, pages 107 to 108
	2-18	Evaluation of the performance of the highest governance body	Annual Report, Corporate Governance, pages 72 to 73
	2-19	Remuneration policies	Annual Report, Corporate Governance, pages 74 to 76
	2-20	Process to determine remuneration	
	2-21	Annual total compensation ratio	We are not disclosing this information based on confidentiality grounds.
	Strategy, policies and practices		
	2-22	Statement on sustainable development strategy	Board Statement, page 94
	2-23	Policy commitments	Sustainable Investment, page 99 Diversity and Inclusion, page 107 People and Learning, page 108 Occupational Health and Safety, page 109 Ethics, Compliance and Reporting, page 113 Cyber-readiness, Security and Data Privacy, page 113 Each policy mentioned in the Sustainability Report has a policy owner who will regularly review the policy, assess if training is required and perform ongoing monitoring.
	2-24	Embedding policy commitments	
	2-25	Processes to remediate negative impacts	Ethics, Compliance, and Reporting, pages 112 to 113
	2-26	Mechanisms for seeking advice and raising concerns	Ethics, Compliance, and Reporting, pages 112 to 113

SUSTAINABILITY REPORT

GRI Standards 2021	Disclosure Number	Disclosure Title	Section and Page Reference / Notes
		Universal Standards	
GRI 3: Material Topics (2021)	2-27	Compliance with laws and regulations	Ethics, Compliance, and Reporting, pages 112 to 113
	2-28	Membership associations	The Manager is a REITAS member as well as corporate member of Singapore Institute of Directors.
	Stakeholder engagement		
	2-29	Approach to stakeholder engagement	Stakeholder Engagement, pages 110 to 112
	2-30	Collective bargaining agreements	The Manager does not have collective agreement with union.
	Disclosures on material topics		
	3-1	Process to determine material topics	Materiality Assessment of our ESG Factors, pages 96 to 97
	3-2	List of material topics	Materiality Assessment of our ESG Factors, pages 96 to 97
	3-3	Management of material topics	Materiality Assessment of our ESG Factors, pages 96 to 97 Narratives on the impact under each material topic
		Topic Standards	
Economic Performance			
GRI 201: Economic Performance (2016)	201-1	Direct economic value generated and distributed	Economic Contribution and Risk Management, page 99
Ethics and Anti-corruption			
GRI 205: Anti-corruption (2016)	205-3	Confirmed incidents of corruption and actions taken	Ethics and Anti-Corruption, page 113
Energy & Emissions			
GRI 302: Energy (2016)	302-2	Energy consumption outside the organisation	Energy & GHG Emissions, pages 104 to 105
GRI 305: Emissions (2016)	305-3	Other indirect (Scope 3) GHG emissions	Energy & GHG Emissions, pages 104 to 105
	305-4	GHG emissions intensity	
Employment			
GRI 401: Employment (2016)	401-1	New employee hires and employee turnover	Diversity and Inclusion, page 106
GRI 403: Occupational Health & Safety (2016)	403-1	Occupational health and safety management system	Occupational Health and Safety, page 109
	403-6	Promotion of worker health	Occupational Health and Safety, page 109
	403-8	Workers covered by an occupational health and safety management system	Occupational Health and Safety, page 109
	403-9	Work-related injuries	Occupational Health and Safety, page 109
	403-10	Work-related ill health	Occupational Health and Safety, page 109
GRI 404: Training and Education (2016)	404-1	Average hours of training per year per employee	Training and Development, pages 107 to 108
	404-3	Percentage of employees receiving regular performance and career development reviews	Training and Development, pages 107 to 108
GRI 405: Diversity and Equal Opportunity (2016)	405-1	Diversity of governance bodies and employees	Diversity and Inclusion, pages 106 to 107
GRI 406: Non-discrimination (2016)	406-1	Incidents of discrimination and corrective actions taken	Diversity and Inclusion, pages 106 to 107
Community Impact			
GRI 413: Local Communities (2016)	413-1	Operations with local community engagement, impact assessments, and development programs	Community Outreach, pages 111 to 112
Cyber-readiness, Security and Data Privacy			
GRI 418: Cyber-readiness, Security and Data Privacy (2016)	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Cyber-readiness, Security and data privacy, page 113

FINANCIAL STATEMENTS



REPORT OF THE TRUSTEE

HSBC Institutional Trust Services (Singapore) Limited (the "Trustee") is under a duty to take into custody and hold the assets of Parkway Life Real Estate Investment Trust (the "Trust") and its subsidiaries (the "Group") in trust for the holders ("Unitholders") of units in the Trust (the "Units"). In accordance with the Securities and Futures Act 2001 of Singapore, its subsidiary legislation and the Code on Collective Investment Scheme, the Trustee shall monitor the activities of Parkway Trust Management Limited (the "Manager") for compliance with the limitations imposed on the investment and borrowing powers as set out in the trust deed dated 12 July 2007 (as amended by the First Supplemental Deed dated 12 November 2009, the Second Supplemental Deed dated 30 March 2010, the Third Supplemental Deed dated 31 March 2016, the Fourth Supplemental Deed dated 2 May 2019, the Fifth Supplemental Deed dated 2 April 2020 and the Sixth Supplemental Deed dated 23 September 2020) (the "Trust Deed"), between the Trustee and the Manager in each annual accounting period and report thereon to Unitholders in an annual report.

To the best knowledge of the Trustee, the Manager has, in all material respects, managed the Trust during the year covered by these financial statements, set out on pages 123 to 208, in accordance with the limitations imposed on the investment and borrowing powers set out in the Trust Deed.

For and on behalf of the Trustee,
HSBC Institutional Trust Services (Singapore) Limited

Authorised Signatory

26 February 2025

STATEMENT BY THE MANAGER

In the opinion of the directors of Parkway Trust Management Limited, the accompanying financial statements set out on pages 123 to 208, comprising the statements of financial position, statements of total return, distribution statements, statements of movements in Unitholders' funds and portfolio statements of the Group and of the Trust, statement of cash flows of the Group and a summary of material accounting policies and other explanatory notes, are drawn up so as to present fairly, in all material respects, the financial position and the portfolio of Parkway Life Real Estate Investment Trust (the "Trust") and its subsidiaries (the "Group") and of the Trust as at 31 December 2024, the total returns, distributable income, movements in Unitholders' funds of the Group and the Trust and cash flows of the Group for the year then ended in accordance with the recommendations of Statement of Recommended Accounting Practice 7 "*Reporting Framework for Investment Funds*" (RAP 7) issued by the Institute of Singapore Chartered Accountants and the provisions of the Trust Deed. At the date of this statement, there are reasonable grounds to believe that the Group and the Trust will be able to meet their financial obligations as and when they materialise.

For and on behalf of the Manager,
Parkway Trust Management Limited

Yong Yean Chau
Director

26 February 2025

INDEPENDENT AUDITORS' REPORT

Unitholders
Parkway Life Real Estate Investment Trust

Constituted in the Republic of Singapore pursuant to the trust deed dated 12 July 2007 (as amended by the First Supplemental Deed dated 12 November 2009, the Second Supplemental Deed dated 30 March 2010, the Third Supplemental Deed dated 31 March 2016, the Fourth Supplemental Deed dated 2 May 2019, the Fifth Supplemental Deed dated 2 April 2020 and the Sixth Supplemental Deed dated 23 September 2020)

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Parkway Life Real Estate Investment Trust (the Trust) and its subsidiaries (the Group), which comprise the consolidated statement of financial position and consolidated portfolio statement of the Group and the statement of financial position and portfolio statement of the Trust as at 31 December 2024, the consolidated statement of total return, consolidated distribution statement, consolidated statement of movements in unitholders' funds and consolidated statement of cash flows of the Group and the statement of total return, distribution statement and statement of movements in unitholders' funds of the Trust for the year then ended, and notes to the financial statements, including a summary of material accounting policy information, as set out on pages 123 to 208.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of financial position, portfolio statement, statement of total return, distribution statement and statement of movements in unitholders' funds of the Trust present fairly, in all material respects, the consolidated financial position and the consolidated portfolio holdings of the Group and the financial position and the portfolio holdings of the Trust as at 31 December 2024 and the consolidated total return, consolidated distributable income, consolidated movements in unitholders' funds and consolidated cash flows of the Group and the total return, distributable income and movements in unitholders' funds of the Trust for the year then ended on that date in accordance with the recommendations of Statement of Recommended Accounting Practice 7 *Reporting Framework for Investment Funds* (RAP 7) issued by the Institute of Singapore Chartered Accountants (ISCA).

Basis for opinion

We conducted our audit in accordance with Singapore Standards on Auditing (SSAs). Our responsibilities under those standards are further described in the '*Auditors' responsibilities for the audit of the financial statements*' section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* (ACRA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Valuation of investment properties (Refer to Portfolio Statements and Note 4 to the financial statements)

Risk

Investment properties represent the single largest category of assets on the consolidated statement of financial position of the Group at $2.5 billion (2023: $2.2 billion) as at 31 December 2024.

INDEPENDENT AUDITORS' REPORT

These investment properties are stated at their fair values based on independent external valuations.

The valuation process involves significant judgement in determining the appropriate valuation methodology to be used, and in estimating the underlying assumptions to be applied. The valuations are highly sensitive to key assumptions applied and a small change in the assumptions can have a significant impact to the valuation.

Our response

We evaluated the qualifications, competence and objectivity of the external valuers and held discussions with the valuers to understand their valuation methodologies and assumptions used.

We considered the valuation methodologies used against those applied by other valuers for similar property types. We tested the integrity of the significant data inputs applied in the projected cash flows used in the valuation to supporting leases and other documents. We challenged the key assumptions used in the valuations, which included capitalisation, discount and terminal yield rates by comparing them against historical rates and available industry data, taking into consideration comparability and market factors. Where assumptions were outside the expected range, we undertook further procedures to understand the effect of additional factors taken into account in the valuations.

Our findings

The valuers are members of recognised professional bodies for valuers and have considered their own independence in carrying out their work.

The valuation methodologies adopted by the valuers are in line with generally accepted market practices. The significant data inputs used were supported by relevant supporting documents. The key assumptions used in the valuations were generally comparable to available industry data. Where the assumptions were outside the expected range, the additional factors considered by the valuers were consistent with other corroborative evidence.

Other information

Parkway Trust Management Limited, the manager of the Trust (the Manager) is responsible for the other information contained in the annual report. Other information is defined as all information in the annual report other than the financial statements and our auditors' report thereon.

We have obtained the Report of the Trustee and Statement by the Manager prior to the date of this auditors' report. The other sections of the annual report ("the Reports") are expected to be made available to us after that date.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information that we obtained prior to the date of this auditors' report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the Reports, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the Manager and take appropriate actions in accordance with SSAs.

INDEPENDENT AUDITORS' REPORT

Responsibilities of the Manager for the financial statements

The Manager is responsible for the preparation and fair presentation of these financial statements in accordance with the recommendations of RAP 7 issued by the ISCA, and for such internal control as the Manager determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Manager is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Manager either intends to terminate the Group or to cease operations of the Group, or has no realistic alternative but to do so.

The Manager's responsibilities include overseeing the Group's financial reporting process.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Manager.

- Conclude on the appropriateness of the Manager's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.

INDEPENDENT AUDITORS' REPORT

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion

We communicate with the Manager regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that we identify during our audit.

We also provide the Manager with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Manager, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulations preclude public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditors' report is Sarina Lee.

KPMG LLP
Public Accountants and
Chartered Accountants

Singapore
26 February 2025

STATEMENTS OF FINANCIAL POSITION

AS AT 31 DECEMBER 2024

	Note	Group 2024 $'000	Group 2023 $'000	Trust 2024 $'000	Trust 2023 $'000
Non-current assets					
Investment properties	4	2,464,764	2,230,981	1,603,000	1,506,000
Interests in subsidiaries	5	–	–	744,964	733,702
Trade and other receivables	8	–	–	168,811	–
Financial derivatives	7	15,556	39,257	15,556	39,257
		2,480,320	2,270,238	2,532,331	2,278,959
Current assets					
Financial derivatives	7	32,724	1,341	32,724	1,341
Trade and other receivables	8	8,632	6,316	6,958	2,831
Advance payment	6	–	27,740	–	27,740
Cash and cash equivalents	9	29,471	28,499	4,461	4,651
		70,827	63,896	44,143	36,563
Total assets		2,551,147	2,334,134	2,576,474	2,315,522
Current liabilities					
Financial derivatives	7	–	1,820	–	1,820
Trade and other payables	10	40,356	30,723	34,484	24,138
Current portion of security deposits		472	440	–	–
Loans and borrowings	11	17,797	53,544	17,797	53,544
Lease liabilities		15	15	–	–
		58,640	86,542	52,281	79,502
Non-current liabilities					
Financial derivatives	7	677	3,572	677	3,572
Non-current portion of security deposits		16,058	16,889	–	–
Loans and borrowings	11	866,243	772,843	866,243	772,843
Deferred tax liabilities	12	36,244	36,156	–	–
Deferred income		1,279	1,506	–	–
Lease liabilities		2,054	2,069	–	–
		922,555	833,035	866,920	776,415
Total liabilities		981,195	919,577	919,201	855,917
Net assets		1,569,952	1,414,557	1,657,273	1,459,605
Represented by:					
Unitholders' funds	13	1,569,952	1,414,557	1,657,273	1,459,605
Units in issue ('000)	14	652,371	605,002	652,371	605,002
Net asset value per unit ($)		2.41	2.34	2.54	2.41

The accompanying notes form an integral part of these financial statements.

STATEMENTS OF TOTAL RETURN

YEAR ENDED 31 DECEMBER 2024

	Note	Group 2024 $'000	Group 2023 $'000	Trust 2024 $'000	Trust 2023 $'000
Gross revenue	15	145,268	147,467	113,964	114,982
Property expenses	16	(8,671)	(8,383)	(3,721)	(3,538)
Net property income		136,597	139,084	110,243	111,444
Management fees	17	(14,511)	(14,491)	(13,277)	(13,190)
Trust expenses	18	(3,569)	(3,008)	(2,776)	(2,168)
Interest income		1,066	37	1,409	–
Finance costs	19	(12,147)	(10,803)	(11,887)	(10,532)
Foreign exchange gain, net		7,159	7,525	52,583	61,905
		(22,002)	(20,740)	26,052	36,015
Total return before changes in fair value of financial derivatives and investment properties		114,595	118,344	136,295	147,459
Net change in fair value of financial derivatives		5,178	1,173	10,600	8,434
Net change in fair value of investment properties	4	(18,037)	(11,249)	(7,556)	(10,645)
Total return before income tax		101,736	108,268	139,339	145,248
Income tax expense	20	(6,695)	(7,803)	–	–
Total return for the year		95,041	100,465	139,339	145,248
Earnings per unit (cents)					
Basic and diluted	21	15.51	16.61	22.73	24.01

The accompanying notes form an integral part of these financial statements.

DISTRIBUTION STATEMENTS

YEAR ENDED 31 DECEMBER 2024

	Note	Group 2024 $'000	Group 2023 $'000	Trust 2024 $'000	Trust 2023 $'000
Amount available for distribution to Unitholders at beginning of the year		45,264	44,314	45,264	44,314
Total return for the year		95,041	100,465	139,339	145,248
Distribution adjustments	A	(624)	(8,221)	(44,922)	(53,004)
Rollover adjustment		2	97	2	97
Amount retained for capital expenditure		(3,000)	(3,000)	(3,000)	(3,000)
Income for the year available for distribution to Unitholders	B	91,419	89,341	91,419	89,341
Amount available for distribution to Unitholders		136,683	133,655	136,683	133,655
Distributions to Unitholders during the year:					
- Distribution of 7.32 cents per unit for period from 1 July 2022 to 31 December 2022		–	44,286	–	44,286
- Distribution of 7.29 cents per unit for period from 1 January 2023 to 30 June 2023		–	44,105	–	44,105
- Distribution of 7.48 cents per unit for period from 1 July 2023 to 31 December 2023		45,254	–	45,254	–
- Distribution of 7.54 cents per unit for period from 1 January 2024 to 30 June 2024		45,617	–	45,617	–
- Distribution of 5.00 cents per unit for period from 1 July 2024 to 31 October 2024		30,250	–	30,250	–
		121,121	88,391	121,121	88,391
Amount available for distribution to Unitholders at end of the year		15,562	45,264	15,562	45,264
Number of units entitled to distribution ('000)	14	652,371	605,002	652,371	605,002
Distribution per unit (cents)[1]		14.92	14.77	14.92	14.77

[1] The distribution per unit relates to the distributions in respect of the relevant financial year. Distribution to Unitholders in 2024 included an advanced distribution of $30.3 million or 5.00 cents per units declared to eligible Unitholders on 1 November 2024. This advanced distribution represented distribution from 1 July 2024 to 31 October 2024 to Unitholders existing as at 31 October 2024 and prior to the issuance of new units pursuant to the private placement ("Private Placement") and was paid on 26 November 2024.

The accompanying notes form an integral part of these financial statements.

DISTRIBUTION STATEMENTS

YEAR ENDED 31 DECEMBER 2024

Note A – Distribution adjustments comprise:

	Group		Trust	
	2024	**2023**	**2024**	**2023**
	$'000	**$'000**	**$'000**	**$'000**
Non-tax deductible/(non-taxable) items:				
Trustee's fees	380	371	380	371
Finance costs	5,570	4,152	5,553	4,135
Net overseas income not distributed to the Trust	–	–	19,412	20,415
Management fees paid/payable in units	63	–	63	–
Foreign exchange loss/(gain), net	2,501	323	(42,932)	(54,064)
Net change in fair value of financial derivatives	(5,178)	(1,173)	(10,600)	(8,434)
Net change in fair value of investment properties (net of deferred tax impact)	20,706	14,814	7,556	10,645
Effect of recognising rental income on a straight-line basis over the lease terms	(24,063)	(27,012)	(24,186)	(26,441)
Others	(603)	304	(168)	369
Net effect of distribution adjustments	(624)	(8,221)	(44,922)	(53,004)

Note B – Income for the year available for distribution to Unitholders

	Group		Trust	
	2024	**2023**	**2024**	**2023**
	$'000	**$'000**	**$'000**	**$'000**
Unitholders' distributions:				
- from operations	71,146	68,972	71,146	68,972
- from Unitholders' contributions	20,273	20,369	20,273	20,369
Total Unitholders' distributions	91,419	89,341	91,419	89,341

The accompanying notes form an integral part of these financial statements.

STATEMENTS OF MOVEMENTS IN UNITHOLDERS' FUNDS

YEAR ENDED 31 DECEMBER 2024

	Group		Trust	
	2024	**2023**	**2024**	**2023**
	$'000	**$'000**	**$'000**	**$'000**
Unitholders' funds at beginning of year	1,414,557	1,410,486	1,459,605	1,410,133
Operations				
Total return for the year	95,041	100,465	139,339	145,248
Unitholders' transactions				
Issue of new units pursuant to Private Placement	180,002	–	180,002	–
Issue expenses	(2,619)	–	(2,619)	–
Distribution to Unitholders	(121,121)	(88,391)	(121,121)	(88,391)
Total increase in Unitholders' funds before movement in other reserves	151,303	12,074	195,601	56,857
Other reserves				
Net movement in hedging reserve	2,742	(6,769)	2,742	(6,769)
Net movement in cost of hedging reserve	(637)	(616)	(675)	(616)
Exchange differences on hedge of net investment in foreign operations	50,587	58,596	–	–
Translation differences arising on consolidation of foreign operations	(48,600)	(59,214)	–	–
Net increase/(decrease) in other reserves	4,092	(8,003)	2,067	(7,385)
Unitholders' funds at end of year	1,569,952	1,414,557	1,657,273	1,459,605

The accompanying notes form an integral part of these financial statements.

PORTFOLIO STATEMENTS
AS AT 31 DECEMBER 2024

Description of property	Tenure of land	Term of lease (years)	Remaining term of lease (years)	Location	Existing use	At valuation 2024 $'000	At valuation 2023 $'000	Percentage of net assets 2024 %	Percentage of net assets 2023 %
Group									
Singapore									
The Mount Elizabeth Hospital Property [1]	Leasehold	67	50	3 Mount Elizabeth, Singapore 228510	Hospital and medical centre	942,000	897,000	60.0	63.4
The Gleneagles Hospital Property [1]	Leasehold	75	58	6 Napier Road, Singapore 258499; and 6A Napier Road, Singapore 258500	Hospital and medical centre	548,000	512,000	34.9	36.2
The Parkway East Hospital Property [1]	Leasehold	75	58	319 Joo Chiat Place, Singapore 427989; and 321 Joo Chiat Place, Singapore 427990	Hospital and medical centre	113,000	97,000	7.2	6.9
						1,603,000	1,506,000	102.1	106.5
Japan									
Bon Sejour Yokohama Shin-Yamashita [2]	Freehold	N.A.	N.A.	2-12-55 Shin Yamashita, Naka-Ku, Yokohama City, Kanagawa Prefecture, Japan	Nursing home with care service	15,224	15,531	1.0	1.1
More Habitation Akashi [2]	Freehold	N.A.	N.A.	486, Yagi, Okubo-cho, Akashi City, Hyogo Prefecture, Japan	Nursing home with care service	15,916	17,019	1.0	1.2
More Habitation Suma Rikyu	Freehold	N.A.	N.A.	1-5-23, Chimori-cho, Suma-ku, Kobe City, Hyogo Prefecture, Japan	Nursing home with care service	9,342	9,951	0.6	0.7
Senior Chonaikai Makuhari Kan [2]	Freehold	N.A.	N.A.	5-370-4, Makuhari-cho, Hanamigawa-ku, Chiba City, Chiba Prefecture, Japan	Nursing home with care service	16,348	17,298	1.0	1.2
Balance carried forward						56,830	59,799	3.6	4.2

The accompanying notes form an integral part of these financial statements.

The accompanying notes form an integral part of these financial statements.

PORTFOLIO STATEMENTS
AS AT 31 DECEMBER 2024

PORTFOLIO STATEMENTS
AS AT 31 DECEMBER 2024

Description of property	Tenure of land	Term of lease (years)	Remaining term of lease (years)	Location	Existing use	At valuation 2024 $'000	At valuation 2023 $'000	Percentage of net assets 2024 %	Percentage of net assets 2023 %
Group									
Japan (cont'd)									
Balance brought forward						56,830	59,799	3.6	4.2
Smiling Home Medis Musashi Urawa (2)	Freehold	N.A.	N.A.	5-5-6, Shikatebukuro, Minami-ku, Saitama City, Saitama Prefecture, Japan	Nursing home with care service	7,361	7,793	0.5	0.6
Smiling Home Medis Koshigaya Gamo (2)	Freehold	N.A.	N.A.	2-2-5, Gamonishimachi, Koshigaya City, Saitama Prefecture, Japan	Nursing home with care service	14,446	15,345	0.9	1.1
Sompo no le Nakasyo (2)	Freehold	N.A.	N.A.	923-1 Aza Miyata, Hirata, Kurashiki City, Okayama Prefecture, Japan	Nursing home with care service	6,323	6,808	0.4	0.5
Maison des Centenaire Ishizugawa (2)	Freehold	N.A.	N.A.	2-1-9, Hamadera Ishizuchonishi, Nishi-Ku,Sakai City, Osaka Prefecture, Japan	Nursing home with care service	8,373	9,068	0.5	0.6
Maison des Centenaire Haruki (2)	Freehold	N.A.	N.A.	12-20, Haruki-Miyakawacho, Kishiwada City, Osaka Prefecture, Japan	Nursing home with care service	6,167	6,696	0.4	0.5
Hapine Fukuoka Noke (2)	Freehold	N.A.	N.A.	4-35-9, Noke, Sawara-ku, Fukuoka City, Fukuoka Prefecture, Japan	Nursing home with care service	8,347	9,040	0.5	0.6
Fiore Senior Residence Hirakata (2)	Freehold	N.A.	N.A.	4-10, Higashikori-Shinmachi, Hirakata City, Osaka Prefecture, Japan	Nursing home with care service	4,818	5,199	0.3	0.4
Iyashi no Takatsuki Kan (2)	Freehold	N.A.	N.A.	3-19, Haccho-Nishimachi, Takatsuki City, Osaka Prefecture, Japan	Nursing home with care service	14,964	16,182	1.0	1.1
Sawayaka Obatake Ichibankan (2)	Freehold	N.A.	N.A.	3-3-51 Obatake, Kokura-kita-ku, Kita-kyushu City, Fukuoka Prefecture, Japan	Nursing home with care service	7,517	7,886	0.5	0.6
Sawayaka Sakurakan (2)	Freehold	N.A.	N.A.	126-2 Nakadomari, Nishi-nagano, Kakunodate-machi, Senboku City, Akita Prefecture, Japan	Nursing home with care service	8,313	8,472	0.5	0.6
Sawayaka Nogatakan (2)	Freehold	N.A.	N.A.	442-1 Yamabe-Oaza, Nogata City, Fukuoka Prefecture, Japan	Nursing home with care service	7,223	7,700	0.5	0.5
Balance carried forward						150,682	159,988	9.6	11.3

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Description of property	Tenure of land	Term of lease (years)	Remaining term of lease (years)	Location	Existing use	At valuation 2024 $'000	At valuation 2023 $'000	Percentage of net assets 2024 %	Percentage of net assets 2023 %
Group									
Japan (cont'd)									
Balance brought forward						150,682	159,988	9.6	11.3
Sawayaka Shinmojikan (2)	Freehold	N.A.	N.A.	1543-1 Oaza Hata, Moji-ku, Kita-kyushu City, Fukuoka Prefecture, Japan	Nursing home with care service	9,601	10,323	0.6	0.7
Sawayaka Obatake Nibankan (2)	Freehold	N.A.	N.A.	1-6-26 Obatake, Kokura-kita-ku, Kita-kyushu City, Fukuoka Prefecture, Japan	Short stay/Day care home	3,607	3,757	0.2	0.3
Sawayaka Fukufukukan (2)	Freehold	N.A.	N.A.	1-24-4 Fukuyanagi, Tobata-ku, Kita-kyushu City, Fukuoka Prefecture, Japan	Nursing home with care service	6,315	6,761	0.4	0.5
As Heim Nakaurawa (2)	Freehold	N.A.	N.A.	2-21-9 Nishibori, Sakura-ku, Saitama Prefecture, Japan	Nursing home with care service	9,775	10,323	0.6	0.7
Hanadama no Ie Nakahara (2)	Freehold	N.A.	N.A.	5-14-25 Shimo Kotanaka Nakahara-ku, Kawasaki, Kanagawa Prefecture, Japan	Nursing home with care service	8,045	8,686	0.5	0.6
Sawayaka Higashikagurakan (2)	Freehold	N.A.	N.A.	2-351-4 Kitaichijo Higashi, Higashikagura-cho Kamikawa-gun, Hokkaido Prefecture, Japan	Nursing home with care service	9,082	9,765	0.6	0.7
Happy Life Toyonaka (2)	Freehold	N.A.	N.A.	15-14, Kozushima 2-chome, Toyonaka City, Osaka Prefecture, Japan	Nursing home with care service	4,827	5,199	0.3	0.4
More Habitation Kobe Kitano (2)	Freehold	N.A.	N.A.	13-7, Kanocho 2-chome, Chuo-ku, Kobe City, Hyogo Prefecture, Japan	Nursing home with care service	14,359	15,438	0.9	1.1
Sawayaka Seaside Toba (2)	Freehold	N.A.	N.A.	300-73 Aza Hamabe, Ohamacho Toba City, Mie Prefecture, Japan	Nursing home with care service	13,926	14,973	0.9	1.1
Balance carried forward						230,219	245,213	14.6	17.4

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Description of property	Tenure of land	Term of lease (years)	Remaining term of lease (years)	Location	Existing use	At valuation 2024 $'000	At valuation 2023 $'000	Percentage of net assets 2024 %	Percentage of net assets 2023 %
Group									
Japan (cont'd)									
Balance brought forward						230,219	245,213	14.6	17.4
Sawayaka Niihamakan (2)	Freehold	N.A.	N.A.	Otsu 11-77, Higashida 3-chome, Niihama City, Ehime Prefecture, Japan	Nursing home with care service	13,148	14,229	0.8	1.0
Sawayaka Mekari Nibankan (2)	Freehold	N.A.	N.A.	2720-2, Okubo 1-chome, Mojiku, Kitakyushushi City, Fukuoka Prefecture, Japan	Nursing home with care service	3,097	3,311	0.2	0.2
Sawayaka Kiyotakan (2)	Freehold	N.A.	N.A.	16-7, Kiyota 3-chome, Yahatahigashi-ku, Kitakyushushi, Fukuoka Prefecture, Japan	Nursing home with care service	9,082	9,858	0.6	0.7
Sawayaka Minatokan (2)	Freehold	N.A.	N.A.	5155-3 Jyusanbancho, Furumachidori, Chuo-ku, Niigata City, Niigata Prefecture, Japan	Nursing home with care service	6,678	7,198	0.4	0.5
Maison des Centenaire Hannan (2)	Freehold	N.A.	N.A.	8-423-29 Momonokidai, Hannan City, Osaka Prefecture, Japan	Nursing home with care service	16,867	18,228	1.1	1.3
Maison des Centenaire Ohhama (2)	Freehold	N.A.	N.A.	3-11-18 Ohhama Kitamachi Sakai-Ku, Sakai City, Osaka Prefecture, Japan	Nursing home with care service	6,929	7,477	0.4	0.5
Sunhill Miyako (2)	Freehold	N.A.	N.A.	8-423-30 Momonokidai, Hannan City, Osaka Prefecture, Japan	Extended stay lodging facility	8,339	8,965	0.5	0.6
Habitation Jyosui (2)	Freehold	N.A.	N.A.	4-1-26 Yakuin, Chuo-ku Fukuoka City, Fukuoka Prefecture, Japan	Nursing home with care service	31,745	33,945	2.0	2.4
Ocean View Shonan Arasaki (2)	Freehold	N.A.	N.A.	5-25-1 Nagai, Yokosuka City, Kanagawa Prefecture, Japan	Nursing home with care service	18,425	20,181	1.2	1.4
Habitation Hakata I, II and III (2)	Freehold	N.A.	N.A.	23-10 Kanenokuma 3-chome Hakata-ku, Fukuoka City, Fukuoka Prefecture, Japan	Nursing home with care service	36,243	38,874	2.3	2.7
Excellent Tenpaku Garden Hills (2)	Freehold	N.A.	N.A.	141-3 Tsuchihara 2-chome, Tenpaku-ku, Nagoya City, Aichi Prefecture, Japan	Nursing home with care service	16,003	17,205	1.0	1.2
Balance carried forward						396,775	424,684	25.1	29.9

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Description of property	Tenure of land	Term of lease (years)	Remaining term of lease (years)	Location	Existing use	At valuation 2024 $'000	At valuation 2023 $'000	Percentage of net assets 2024 %	Percentage of net assets 2023 %
Group									
Japan (cont'd)									
Balance brought forward						396,775	424,684	25.1	29.9
Liverari Shiroishi Hana Ichigo-kan (2)	Freehold	N.A.	N.A.	1-18 Kitago 3jyo, Shiraishi-ku, Sapporo City, Hokkaido Prefecture, Japan	Nursing home with care service	3,218	3,460	0.2	0.2
Liverari Shiroishi Hana Nigo-kan (2)	Freehold	N.A.	N.A.	5-10 Kitago 2jyo 5-chome, Shiraishi-ku, Sapporo City, Hokkaido Prefecture, Japan	Nursing home with care service	1,618	1,730	0.1	0.1
Sunny Spot Misono (2)	Freehold	N.A.	N.A.	4-24 Misono 7jyo 3-chome, Toyohira-ku, Sapporo City, Hokkaido Prefecture, Japan	Group home with care service	1,851	2,000	0.1	0.1
Silver Heights Hitsujigaoka (Ichibankan and Nibankan) (2)	Freehold	N.A.	N.A.	6-1 Fukuzumi, 3jyo 3-chome, Toyohira-ku, Sapporo City, Hokkaido Prefecture, Japan	Nursing home with care service	11,418	12,369	0.7	0.9
Live In Wakaba (formerly known as Habitation Wakaba) (2)	Freehold	N.A.	N.A.	1763-12 Oguramachi Wakabaku, Chiba City, Chiba Prefecture, Japan	Nursing home with care service	19,722	20,739	1.3	1.5
Habitation Hakusho (2)	Freehold	N.A.	N.A.	301 Hijikai, Yachimata City, Chiba Prefecture, Japan	Nursing home with care service	14,705	15,531	0.9	1.1
Balance carried forward						449,307	480,513	28.4	33.8

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Description of property	Tenure of land	Term of lease (years)	Remaining term of lease (years)	Location	Existing use	At valuation 2024 $'000	At valuation 2023 $'000	Percentage of net assets 2024 %	Percentage of net assets 2023 %
Group									
Japan (cont'd)									
Balance brought forward						449,307	480,513	28.4	33.8
Group Home Hakusho (2)	Freehold	N.A.	N.A.	1345-16 Toyoma, Yachimata City, Chiba Prefecture, Japan	Group home with care service	943	995	0.1	0.1
Kikuya Warakuen (2)	Freehold	N.A.	N.A.	1404-10 Nishitoyoi, Oaza, Kudamatsu City, Yamaguchi Prefecture, Japan	Nursing home with care service	6,998	8,026	0.4	0.6
Sanko (2)	Freehold	N.A.	N.A.	4-16-16 Mizuhomachi, Kudamatsu City, Yamaguchi Prefecture, Japan	Nursing home with care service	4,498	5,189	0.3	0.4
Konosu Nursing Home Kyoseien (2)	Freehold	N.A.	N.A.	3409-1 Shimoya, Konosu, Saitama Prefecture, Japan	Nursing rehabilitation facility	15,397	16,461	1.0	1.2
Haru no Sato (2)	Freehold	N.A.	N.A.	1-2-23 Hajima, Shunan, Yamaguchi Prefecture, Japan	Nursing rehabilitation facility	11,591	12,462	0.7	0.9
Hodaka no Niwa (2)	Freehold	N.A.	N.A.	205 Hitoegane, Okuhida Onsengo, Takayama, Gifu Prefecture, Japan	Nursing rehabilitation facility	11,937	13,299	0.8	0.9
Orange no Sato (2)	Leasehold	99	96	522 Yoshiwara, Aridagawa-machi, Arida, Wakayama Prefecture, Japan	Nursing rehabilitation facility	10,207	11,253	0.7	0.8
Balance carried forward						510,878	548,198	32.4	38.7

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Description of property	Tenure of land	Term of lease (years)	Remaining term of lease (years)	Location	Existing use	At valuation 2024 $'000	At valuation 2023 $'000	Percentage of net assets 2024 %	Percentage of net assets 2023 %
Group									
Japan (cont'd)									
Balance brought forward						510,878	548,198	32.4	38.7
Habitation Kamagaya (2)	Freehold	N.A.	N.A.	12-1 Shin-Kamagaya 4-Chome, Kamagaya City, Chiba Prefecture, Japan	Nursing home with care service	16,262	17,391	1.0	1.2
Will-Mark Kashiihama (2)	Freehold	N.A.	N.A.	2-1 Kashiihama 3-chome, Fukuoka City, Fukuoka Prefecture, Japan	Nursing home with care service	27,680	29,853	1.8	2.1
Crea Adachi (2)	Freehold	N.A.	N.A.	19-10 Iriya 2-chome Adachi City, Tokyo Prefecture, Japan	Nursing home with care service	11,937	12,555	0.8	0.9
Habitation Kisarazu Ichibankan (2)	Freehold	N.A.	N.A.	11-1, Kaneda Higashi 4-chome, Kisarazu City, Chiba, Japan	Nursing home with care service	31,486	33,945	2.0	2.4
Blue Rise Nopporo (2)	Freehold	N.A.	N.A.	39-1 Suehirocho, Nopporo, Ebetsu City, Hokkaido Prefecture, Japan	Nursing home with care service	6,963	7,412	0.4	0.5
Blue Terrace Kagura (2)	Freehold	N.A.	N.A.	9-2-27 Kagura 2jyo, Asahikawa City, Hokkaido Prefecture, Japan	Nursing home with care service	11,245	12,276	0.7	0.9
Blue Terrace Taisetsu (2)	Freehold	N.A.	N.A.	506-16 Taisetsudori 7-chome, Asahikawa City, Hokkaido Prefecture, Japan	Nursing home with care service	6,600	7,151	0.4	0.5
Assisted Living Edogawa (2)	Freehold	N.A.	N.A.	3-27-17 Nishi-Ichinoe, Edogawa-ku, Tokyo Prefecture, Japan	Nursing home with care service	16,262	17,670	1.0	1.2
Assisted Living Toke (2)	Freehold	N.A.	N.A.	299-4 Tokecho, Midori-ku, Chiba City, Chiba Prefecture, Japan	Nursing home with care service	11,072	12,090	0.7	0.9
HIBISU Shirokita Koendori (2)	Freehold	N.A.	N.A.	4-30-18 Akagawa, Asahi-ku, Osaka City, Osaka Prefecture, Japan	Nursing home with care service	8,079	8,872	0.5	0.6
HIBISU Suita (2)	Freehold	N.A.	N.A.	9-19 Higashiomitabi-cho, Suita City, Osaka Prefecture, Japan	Nursing home with care service	8,996	9,765	0.6	0.7
HIBISU Higashi Sumiyoshi(4)	Freehold	N.A.	N.A.	5 Chome, 11-3 Sunjiyata, Higashisumiyoshi Ward, Osaka City, Osaka Prefecture, Japan	Nursing home with care service	23,268	–	1.5	–
						690,728	717,178	43.8	50.6

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Description of property	Tenure of land	Term of lease (years)	Remaining term of lease (years)	Location	Existing use	At valuation 2024 $'000	At valuation 2023 $'000	Percentage of net assets 2024 %	Percentage of net assets 2023 %
Group									
France									
Résidence La Boétie & Résidence Montaigne (5)	Freehold	N.A.	N.A.	39-41 avenue de la Croix, Le Taillan-Médoc - 33320 France	Nursing home with senior home apartments	21,757	–	1.4	–
Résidence du Pyla-sur-Mer (5)	Freehold	N.A.	N.A.	7 allée de la Chapelle, La Teste-de-Buch - 33115 France	Nursing home	25,758	–	1.6	–
Résidence du Champ de Courses (5)	Freehold	N.A.	N.A.	80 avenue du Casino, La Tour-de-Salvagny - 69890 France	Nursing home	23,043	–	1.5	–
Résidence La Barillière (5)	Freehold	N.A.	N.A.	57 rue de l'Oppidum, Saint-Dèsir - 14100 France	Nursing home	18,767	–	1.2	–
Les Jardins de Creney (5)	Freehold	N.A.	N.A.	3 rue de l'Aulne, Creney-prés-Troyes - 10150 France	Nursing home	8,673	–	0.6	–
Résidence d'Automne (5)	Freehold	N.A.	N.A.	11 avenue du Docteur Schweitzer, Champs-sur-Yonne - 89290 France	Nursing home	8,447	–	0.5	–
Le Clos Rousset (5)	Freehold	N.A.	N.A.	Chemin Rousset, Saint-Marcel-lès-Valence - 26320 France	Nursing home	11,713	–	0.7	–
Les Jardins de Saintonge (5)	Freehold	N.A.	N.A.	1 rue des Brunettes, Saint-Genis-de-Saintonge - 17240 France	Nursing home	12,631	–	0.8	–
Résidence Ducale (5)	Freehold	N.A.	N.A.	7 rue des Aliziers, Villers-Semeuse - 08000 France	Nursing home	9,168	–	0.6	–
Les Cinq Sens (5)	Freehold	N.A.	N.A.	Carièire dis Amourous, Garons - 30128 France	Nursing home	11,911	–	0.8	–
La Demeure du Bois Ardent (5)	Freehold	N.A.	N.A.	780 rue de l'Exode, Saint-Lô - 50000 France	Nursing home	11,239	–	0.7	–
						163,107	–	10.4	–
Malaysia									
MOB Specialist Clinics, Kuala Lumpur (3)	Freehold	N.A.	N.A.	282, Jalan Ampang 50450 Kuala Lumpur, Malaysia	Medical Centre	5,860	5,719	0.4	0.4
Total investment properties, at valuation						2,462,695	2,228,897	156.7	157.5
Other assets and liabilities (net)						(892,743)	(814,340)	(56.7)	(57.5)
Net assets						1,569,952	1,414,557	100.0	100.0

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Description of property	Tenure of land	Term of lease (years)	Remaining term of lease (years)	Location	Existing use	At valuation 2024 $'000	At valuation 2023 $'000	Percentage of net assets 2024 %	Percentage of net assets 2023 %
Trust									
Singapore									
The Mount Elizabeth Hospital Property [(1)]	Leasehold	67	50	3 Mount Elizabeth, Singapore 228510	Hospital and medical centre	942,000	897,000	56.8	61.5
The Gleneagles Hospital Property [(1)]	Leasehold	75	58	6 Napier Road, Singapore 258499; and 6A Napier Road, Singapore 258500	Hospital and medical centre	548,000	512,000	33.1	35.1
The Parkway East Hospital Property [(1)]	Leasehold	75	58	319 Joo Chiat Place, Singapore 427989; and 321 Joo Chiat Place, Singapore 427990	Hospital and medical centre	113,000	97,000	6.8	6.6
Investment properties, at valuation						1,603,000	1,506,000	96.7	103.2
Other assets and liabilities (net)						54,273	(46,395)	3.3	(3.2)
Net assets						1,657,273	1,459,605	100.0	100.0

(1) 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 2024, 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.

(2) On 31 December 2024, 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. and Colliers International K.K. using the discounted cash flow method.

(3) On 31 December 2024, the appraised value of the property was determined by Nawawi Tie Leung Property Consultants Sdn. Bhd., using the direct capitalisation method.

(4) On 30 July 2024, the Group entered into a Tokumei Kumiai agreement as an investor in relation to the acquisition of a nursing home located in Japan for a purchase price of JPY2,446.2 million (approximately $22.1 million). The acquisition of the property was completed on 7 August 2024. The appraised value of the property as at 31 December 2024 was determined by Enrix Co., Ltd using discounted cash flow method.

(5) On 22 October 2024, the Group entered into a promise of sale and a contract for transfer of shares to acquire eleven nursing homes in France for a purchase price of EUR111.2 million (approximately $157.1 million). The acquisition of the properties was completed on 20 December 2024. The appraised value of the properties as at 31 December 2024 was determined by Cushman & Wakefield Valuation France using the income capitalisation and discounted cash flow methods.

The Manager believes that the independent valuers have appropriate professional qualifications and recent experience in the location and category of the properties being valued. The net change in fair value of the properties has been taken to the statement of total return.

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CONSOLIDATED STATEMENT OF CASH FLOWS

YEAR ENDED 31 DECEMBER 2024

	Note	Group 2024 $'000	Group 2023 $'000
Cash flows from operating activities			
Total return before income tax		101,736	108,268
Adjustments for:			
Interest income		(1,066)	(37)
Finance costs	19	12,147	10,803
Net change in fair value of financial derivatives		(5,178)	(1,173)
Net change in fair value of investment properties	4	18,037	11,249
Straight-line rental adjustments	4	(24,063)	(27,012)
Deferred income recognised		(243)	(254)
Allowance for doubtful debts		472	–
Operating income before working capital changes		101,842	101,844
Changes in working capital:			
Trade and other receivables		(3,068)	(672)
Trade and other payables		652	11,211
Security deposits		524	515
Cash generated from operations		99,950	112,898
Income tax paid		(4,164)	(4,209)
Cash flows generated from operating activities		95,786	108,689
Cash flows from investing activities			
Interest received		1,042	37
Capital expenditure on investment properties		(49,103)	(31,036)
Cash outflow on purchase of investment properties (including acquisition related costs) (Note A)		(191,873)	(18,558)
Cash flows used in investing activities		(239,934)	(49,557)
Cash flows from financing activities			
Interest paid	11	(10,348)	(9,725)
Distributions to Unitholders		(121,121)	(88,391)
Proceeds from issuance of new units pursuant to Private Placement		180,002	–
Payment of issue expenses		(2,605)	–
Proceeds from loans and borrowings		379,205	750,359
Proceeds from issuance of medium term notes		–	32,410
Repayment of loans and borrowings		(275,857)	(699,626)
Redemption of medium term notes		–	(51,810)
Borrowing costs paid		(1,890)	(1,104)
Repayment of lease liabilities	11	(32)	(32)
Cash flows generated from/(used in) financing activities		147,354	(67,919)
Net increase/(decrease) in cash and cash equivalents		3,206	(8,787)
Cash and cash equivalents at beginning of year		28,499	40,010
Effects of exchange differences on cash balances		(2,234)	(2,724)
Cash and cash equivalents at end of year	9	29,471	28,499

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

YEAR ENDED 31 DECEMBER 2024

Note A:

Cash outflow on purchase of investment properties (including acquisition related costs)

Cash outflow on purchase of investment properties (including acquisition related costs) is set out below:

	Group 2024 $'000	Group 2023 $'000
Investment properties	179,177	16,145
Acquisition related costs	12,696	2,413
Cash outflow/cash consideration paid	191,873	18,558

The accompanying notes form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2024

These notes form an integral part of the financial statements.

The financial statements were authorised for issue by the Manager and the Trustee on 26 February 2025.

1 GENERAL

Parkway Life Real Estate Investment Trust (the "Trust") is a Singapore-domiciled unit trust constituted pursuant to the trust deed dated 12 July 2007 (as amended by the First Supplemental Deed dated 12 November 2009, Second Supplemental Deed dated 30 March 2010, the Third Supplemental Deed dated 31 March 2016, the Fourth Supplemental Deed dated 2 May 2019, the Fifth Supplemental Deed dated 2 April 2020 and the Sixth Supplemental Deed dated 23 September 2020) (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 Securities and Future Act 2001. 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.

At Listing Date, the Trust had invested in and owned an initial portfolio of three private hospitals in Singapore comprising The Mount Elizabeth Hospital Property, The Gleneagles Hospital Property, and The Parkway East Hospital Property (collectively, the "Hospital Properties"). The Hospital Properties are leased to a related party of the Manager and the Trust, Parkway Hospitals Singapore Pte. Ltd., pursuant to three separate master lease agreements.

The principal activity of the Trust is to invest primarily in income-producing real estate and/or real estate-related assets 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 principal activities of the subsidiaries are set out in Note 5.

For financial reporting purposes, the Group is regarded as a subsidiary of Parkway Investments Pte. Ltd., a company incorporated in the Republic of Singapore. Accordingly, the ultimate holding company is IHH Healthcare Berhad, a company incorporated in Malaysia.

The Trust has entered into several service agreements in relation to the management of the Trust and its property operations. The fee structures of these services are as follows:

(A) Trustee's fee

Pursuant to the Trust Deed, the Trustee's fee shall not exceed 0.03% per annum of the value of the gross assets of the Group ("Deposited Property"), subject to a minimum of $10,000 per month or such higher percentage as may be fixed by an Extraordinary Resolution at a meeting of Unitholders of the Trust. The Trustee's fee is payable out of the Deposited Property on a monthly basis, in arrears. The Trustee is also entitled to seek reimbursement of expenses incurred in the performance of its duties under the Trust Deed.

Based on the current agreement between the Manager and the Trustee, the Trustee's fee is charged on a scaled basis of up to 0.03% per annum of the value of the Group's Deposited Property.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2024

1 GENERAL (CONT'D)

(B) Manager's management fees

Pursuant to the Trust Deed, the Manager is entitled to receive management fees comprising the base fee and performance fee as follows:

(i) A base fee of 0.3% per annum of the value of the Deposited Property; and

(ii) A performance fee of 4.5% per annum of the net property income of the Group.

The base fee and performance fee is payable to the Manager in the form of cash and/or units (as the Manager may elect prior to each payment) and in such proportion as may be determined by the Manager.

Where the management fees are payable in the form of units, such payment shall be made out quarterly in arrears and the Manager shall be entitled to receive such number of units as may be purchased with the relevant amount of the management fee attributable to the relevant period at an issue price set out in accordance with the Trust Deed. Where the management fees are payable in the form of cash, the portion of the base fee and performance fee payable in cash shall be payable monthly and quarterly in arrears, respectively. With effect from 1 January 2016, the performance fee is paid annually in arrears, regardless of whether it is paid in the form of cash and/or units.

Any increase in the maximum permitted amount or any change in the structure of the Manager's management fees must be approved by an Extraordinary Resolution at a meeting of Unitholders of the Trust duly convened and held in accordance with the provisions of the Trust Deed.

In addition to the management fees, the Manager is entitled to the following fees (excluding the Hospital Properties for the duration of the master lease agreements):

(i) A fee of 2.0% per annum of the revenue of the real estate held directly or indirectly by the Trust and managed by the Manager, for property management services provided by the Manager;

(ii) A fee of 1.0% per annum of the revenue of the real estate held directly or indirectly by the Trust and managed by the Manager, for lease management services provided by the Manager;

(iii) Commissions as set out below for securing new leases or renewal of leases for those real estate which are not leased to a master lessee under a master lease agreement, pursuant to marketing services provided by the Manager:

(a) Two months' gross rent inclusive of service charge, for securing a lease of more than three years;
(b) One month's gross rent inclusive of service charge, for securing a lease of three years or less;
(c) One month's gross rent inclusive of service charge, for securing a renewal of lease of more than three years; and
(d) Half month's gross rent inclusive of service charge, for securing a renewal of lease of three years or less.

If a third party agent secures a tenancy, the Manager will be responsible for any marketing services commission payable to such third party agent, and the Manager will be entitled to a marketing service commission of:

(a) 2.4 months' gross rent inclusive of service charge for securing or renewal of a lease of more than three years; and
(b) 1.2 months' gross rent inclusive of service charge for securing or renewal of a lease of three years or less.

The marketing services commission may be adjusted accordingly at the time of securing or renewal of a lease by the Manager or a third party agent, to be consistent with and no higher than the prevailing market rates of such marketing services commission in the country where the real estate is located.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2024

1 GENERAL (CONT'D)

(C) Manager's acquisition and divestment fees

The Manager is entitled to receive the following acquisition fees and divestment fees:

(i) An acquisition fee of 1.0% of the Enterprise Value of any real estate or real estate related asset acquired directly or indirectly by the Trust, prorated, if applicable, to the proportion of the Trust's interest.

Where the assets acquired by the Trust are shares in a special purpose vehicle whose primary purpose is to hold/own real estate (directly or indirectly), "Enterprise Value" shall mean the sum of the equity value and the total net debt attributable to the shares being acquired by the Trust. Where the asset acquired by the Trust is a real estate, "Enterprise Value" shall mean the value of the real estate.

In the event that there is a payment to be made to third party agents or brokers in connection with the acquisition, such payment shall be paid out of the Deposited Property. Unless required under the Property Funds Appendix to be paid in the form of units only, the Manager may opt to receive such acquisition fee in the form of cash or units or a combination of cash and units as it may determine. Units representing the acquisition fee or any part thereof will be issued at an issue price on a similar basis as management fees.

In the event that the Manager receives an acquisition fee in connection with a transaction with a related party, any such acquisition fee shall be paid in the form of units.

(ii) A divestment fee of 0.5% of the Enterprise Value of any real estate or real estate related asset sold or divested directly or indirectly by the Trust, pro-rated, if applicable, to the proportion of the Trust's interest.

Unless required under the Property Funds Appendix to be paid in the form of units only, the Manager may opt to receive such divestment fee in the form of cash or units or a combination of cash and units as it may determine. Units representing the divestment fee or any part thereof will be issued at an issue price on a similar basis as management fees. Any payment to third party agents or brokers in connection with the divestment of any real estate or real estate related assets of the Trust shall be paid by the Trust. In the event the Manager receives divestment fee in connection with a transaction with a related party, any such divestment fee shall be paid in the form of units.

2 BASIS OF PREPARATION

2.1 Statement of compliance

The financial statements are 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 changes to material accounting policies are described in Note 2.5.

2.2 Basis of measurement

The financial statements have been prepared on the historical cost basis except for the following items:

- derivative financial instruments are measured at fair value; and
- investment properties are measured at fair value.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2024

2 BASIS OF PREPARATION (CONT'D)

2.3 Functional and presentation currency

The financial statements of the Group and the Trust 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.

2.4 Use of estimates and judgements

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.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year are included in the following notes:

- Note 4 – fair value determination of investment properties; and
- Note 24 – valuation of financial instruments.

Measurement of fair values

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

When measuring the fair value of an asset or a liability, the Group uses market observable data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement (with Level 3 being the lowest).

The Group recognises transfers between levels of the fair value hierarchy as of the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the following notes:

- Note 4 – fair value determination of investment properties; and
- Note 24 – valuation of financial instruments.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2024

2 BASIS OF PREPARATION (CONT'D)

2.5 Changes in material accounting policies

New standards and amendments

The Group has applied the following FRSs, amendments to and interpretations of FRS for the first time for the annual period beginning on 1 January 2024:

- Amendments to FRS 1: *Classification of Liabilities as Current or Non-current* and *Non-current Liabilities with Covenants*
- Amendments to FRS 116: *Lease Liability in a Sale and Leaseback*
- Amendments to FRS 7 and FRS 107: *Supplier Finance Arrangements*

Other than the below, the application of these amendments to accounting standards and interpretations does not have a material effect on the financial statements.

Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants

The Group has adopted *Classification of Liabilities as Current* or *Non-current* (Amendments to FRS 1) and *Non-current Liabilities with Covenants* (Amendments to FRS 1) from 1 January 2024. The amendments apply retrospectively. They clarify certain requirements for determining whether a liability should be classified as current or non-current and require new disclosures for non-current loan liabilities that are subject to covenants within 12 months after the reporting period.

3 MATERIAL ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these financial statements, and have been applied consistently by Group entities, except as explained in Note 2.5, which addresses changes in accounting policies.

3.1 Basis of consolidation

Business combinations

The Group accounts for business combinations using the acquisition method when the acquired set of activities and assets meets the definition of a business and control is transferred to the Group. In determining whether a particular set of activities and assets is a business, the Group assesses whether the set of assets and activities acquired includes, at a minimum, an input and substantive process and whether the acquired set has the ability to produce outputs.

The Group has an option to apply a 'concentration test' that permits a simplified assessment of whether an acquired set of activities and assets is not a business. The optional concentration test is met if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets.

Business combinations and property acquisitions

Where a property is acquired, the Manager considers the substance of the assets and activities of the acquired entity in determining whether the acquisition represents the acquisition of a business.

3 MATERIAL ACCOUNTING POLICIES (CONT'D)

3.1 Basis of consolidation (cont'd)

Business combinations and property acquisitions (cont'd)

The Group accounts for an acquisition as business combination where the set of assets and activities acquired includes, at a minimum, an input and substantive process and whether the acquired set has the ability to produce outputs.

The Group has an option to apply a 'concentration test' that permits a simplified assessment of whether an acquired set of activities and assets is not a business. The optional concentration test is met if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets.

When acquisition of an asset or a group of assets does not constitute a business combination, it is treated as property acquisition. In such cases, the individual identifiable assets acquired and liabilities assumed are recognised. The acquisition cost shall be allocated to the individual identifiable assets and liabilities on the basis of their relative fair values at the date of acquisition. Such a transaction does not give rise to goodwill.

Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

The accounting policies of subsidiaries have been changed where necessary to align them with the policies adopted by the Group.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income or expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

Accounting for subsidiaries by the Trust

Investments in subsidiaries are stated in the Trust's statement of financial position at cost less accumulated impairment losses.

3.2 Foreign currency

Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of the Group entities at the exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to the functional currency at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the year, adjusted for effective interest and payments during the year, and the amortised cost in foreign currency translated at the exchange rate at the end of the reporting year.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are translated to the functional currency at the exchange rate at the date that the fair value was determined. Non-monetary items in a foreign currency that are measured in terms of historical cost are translated using the exchange rate at the date of the transaction.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2024

3 MATERIAL ACCOUNTING POLICIES (CONT'D)

3.2 Foreign currency (cont'd)

Foreign currency transactions *(cont'd)*

Foreign currency differences arising on translation are recognised in the statement of total return, except for differences arising on the translation of monetary items that in substance form part of the Group's net investment in foreign operations, and financial liabilities designated as hedges of the net investment in foreign operations, which are recognised in the Unitholders' funds.

Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated to Singapore dollars at exchange rates at the reporting date. The income and expenses of foreign operations are translated to Singapore dollars at exchange rates at the dates of the transactions.

Foreign currency differences are recognised in the foreign currency translation reserve. When a foreign operation is disposed of such that control is lost, the cumulative amount in the foreign currency translation reserve related to that foreign operation is transferred to the statement of total return as part of the gain or loss on disposal. When the Group disposes of only part of its interest in a subsidiary that includes a foreign operation while retaining control, the relevant proportion of the cumulative amount is reattributed to non-controlling interests.

3.3 Investment properties

Investment properties are properties held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business. Investment properties are accounted for as non-current assets and are initially recognised at cost and at fair value thereafter. The cost of a purchased property comprises its purchase price and any directly attributable expenditure. Fair value of investment properties are determined in accordance with the Trust Deed, which requires the investment properties to be valued by independent registered valuers in the following manner:

(i) in such manner and frequency required under the CIS code issued by MAS; and
(ii) at least once a year, on the 31st December of each year.

Any increase or decrease on revaluation is credited or charged directly to the statement of total return as a net change in fair value of investment properties.

Subsequent expenditure relating to investment properties that has already been recognised is added to the carrying amount of the asset when it is probable that future economic benefits, in excess of originally assessed standard of performance of the existing asset, will flow to the Group. All other subsequent expenditure is recognised as an expense in the period in which it is incurred.

When an investment property is disposed of, the resulting gain or loss recognised in the statement of total return is the difference between net disposal proceeds and the carrying amount of the property.

Investment properties are not depreciated. The properties are subject to continued maintenance and regularly revalued on the basis set out above.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2024

3 MATERIAL ACCOUNTING POLICIES (CONT'D)

3.4 Financial instruments

Recognition and initial measurement

Non-derivative financial assets and financial liabilities

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, or minus, for an item not at fair value through profit or loss ("FVTPL"), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

Classification and subsequent measurement

Non-derivative financial assets

On initial recognition, a financial asset is classified as measured at amortised cost.

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

Financial assets at amortised cost

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets: Business model assessment

The Group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to the Manager. The information considered includes:

- how the performance of the portfolio is evaluated and reported to the Manager; and
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Group's continuing recognition of the assets.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2024

3 MATERIAL ACCOUNTING POLICIES (CONT'D)

3.4 Financial instruments (cont'd)

Non-derivative financial assets: Assessment whether contractual cash flows are solely payments of principal and interest

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition.

Non-derivative financial assets: Subsequent measurement and gains and losses

Financial assets at amortised cost

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in statement of total return. Any gain or loss on derecognition is recognised in statement of total return.

Non-derivative financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as other financial liabilities and are initially measured at fair value less directly attributable transaction costs. They are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in statement of total return. These financial liabilities comprised loans and borrowings, trade and other payables and security deposits.

Derecognition

Financial assets

The Group derecognises a financial asset when:
- the contractual rights to the cash flows from the financial asset expire; or
- it transfers the rights to receive the contractual cash flows in a transaction in which either
  - substantially all of the risks and rewards of ownership of the financial asset are transferred; or
  - the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

Transferred assets are not derecognised when the Group enters into transactions whereby it transfers assets recognised in its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets.

Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in statement of total return.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2024

3 MATERIAL ACCOUNTING POLICIES (CONT'D)

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and short-term deposits with maturities of three months or less from the date of acquisition that are subject to an insignificant risk of changes in their fair value, and are used by the Group in the management of its short-term commitments.

Derivative financial instruments and hedge accounting

The Group holds derivative financial instruments to hedge its foreign currency and interest rate risk exposures.

Derivatives are initially measured at fair value and any directly attributable transaction costs are recognised in statement of total return as incurred. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognised in statement of total return, unless it is designated in a hedge relationship that qualifies for hedge accounting.

The Group designates certain derivatives and non-derivative financial instruments as hedging instruments in qualifying hedging relationships. At inception of designated hedging relationships, the Group documents the risk management objective and strategy for undertaking the hedge. The Group also documents the economic relationship between the hedged item and the hedging instrument, including whether the changes in cash flows of the hedged item and hedging instrument are expected to offset each other.

Cash flow hedges

The Group designates certain derivatives as hedging instruments to hedge the variability in cash flows associated with highly probable forecast transactions arising from changes in foreign exchange rates and interest rates.

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognised in Unitholders' funds and accumulated in the hedging reserve. The effective portion of changes in the fair value of the derivative that is recognised in Unitholders' funds is limited to the cumulative change in fair value of the hedged item, determined on a present value basis, from inception of the hedge. Any ineffective portion of changes in the fair value of the derivative is recognised immediately in statement of total return.

The Group designates only the change in intrinsic value of interest rate cap contracts as the hedging instrument in cash flow hedging relationships. The change in time value of interest rate cap contracts is separately accounted for as a cost of hedging and recognised in a cost of hedging reserve within Unitholders' funds.

For all hedge transactions, the amount accumulated in the hedging reserve is reclassified to the statement of total return in the same period or periods during which the hedged expected future cash flows affect the statement of total return.

If the hedge no longer meets the criteria for hedge accounting or the hedging instrument is sold, expires, is terminated or is exercised, then hedge accounting is discontinued prospectively. When hedge accounting for cash flow hedges is discontinued, the amount that has been accumulated in the hedging reserve and the cost of hedging reserve remains in Unitholders' funds until, for a hedge of a transaction resulting in recognition of a non-financial item, it is included in the non-financial item's cost on its initial recognition or, for other cash flow hedges, it is reclassified to statement of total return in the same period or periods as the hedged expected future cash flows affect total return.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2024

3 MATERIAL ACCOUNTING POLICIES (CONT'D)

3.4 Financial instruments (cont'd)

Cash flow hedges (cont'd)

If the hedged future cash flows are no longer expected to occur, then the amounts that have been accumulated in the hedging reserve and the cost of hedging reserve are immediately reclassified to statement of total return.

Net investment hedges

The Group designates certain derivatives and non-derivative financial liabilities as hedges of foreign exchange risk on a net investment in a foreign operation.

When a derivative instrument or a non-derivative financial liability is designated as the hedging instrument in a hedge of a net investment in a foreign operation, the effective portion of, for a derivative, changes in the fair value of the hedging instrument or, for a non-derivative, foreign exchange gains and losses is recognised in Unitholders' funds and presented in the translation reserve within Unitholders' funds. Any ineffective portion of the changes in the fair value of the derivative or foreign exchange gains and losses on the non-derivative is recognised immediately in statement of total return. The amount recognised in Unitholders' funds is fully or partially reclassified to statement of total return as a reclassification adjustment on disposal or partial disposal of the foreign operation, respectively.

3.5 Leases

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As a lessee

At commencement or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property, the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The right-of-use asset is subsequently stated at cost less accumulated depreciation and impairment losses, except for right-of-use assets that meet the definition of investment property are carried at fair value in accordance with Note 4.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the lessee's incremental borrowing rate. Generally, the Group uses the lessee's incremental borrowing rate as the discount rate.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2024

3 MATERIAL ACCOUNTING POLICIES (CONT'D)

3.5 Leases (cont'd)

As a lessee (cont'd)

The Group determines the lessee's incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in statement of total return if the carrying amount of the right-of-use asset has been reduced to zero.

Where the basis for determining future lease payments changes as required by interest rate benchmark reform, the Group remeasures the lease liability by discounting the revised lease payments using the revised discount rate that reflects the change to an alternative benchmark interest rate.

The Group presents right-of-use assets in investment property and lease liabilities as a separate caption in the statement of financial position. There are no right-of-use assets that do not meet the definition of investment property.

Short-term leases and leases of low-value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

As a lessor

At inception or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices.

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2024

3 MATERIAL ACCOUNTING POLICIES (CONT'D)

3.5 Leases (cont'd)

As a lessor (cont'd)

To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

The Group recognises lease payments received from investment property under operating leases as income on a straight-line basis over the lease term as part of 'gross revenue'.

3.6 Impairment

Non-derivative financial assets

The Group recognises loss allowances for expected credit loss ("ECL") on financial assets measured at amortised cost.

Loss allowances of the Group are measured on either of the following bases:

- 12-month ECLs: these are ECLs that result from default events that are possible within the 12 months after the reporting date (or for a shorter period if the expected life of the instrument is less than 12 months); or
- Lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument.

Simplified approach

The Group applies the simplified approach to provide for ECLs for all trade receivables. The simplified approach requires the loss allowance to be measured at an amount equal to lifetime ECLs.

General approach

The Group applies the general approach to provide for ECLs on all other financial instruments. Under the general approach, the loss allowance is measured at an amount equal to 12-month ECLs at initial recognition.

At each reporting date, the Group assesses whether the credit risk of a financial instrument has increased significantly since initial recognition. When credit risk has increased significantly since initial recognition, loss allowance is measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and includes forward-looking information.

If credit risk has not increased significantly since initial recognition or if the credit quality of the financial instruments improves such that there is no longer a significant increase in credit risk since initial recognition, loss allowance is measured at an amount equal to 12-month ECLs.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2024

3 MATERIAL ACCOUNTING POLICIES (CONT'D)

3.6 Impairment (cont'd)

The Group considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or
- the financial asset is more than 90 days past due.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

Measurement of ECLs

ECLs are probability-weighted estimates of credit losses. Credit losses are measured at the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

Credit-impaired financial assets

At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being more than 90 days past due;
- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

Presentation of allowance for ECLs in the statement of financial position

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of these assets.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2024

3 **MATERIAL ACCOUNTING POLICIES** (CONT'D)

3.7 Revenue recognition

(i) Rental income from operating leases

Rental income receivable under operating leases is recognised in the statement of total return on a straight-line basis over the term of the lease, except where an alternative basis is more representative of the pattern of benefits to be derived from the leased assets. Lease incentives granted are recognised as an integral part of the total rental to be received over the term of the lease.

(ii) Interest income

Interest income is recognised on an accrual basis, using the effective interest method.

(iii) Dividend income

Dividend income is recognised in the statement of total return on the date the Trust's right to receive payment is established.

3.8 Expenses

(i) Property expenses

Property expenses are recognised on an accrual basis.

(ii) Management fees

Management fees comprise the Manager's base fees, performance fees and asset management fees payable to the asset managers of the Japan properties.

Manager's base fees and performance fees are recognised on an accrual basis based on the applicable formula stipulated in Note 1(B). Where applicable, Manager's base fee and performance fee paid and payable in units are recognised as an expense in the statement of total return with a corresponding increase in Unitholders' funds.

(iii) Trust expenses

Trust expenses are recognised on an accrual basis. Included in trust expenses is the trustee's fees which are based on the applicable formula stipulated in Note 1(A).

(iv) Finance costs

Finance costs comprise interest expense on borrowings, settlement on financial derivatives, amortisation of borrowings related transactions costs and security deposits and interests on lease liabilities.

Interest expense and similar charges are recognised in the statement of total return, using the effective interest rate method over the period of borrowings. Expenses incurred in connection with the arrangement of borrowings are recognised in the statement of total return using the effective interest method over the period for which the borrowings are granted.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2024

3 **MATERIAL ACCOUNTING POLICIES** (CONT'D)

3.9 Income tax expense

Income tax expense comprises current and deferred tax. Income tax is recognised in the statement of total return except to the extent that it relates to items directly related to Unitholders' funds, in which case it is recognised in the Unitholders' funds.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss, and differences relating to investments in subsidiaries to the extent that the Group is able to control the timing of the reversal of the temporary difference and it is probable that they will not reverse in the foreseeable future. In addition, deferred tax is not recognised for taxable temporary differences arising on the initial recognition of goodwill.

The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities. For investment property that is measured at fair value, the presumption that the carrying amount of the investment will be recovered through sale has not been rebutted. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date, and reflects uncertainty related to income taxes, if any.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for individual subsidiaries in the Group. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2024

3 MATERIAL ACCOUNTING POLICIES (CONT'D)

3.9 Income tax expense (cont'd)

The Inland Revenue Authority of Singapore (the "IRAS") has issued a tax ruling on the income tax treatment of the Trust. Subject to meeting the terms and conditions of the tax ruling which includes a distribution of at least 90.0% of the taxable income of the Trust, the Trustee is not subject to tax on the taxable income of the Trust. Instead, the distributions made by the Trust out of such taxable income are subject to tax in the hands of Unitholders, unless they are exempt from tax on the Trust's distributions. This treatment is known as the tax transparency treatment.

Qualifying Unitholders are entitled to gross distributions from the Trust. For distributions made to foreign non-individual Unitholders during the period from 18 February 2005 to 31 December 2025 or foreign funds during the period from 1 July 2019 to 31 December 2025, the Trustee is required to withhold tax at the reduced rate of 10.0% on distributions made. For other types of Unitholders, the Trustee is required to withhold tax at the prevailing corporate tax rate on the distributions made by the Trust. Such other types of Unitholders are subject to tax on the regrossed amounts of the distributions received but may claim a credit for the tax deducted at source at the prevailing corporate tax rate by the Trustee.

A Qualifying Unitholder refers to a Unitholder who is:

- An individual;
- A company incorporated and tax resident in Singapore;
- A Singapore branch of a company incorporated outside Singapore;
- A body of persons incorporated or registered in Singapore including a charity registered under the Charities Act 1994 or established by any written law, a town council, a statutory board, a co-operative society registered under the Co-operative Societies Act 1979 or a trade union registered under the Trade Unions Act 1940;
- An international organisation that is exempt from tax on such distributions by reason of an order made under the International Organisations (Immunities and Privileges) Act 1948; or
- A real estate investment trust exchange-traded fund which has been accorded the tax transparency treatment.

A foreign non-individual Unitholder refers to a Unitholder who is not a resident of Singapore for income tax purpose and:

- who does not have any permanent establishment in Singapore; or
- who carries on any operation through a permanent establishment in Singapore, where the funds used to acquire the units in that REIT are not obtained from that operation.

A foreign fund refers to one that qualifies for tax exemption under section 13D, 13U or 13V of the Income Tax Act 1947 ("ITA") that is not a resident of Singapore for income tax purposes and:

- does not have any permanent establishment in Singapore (other than a fund manager in Singapore); or
- carries on any operation through a permanent establishment in Singapore (other than a fund manager in Singapore), where the funds used by that qualifying fund to acquire the units in that REIT are not obtained from that operation.

The above tax transparency treatment does not apply to gains from disposal of any properties such as real estate properties, shares, etc that are determined by the IRAS to be revenue gains chargeable to tax. Tax on such gains or profits will be subject to tax, in accordance with Section 10(1)(a) of the Income Tax Act 1947 and collected from the Trustee. Where the gains are capital gains, they will not be subject to tax and the Trustee and the Manager may distribute the capital gains without tax being deducted at source.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2024

3 MATERIAL ACCOUNTING POLICIES (CONT'D)

3.10 Distribution policy

The Trust has a distribution policy to distribute at least 90.0% of its taxable income and net overseas income with the actual level of distribution to be determined at the Manager's discretion, other than gains from the sale of real estate properties that are determined by IRAS to be trading gains. For the taxable income that is not distributed, referred to as retained taxable income, tax will be assessed on the Trustee. Where such retained taxable income is subsequently distributed, the Trustee need not deduct tax at source.

Net overseas income refers to the net profits (excluding any gains from the sale of property or shares, as the case may be) after applicable taxes and adjustment for non-cash items such as depreciation derived by the Trust from its properties, if any.

From 2022 onwards, distributions to Unitholders are made on a semi-annual basis, with the amount calculated as at 30 June and 31 December each year for the half year period ending on each of the said dates. Prior to 2022, distributions were made on a quarterly basis. In accordance with the provisions of the Trust Deed, the Manager is required to pay distributions within 75 days after the end of the first distribution periods of a financial year and within 90 days from the end of a financial year. Distributions, when paid, will be in Singapore dollars.

3.11 Earnings per unit

The Group presents basic and diluted earnings per unit ("EPU") data for its units. Basic EPU is calculated by dividing the total return for the period after tax by the weighted average number of units outstanding during the period, adjusted for own units held. Diluted EPU is determined by adjusting the total return for the period after tax and the weighted average number of units outstanding, adjusted for own units held, for the effects of all dilutive potential units.

3.12 Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. All operating segments' operating results are reviewed regularly by the Manager's CEO to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

Segment results include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate assets and expenses, and tax assets and liabilities.

Segment capital expenditure is the total cost incurred during the year on additions to investment properties that are expected to be used for more than one year.

3.13 New standards and amendments not adopted

A number of new standards, interpretations and amendments to standards are effective for annual periods beginning after 1 January 2024 and earlier application is permitted; however, the Group has not early adopted the new or amended standards and interpretations in preparing these financial statements.

The new FRSs, interpretations and amendments to FRSs is not expected to have a significant impact on the Group's consolidated financial statements and the Trust's statement of financial position.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2024

4 INVESTMENT PROPERTIES

	Group		Trust	
	2024	2023	2024	2023
	$'000	$'000	$'000	$'000
At 1 January	2,230,981	2,205,881	1,506,000	1,439,000
Acquisition of investment properties	179,177	16,145	–	–
Acquisition related costs	14,667	2,003	–	–
Capital expenditure	84,523	56,280	80,370	51,204
Translation differences	(50,610)	(65,091)	–	–
	2,458,738	2,215,218	1,586,370	1,490,204
Change in fair value of investment properties	6,048	15,785	16,630	15,796
Amortisation of right-of-use assets	(22)	(22)	–	–
At 31 December	2,464,764	2,230,981	1,603,000	1,506,000

Determination of fair value

Investment properties are stated at fair value based on valuations as at 31 December 2024 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/or 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	
	2024	2023	2024	2023
	$'000	$'000	$'000	$'000
Change in fair value of investment properties	6,048	15,785	16,630	15,796
Amortisation of right-of-use assets	(22)	(22)	–	–
Straight-line rental adjustments	(24,063)	(27,012)	(24,186)	(26,441)
Net change in fair value of investment properties recognised in statement of total return	(18,037)	(11,249)	(7,556)	(10,645)

Valuation processes applied by the Group and Trust

As explained under Note 3.3, 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.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2024

4 INVESTMENT PROPERTIES (CONT'D)

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.

	2024	2023
	$'000	$'000
Fair value of investment properties (based on valuation)	2,462,695	2,228,897
Add: Carrying amount of lease liabilities	2,069	2,084
Carrying amount of investment properties	2,464,764	2,230,981

Significant unobservable inputs

The following table shows the key unobservable inputs used in the valuation model:

Type	Key unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
Capitalisation method	• Capitalisation rates range from 4.2% to 6.9% (2023: 4.2% to 6.4%).	The estimated fair value would increase/(decrease) if the capitalisation rates were lower/(higher).
Discounted cash flow method	• Risk-adjusted discount rates range from 4.0% to 8.2% (2023: 4.0% to 7.0%). • Terminal yield rates range from 4.3% to 7.3% (2023: 4.3% to 6.5%).	The estimated fair value would increase/(decrease) if: • the risk-adjusted discount rates were lower/(higher); or • the terminal yield rates were lower/(higher).

Key unobservable inputs correspond to:

- Capitalisation rate corresponds to a rate of return on investment properties on the expected annual income that the property will generate.
- Discount rates, based on the risk-free rate for bonds issued by government in the relevant market, adjusted for a risk premium to reflect the increased risk of investing in the asset class.
- Terminal yield rate is the estimated capitalisation rate at maturity of the holding period.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2024

5 INTERESTS IN SUBSIDIARIES

	Trust 2024 $'000	Trust 2023 $'000
Equity investments, at cost	740,889	729,627
Amount due from subsidiary (non-trade)	4,075	4,075
	744,964	733,702

Amount due from subsidiary is unsecured and interest-free. The settlement of the amount is neither planned nor likely to occur in the foreseeable future and hence the amount due from subsidiary is classified as non-current and is stated at amortised cost.

Ownership interests

The Group does not hold any ownership interest in the special purpose entities ("SPEs") in Japan listed below. The SPEs were established under terms that impose strict limitations on the decision-making powers of the SPE's management, resulting in the Group receiving the majority of the benefits related to the SPE's operations and net assets, being exposed to the majority of risks incident to the SPEs' activities, and retaining the majority of the residual or ownership risk related to the SPEs of their assets. Consequently, the SPEs are regarded as subsidiaries of the Group.

Details of the subsidiaries are as follows:

Name of subsidiaries	Principal activities	Place of incorporation and business	Effective interest held by the Group 2024 %	Effective interest held by the Group 2023 %
* Parkway Life Japan2 Pte. Ltd.	Investment holding	Singapore	100	100
** Godo Kaisha Del Monte	Special purpose entity - Investment in real estate	Japan	100	100
** Godo Kaisha Tenshi 1	Special purpose entity - Investment in real estate	Japan	100	100
** Godo Kaisha Tenshi 2	Special purpose entity - Investment in real estate	Japan	100	100
** G.K. Nest	Special purpose entity - Investment in real estate	Japan	100	100
** Godo Kaisha Samurai 19	Special purpose entity - Investment in real estate	Japan	100	100
** Godo Kaisha Samurai 20	Special purpose entity - Investment in real estate	Japan	100	–
* Parkway Life Japan3 Pte. Ltd.	Investment holding	Singapore	100	100
** Godo Kaisha Healthcare 1	Special purpose entity - Investment in real estate	Japan	100	100

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2024

5 INTERESTS IN SUBSIDIARIES (CONT'D)

Name of subsidiaries	Principal activities	Place of incorporation and business	Effective interest held by the Group 2024 %	Effective interest held by the Group 2023 %
** Godo Kaisha Healthcare 2	Special purpose entity - Investment in real estate	Japan	100	100
** Godo Kaisha Healthcare 3	Special purpose entity - Investment in real estate	Japan	100	100
** Godo Kaisha Healthcare 4	Special purpose entity - Investment in real estate	Japan	100	100
** Godo Kaisha Healthcare 5	Special purpose entity - Investment in real estate	Japan	100	100
* Parkway Life Japan4 Pte. Ltd.	Investment holding	Singapore	100	100
** Godo Kaisha Samurai	Special purpose entity - Investment in real estate	Japan	100	100
** Godo Kaisha Samurai 2	Special purpose entity - Investment in real estate	Japan	100	100
** Godo Kaisha Samurai 3	Special purpose entity - Investment in real estate	Japan	100	100
** Godo Kaisha Samurai 4	Special purpose entity - Investment in real estate	Japan	100	100
** Godo Kaisha Samurai 5	Special purpose entity - Investment in real estate	Japan	100	100
** Godo Kaisha Samurai 6	Special purpose entity - Investment in real estate	Japan	100	100
** Godo Kaisha Samurai 7	Special purpose entity - Investment in real estate	Japan	100	100
** Godo Kaisha Samurai 8	Special purpose entity - Investment in real estate	Japan	100	100
** Godo Kaisha Samurai 9	Special purpose entity - Investment in real estate	Japan	100	100
** Godo Kaisha Samurai 10	Special purpose entity - Investment in real estate	Japan	100	100
** Godo Kaisha Samurai 11	Special purpose entity - Investment in real estate	Japan	100	100

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2024

5 INTERESTS IN SUBSIDIARIES (CONT'D)

Name of subsidiaries	Principal activities	Place of incorporation and business	Effective interest held by the Group 2024 %	2023 %
** Godo Kaisha Samurai 12	Special purpose entity - Investment in real estate	Japan	100	100
** Godo Kaisha Samurai 13	Special purpose entity - Investment in real estate	Japan	100	100
** Godo Kaisha Samurai 14	Special purpose entity - Investment in real estate	Japan	100	100
** Godo Kaisha Samurai 15	Special purpose entity - Investment in real estate	Japan	100	100
** Godo Kaisha Samurai 16	Special purpose entity - Investment in real estate	Japan	100	100
** Godo Kaisha Samurai 17	Special purpose entity - Investment in real estate	Japan	100	100
** Godo Kaisha Samurai 18	Special purpose entity - Investment in real estate	Japan	100	100
* Parkway Life Malaysia Pte. Ltd.	Investment holding	Singapore	100	100
# Parkway Life Malaysia Sdn. Bhd.	Special purpose entity - Investment in real estate	Malaysia	100	100
* Parkway Life Nova Pte. Ltd.	Investment holding	Singapore	100	–
** Parkway Life Soleil SAS	Investment holding	France	100	–
** Parkway Life Santé	Investment holding	France	100	–
** Parkway Life Santé 1 SCI	Special purpose entity - Investment in real estate	France	100	–
** Parkway Life Santé 2 SCI	Special purpose entity - Investment in real estate	France	100	–
** Parkway Life Santé 3 SCI	Special purpose entity - Investment in real estate	France	100	–
** Parkway Life Santé 4 SCI	Special purpose entity - Investment in real estate	France	100	–

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2024

5 INTERESTS IN SUBSIDIARIES (CONT'D)

Name of subsidiaries	Principal activities	Place of incorporation and business	Effective interest held by the Group 2024 %	2023 %
** Parkway Life Santé 5 SCI	Special purpose entity - Investment in real estate	France	100	–
** Parkway Life Santé 6 SCI	Investment holding	France	100	–
** Parkway Life Santé 7 SCI	Investment holding	France	100	–
** Parkway Life Santé 8 SCI	Investment holding and Special purpose entity - Investment in real estate	France	100	–
** Parkway Life Santé 9 SCI	Investment holding and Special purpose entity - Investment in real estate	France	100	–
** Champs Invest	Special purpose entity - Investment in real estate	France	100	–
** Saint Marcel Invest	Special purpose entity - Investment in real estate	France	100	–
** Villers-Semeuse Invest	Special purpose entity - Investment in real estate	France	100	–
** SCI Turquoise	Special purpose entity - Investment in real estate	France	100	–
* Parkway Life MTN Pte. Ltd.	Provision of financial and treasury services	Singapore	100	100

* Audited by KPMG Singapore.
** Not required to be audited under the laws of country of incorporation.
# Audited by KPMG Malaysia.

For consolidation purposes, the SPEs are audited by KPMG Singapore.

6 ADVANCE PAYMENT

On 13 October 2021, the Group entered into new master lease agreements with Parkway Hospitals Singapore Pte. Ltd. ("PHS"), a related party of the Manager and the Trust, for the three hospital properties in Singapore. Along with the new master lease agreements, the Group had on the same date, entered into the agreement for the renewal capital expenditure works ("Renewal Capex Works"). The Renewal Capex Works was awarded to a non-related party contractor in 2022 and shall be entirely carried out at Mount Elizabeth Hospital. In order to minimise operational disruptions, the Trust will synchronise the regular capital expenditure works with the Renewal Capex Works at Mount Elizabeth Hospital.

There was an advance payment of approximately $46.2 million to the contractor in December 2022 in relation to the above capital expenditure works. With progression of the capital expenditure works in Mount Elizabeth Hospital, the advance payment has been fully utilised as of 31 December 2024.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2024

7 FINANCIAL DERIVATIVES

	Group and Trust 2024 $'000	Group and Trust 2023 $'000
Current derivative assets	32,724	1,341
Non-current derivative assets	15,556	39,257
Total derivative assets	48,280	40,598
Current derivative liabilities	–	(1,820)
Non-current derivative liabilities	(677)	(3,572)
Total derivative liabilities	(677)	(5,392)
Total derivative assets (net)	47,603	35,206

	Group 2024 %	Group 2023 %	Trust 2024 %	Trust 2023 %
Percentage of derivative assets to unitholders' funds	3.1	2.9	2.9	2.8
Percentage of derivative liabilities to unitholders' funds	*	(0.4)	*	(0.4)

* Less than 0.1%

Interest rate swaps

The Group manages its exposure to interest rate movement on its floating rate loans and borrowings by entering into interest rate swaps. As at the reporting date, the Group has interest rate swaps (including forward-starting swaps) with a total notional principal of approximately $439.4 million (2023: $263.7 million) to provide fixed rate funding up to 2031 (2023: up to 2030) at a weighted average effective interest rate of 1.09% (2023: 1.27%) per annum.

As at 31 December 2024, where the interest rate swaps are designated as the hedging instruments in qualifying cash flow hedges, the effective portion of the changes in fair value of the interest rate swaps amounting to $3.7 million gain (2023: $2.6 million loss) was recognised in the hedging reserve.

Interest rate caps

Apart from interest rate swaps, the Group also manages its exposure to interest rate movement on its floating rate loans and borrowings by entering into interest rate caps. As at the reporting date, the Group has interest rate caps with a notional principal of approximately $300.0 million (2023: approximately $322.6 million).

These instruments are designated as hedging instruments. As at 31 December 2024, a change of time value of the interest rate caps of $0.7 million loss (2023: $0.6 million loss) was recognised in the cost of hedging reserve. $0.6 million gain in intrinsic value (2023: $1.8 million loss) was recognised in the hedging reserve during the year.

Forward exchange contracts

The Group manages its exposure to foreign currency movements on its net income denominated in Japanese Yen from its investments in Japan by using forward exchange contracts to provide a hedge to the distribution of income from its investments in Japan, net of Japanese Yen financing costs.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2024

7 FINANCIAL DERIVATIVES (CONT'D)

At the reporting date, the Group has outstanding forward exchange contracts with aggregate notional amounts of approximately $96.2 million (2023: $182.0 million). The change in fair value of $3.3 million gain (2023: $1.2 million gain) was recognised in the statement of total return.

Cross currency interest rate swaps

At the reporting date, the Group has cross currency interest rate swap ("CCIRS") with notional principal of $81.9 million (2023: $81.9 million) to manage its foreign currency risk and interest rate risk arising from the financing of Japan properties using Singapore dollar loan facilities. To maintain a natural hedge, the Group utilised CCIRS to realign the Singapore dollar denominated loans back into effective Japanese Yen denominated loans to match its underlying Japanese Yen denominated assets.

The Group had in-substance bifurcated the CCIRS and applied hedge accounting for net investment hedge and cash flow hedge, where the changes in fair value of $5.6 million gain (2023: $7.3 million gain) and $1.6 million loss (2023: $2.4 million loss) were recognised in the foreign currency translation reserve and hedging reserve, respectively.

At the reporting date, the Group has also put in place a cross currency swap ("CCS") with notional principal of $171.6 million to manage its foreign currency risk arising from the financing of France properties using Singapore dollar proceeds from the equity fund raising. To maintain a natural hedge, the Group utilised this CCS to hedge against the EUR/SGD fluctuation from the underlying Euro denominated assets.

Upon completion of the acquisition of the France properties, the Group had applied hedged accounting for net investment hedge, where the changes in fair value of $0.2 million loss was recognised in the foreign currency translation reserve and a change of time value of the CCS of $37,000 gain was recognised in cost of hedging reserve. As part of the pre-emptive measures to manage the foreign currency exposure arising from the France acquisition, the CCS was entered into in advance of the completion of acquisition. The change in fair value prior to the completion of the acquisition of $1.8 million gain was recognised in the statement of total return.

Offsetting financial assets and financial liabilities

The Group's derivative transactions are entered into under International Swaps and Derivatives Association ("ISDA") master netting agreements. In general, under such agreements, the amounts owed by each counterparty in respect of the same transactions outstanding in the same currency under the agreement are aggregated into a single net amount that is payable by one party to the other. In certain circumstances, for example when a credit event such as a default occurs, all outstanding transactions under the agreement are terminated, the termination value is assessed and only a single net amount is due or payable in settlement of all outstanding transactions.

The Group's derivatives under the ISDA master netting agreements do not meet the criteria for offsetting in the statement of financial position. This is because they create a right of set-off of recognised amounts that is enforceable only following an event of default, insolvency or bankruptcy of the Group or the counterparties. In addition the Group and its counterparties do not intend to settle on a net basis or to realise the assets and settle the liabilities simultaneously in its normal course of business. Accordingly, as at 31 December 2024, the Group does not have any offsetting financial assets and liabilities in the statement of financial position.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2024

8 TRADE AND OTHER RECEIVABLES

	Group		Trust	
	2024	2023	2024	2023
	$'000	$'000	$'000	$'000
Trade receivables (net)	2,427	2,392	–	–
Amounts due from related party (trade)	3,433	2,792	3,433	2,792
Amounts due from subsidiaries (non-trade)	–	–	368	–
Loans to subsidiaries	–	–	168,811	–
Advances to subsidiary	–	–	2,206	–
Other receivables	1,774	69	946	–
	7,634	5,253	175,764	2,792
Prepayments	998	1,063	5	39
	8,632	6,316	175,769	2,831
Current	8,632	6,316	6,958	2,831
Non-current	–	–	168,811	–
	8,632	6,316	175,769	2,831

Included in the trade and other receivables of the Trust are loans to subsidiaries and advances to subsidiary, in relation to the France acquisition. The loans to subsidiaries are at an interest rate of 5.6% for a 12-year tenure. Advances to subsidiary is interest-free and expected to be settled within the next 12 months.

The maximum exposure to credit risks for trade receivables at reporting date by operating segment is as follows:

	Group		Trust	
	2024	2023	2024	2023
	$'000	$'000	$'000	$'000
Nursing homes	2,427	2,392	–	–
Hospitals and medical centres	3,433	2,792	3,433	2,792
	5,860	5,184	3,433	2,792

At the reporting date, the hospitals and medical centres located in Singapore are leased to one master lessee, PHS. Accordingly, the Group's most significant outstanding trade receivables amounted to $3,433,000 (2023: $2,792,000) is due from PHS as at the reporting date. These trade receivables are in accordance with the payment schedule as set out in the lease agreements entered with PHS.

As at 31 December 2024, the Trust has in its possession a corporate guarantee in its favour amounting to $16.2 million (2023: $16.2 million). It is provided to the Trust by Parkway Pantai Limited, as the guarantor for PHS, in lieu of security deposits.

During the year, the Group acquired eleven nursing homes under a sale and leaseback arrangement. As required under the lease agreements, banker guarantees equivalent to 5 months' rent were provided to the Group, in lieu of security deposits.

The Manager is of the opinion that there are no conditions that cast doubt over the recoverability of the Group's trade receivables.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2024

8 TRADE AND OTHER RECEIVABLES (CONT'D)

Impairment

During the year, the Group has made an allowance for doubtful debts of $0.5 million due to default on the rental receivables by an operator for 2 of the nursing home properties in Japan (see Note 24).

The ageing of trade receivables that were not impaired at the reporting date was:

	Group		Trust	
	2024	2023	2024	2023
	$'000	$'000	$'000	$'000
Neither past due nor impaired	3,433	4,141	3,433	2,792
Past due 1 - 30 days	971	1,043	–	–
Past due 31 - 180 days	1,456	–	–	–
	5,860	5,184	3,433	2,792

9 CASH AND CASH EQUIVALENTS

	Group		Trust	
	2024	2023	2024	2023
	$'000	$'000	$'000	$'000
Cash and cash equivalents in the statement of financial position and the cash flow statement	29,471	28,499	4,461	4,651

10 TRADE AND OTHER PAYABLES

	Group		Trust	
	2024	2023	2024	2023
	$'000	$'000	$'000	$'000
Trade payables and accrued operating expenses	22,181	12,858	19,163	10,362
Amounts due to related parties:				
- the Manager (trade)	8,370	7,405	8,368	7,402
- the Manager (non-trade)	463	133	463	133
- the Trustee (trade)	67	62	67	62
Interest payable	1,023	779	1,023	779
	32,104	21,237	29,084	18,738
Advance rent received	8,252	9,486	5,400	5,400
	40,356	30,723	34,484	24,138

The non-trade amounts due to the Manager relate to reimbursement of travelling expenses which are unsecured, interest-free, and repayable on demand.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2024

11 LOANS AND BORROWINGS

	Group and Trust 2024 $'000	Group and Trust 2023 $'000
Current liabilities		
Unsecured bank loans	17,797	53,559
Unamortised transaction costs	–	(15)
	17,797	53,544
Non-current liabilities		
Unsecured bank loans	715,268	609,708
Unsecured medium term notes	154,316	165,912
Unamortised transaction costs	(3,341)	(2,777)
	866,243	772,843

Terms and debt repayment schedule

Terms and conditions of outstanding loans and borrowings are as follows:

Group and Trust	Nominal interest rate	Year of maturity	2024 Face value $'000	2024 Carrying amount $'000	2023 Face value $'000	2023 Carrying amount $'000
JPY variable rate loans	Bank's cost of fund	2024	–	–	12,639	12,639
JPY floating rate loan	TIBOR + margin	2024	–	–	40,920	40,905
JPY variable rate loans	Bank's cost of fund	2025	17,797	17,797	–	–
JPY floating rate loans	TONA + margin	2025	–	–	111,581	111,393
S$ floating rate loans	SORA + margin	2026	151,875	151,712	151,875	151,617
JPY floating rate loan	TONA + margin	2026	76,120	75,905	81,840	81,513
S$ floating rate loan	SORA + margin	2027	60,000	59,794	21,000	20,725
JPY medium term note	0.51%	2027	28,545	28,518	30,690	30,651
JPY floating rate loans	TONA + margin	2027	158,194	157,653	170,082	169,321
S$ floating rate loan	SORA + margin	2028	37,900	37,445	53,800	53,234
JPY medium term note	0.85%	2028	43,250	43,196	46,500	46,433
JPY medium term note	0.97%	2029	52,246	52,178	56,172	56,091
JPY floating rate loan	TONA + margin	2029	18,165	18,044	19,530	19,384
JPY medium term note	1.28%	2030	30,275	30,217	32,550	32,481
JPY floating rate loan	TONA + margin	2030	115,269	114,583	–	–
JPY floating rate loan	TONA + margin	2031	97,745	96,998	–	–
			887,381	884,040	829,179	826,387

SORA denotes Singapore Overnight Rate Average
TONA denotes Tokyo Overnight Average
TIBOR denotes Tokyo Interbank Offered Rate

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2024

11 LOANS AND BORROWINGS (CONT'D)

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 JPY53,814 million (approximately $465.5 million) and $249.8 million (2023: JPY41,186 million (approximately $383.1 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 Parkway Life REIT. 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.

Amongst the long term facilities, the Group has three revolving credit facilities ("RCF"), total amounting to $186.5 million, which include covenants that need to be complied with as at the reporting date. These loans can be utilised as long as on the date of each utilisation, there is no event of default, no material adverse change in the business, financial condition or operations and all representations and warranties of the facility agreements have been complied with.

During the year, the Trust has executed several committed and unsecured loan facilities to refinance its existing loan facilities and for financing general working capital purposes. As at the reporting date, the Group has remaining unutilised long term committed facility amounting to approximately $112.1 million.

Interest rate was largely hedged as the Group entered into interest rate swaps, CCIRS and interest rate caps to manage the interest rate exposures for the above Long Term Facilities. Details of these hedging initiatives are set out in Note 7.

(2) Unsecured Debt Issuance

Parkway Life REIT, 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 Parkway Life REIT with the flexibility to tap various types of capital market products, including issuance of perpetual securities when needed.

Under the Multicurrency 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 31 December 2024, there were four series of outstanding fixed rate notes issued under the Multicurrency Debt Issuance Programme, amounting to JPY17,840 million (approximately $154.3 million) (2023: JPY17,840 million (approximately $165.9 million)) maturing between 2027 to 2030.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2024

11 LOANS AND BORROWINGS (CONT'D)

(3) Short Term Facilities

The Trust 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 31 December 2024, a total of JPY2,058 million (approximately $17.8 million) (2023: JPY1,359 million (approximately $12.6 million) was drawn down via Short Term Facilities for working capital purpose for 3 months (2023: 3 months).

Reconciliation of liabilities arising from financing activities

	1 January 2023 $'000	Financing cash flows $'000	Non-cash changes: Foreign exchange movement $'000	Non-cash changes: Interest expense $'000	Non-cash changes: Transaction costs related to loans and borrowings $'000	Non-cash changes: Other changes $'000	31 December 2023 $'000
Loans and borrowings	849,789	30,229[1]	(54,473)	–	842	–	826,387
Interest payable (Note 10)	835	(9,725)	–	9,669	–	–	779
Lease liabilities	2,099	(32)	–	17	–	–	2,084
Cross currency interest rate swap used for hedging – liabilities	(18,914)	–	–	–	–	(4,872)	(23,786)
Interest rate caps used for hedging - (assets)	(3,942)	–	–	–	–	2,695	(1,247)
Interest rate swap used for hedging – liabilities/(assets)	(38)	–	–	–	–	2,572	2,534
Forward exchange contracts (net) – assets	(11,534)	–	(7,841)	–	–	6,668	(12,707)

[1] Net proceeds from loans and borrowings and medium term notes, includes repayment of loans and borrowings, redemption of medium term notes and payment of borrowing costs.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2024

11 LOANS AND BORROWINGS (CONT'D)

Reconciliation of liabilities arising from financing activities (cont'd)

	1 January 2024 $'000	Financing cash flows $'000	Non-cash changes: Foreign exchange movement $'000	Non-cash changes: Interest expense $'000	Non-cash changes: Transaction costs related to loans and borrowings $'000	Non-cash changes: Other changes $'000	31 December 2024 $'000
Loans and borrowings	826,387	101,458[1]	(44,810)	–	1,005	–	884,040
Interest payable (Note 10)	779	(10,348)	–	10,592	–	–	1,023
Lease liabilities	2,084	(32)	–	17	–	–	2,069
Cross currency interest rate swap used for hedging – assets	(23,786)	–	–	–	–	(3,958)	(27,744)
Cross currency swap used for hedging liabilities/ assets	–	–	–	–	–	(1,653)	(1,653)
Interest rate caps used for hedging - assets	(1,247)	–	–	–	–	302	(945)
Interest rate swaps used for hedging – (assets)/liabilities	2,534	–	–	–	–	(3,740)	(1,206)
Forward exchange contracts – assets	(12,707)	–	(9,651)	–	–	6,303	(16,055)

[1] Net proceeds from loans and borrowings and medium term notes, includes repayment of loans and borrowings, redemption of medium term notes and payment of borrowing costs.

12 DEFERRED TAX ASSETS AND LIABILITIES

	At 1 January $'000	Recognised in statement of total return (Note 20) $'000	Translation differences $'000	At 31 December $'000
Group				
2024				
Deferred tax liabilities/(assets)				
Investment properties (including right-of-use assets)	36,582	2,666	(2,581)	36,667
Lease liabilities	(426)	3	–	(423)
	36,156	2,669	(2,581)	36,244
2023				
Deferred tax liabilities/(assets)				
Investment properties (including right-of-use assets)	36,197	3,563	(3,178)	36,582
Lease liabilities	(428)	2	–	(426)
	35,769	3,565	(3,178)	36,156

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2024

13 UNITHOLDERS' FUNDS

	Group		Trust	
	2024	**2023**	**2024**	**2023**
	$'000	**$'000**	**$'000**	**$'000**
Unitholders' contribution	734,871	585,258	734,871	585,258
Revenue reserve	834,398	832,708	919,848	873,860
Hedging reserve	3,130	388	3,130	388
Cost of hedging reserve	(538)	99	(576)	99
Foreign currency translation reserve	(1,909)	(3,896)	–	–
	1,569,952	1,414,557	1,657,273	1,459,605

Hedging reserve

The hedging reserve comprises the effective portion of the cumulative net change in the fair value of cash flow hedging instruments used to hedge against cash flow variability arising from interest payments on floating rate loans.

Cost of hedging reserve

The cost of hedging reserve reflects gain or loss from the designated hedging instrument that relates to the time value element of interest rate cap contracts.

Foreign currency translation reserve

The foreign currency translation reserve comprises the cumulative effects of:

(a) foreign exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from the functional currency of the Trust; and

(b) the gains or losses on instruments used to hedge the Trust's net investment in foreign operations that are determined to be effective hedges.

14 UNITS IN ISSUE

	Trust	
	2024	**2023**
	('000)	**('000)**
Units in issue:		
Balance at beginning of year	605,002	605,002
Issue of units pursuant to the Private Placement	47,369	-
Balance at end of year	652,371	605,002

47,369,000 new units were issued on 1 November 2024 at an issue price of $3.80 per unit in connection with the private placement ("Private Placement") to fund the acquisition of 11 nursing homes in France.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2024

14 UNITS IN ISSUE (CONT'D)

Each unit in the Trust represents an undivided interest in the Trust and carries the same voting rights. The rights and interests of Unitholders are contained in the Trust Deed and include the right to:

- receive income and other distributions attributable to the units held;
- receive audited financial statements and annual reports of the Trust;
- participate in the termination of the Trust by receiving a share of all net cash proceeds derived from the realisation of the assets of the Trust available for purposes of such distribution less any liabilities, in accordance with their proportionate interests in the Trust. However, a Unitholder has no equitable or proprietary interest in the underlying assets of the Trust and is not entitled to the transfer to it of any assets (or part thereof) or of any estate or interest in any asset (or part thereof) of the Trust;
- attend all Unitholders' meetings. The Trustee or the Manager may (and the Manager shall at the request in writing of not less than 50 Unitholders or 10% of the total units issued, whichever is the lesser) at any time convene a meeting of Unitholders in accordance with the provisions of the Trust Deed; and
- one vote per unit at the meeting of the Trust.

The restrictions of a Unitholder include the following:

- a Unitholder's right is limited to the right to require due administration of the Trust in accordance with the provisions of the Trust Deed; and
- a Unitholder has no right to request the Manager to repurchase or redeem his units while the units are listed on the SGX-ST and/or any other recognised stock exchange.

A Unitholder's liability is limited to the amount paid or payable for any unit in the Trust. The provisions of the Trust Deed provide that if the issue price of the units held by a Unitholder has been fully paid, no such Unitholder will be personally liable to indemnify the Trustee or any creditor of the Trustee in the event that the liabilities of the Trust exceed its assets.

15 GROSS REVENUE

	Group		Trust	
	2024	**2023**	**2024**	**2023**
	$'000	**$'000**	**$'000**	**$'000**
Property rental income	144,848	146,960	101,583	101,583
Dividend income from subsidiaries	–	–	12,381	13,399
Other income	420	507	–	–
	145,268	147,467	113,964	114,982

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2024

16 PROPERTY EXPENSES

	Group		Trust	
	2024	2023	2024	2023
	$'000	$'000	$'000	$'000
Operations and maintenance expenditure	5,333	5,105	3,721	3,426
Property tax	2,851	3,055	–	–
Property and lease management fees	8	8	–	–
Marketing services commission	–	206	–	112
Allowance for doubtful debts	472	–	–	–
Others	7	9	–	–
	8,671	8,383	3,721	3,538

An allowance for doubtful debts of $0.5 million due to default on the rental receivables by an operator for 2 of the nursing home properties in Japan was provided during the year.

17 MANAGEMENT FEES

	Group		Trust	
	2024	2023	2024	2023
	$'000	$'000	$'000	$'000
Base fees	7,130	6,931	7,130	6,931
Performance fees	6,147	6,259	6,147	6,259
Asset management fees	1,234	1,301	–	–
	14,511	14,491	13,277	13,190

18 TRUST EXPENSES

	Group		Trust	
	2024	2023	2024	2023
	$'000	$'000	$'000	$'000
Trustee fees	380	371	380	371
Valuation fees	233	223	233	223
Audit fees paid to auditors of the Trust and other affiliated firm	295	279	267	249
Non-audit fees paid to auditors of the Trust and other affiliated firm	168	66	162	56
Professional fees	1,471	1,355	886	789
Other expenses	1,022	714	848	480
	3,569	3,008	2,776	2,168

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2024

19 FINANCE COSTS

	Group		Trust	
	2024	2023	2024	2023
	$'000	$'000	$'000	$'000
Interest paid and payable				
- bank loans	12,977	12,660	12,977	12,660
- financial derivatives	(2,604)	(3,244)	(2,604)	(3,244)
	10,373	9,416	10,373	9,416
Amortisation of transaction costs relating to debt facilities	1,005	842	1,005	842
Financial liabilities measured at amortised cost – interest expense	260	271	–	–
Others	509	274	509	274
	12,147	10,803	11,887	10,532

20 INCOME TAX EXPENSE

	Group		Trust	
	2024	2023	2024	2023
	$'000	$'000	$'000	$'000
Current tax expense				
Withholding tax	4,006	4,221	–	–
Income tax expense	21	19	–	–
Changes in estimates related to prior year	(1)	(2)	–	–
	4,026	4,238	–	–
Deferred tax expense				
Movement in temporary differences	2,669	3,565	–	–
Total	6,695	7,803	–	–
Reconciliation of effective tax rate				
Total return for the year before income tax	101,736	108,268	139,339	145,248
Income tax using Singapore tax rate of 17% (2023: 17%)	17,295	18,406	23,688	24,692
Effect of different tax rate in foreign jurisdictions	1,092	1,299	–	–
Income not subject to tax	(2,802)	(1,242)	(12,058)	(12,667)
Non-tax deductible items	5,137	3,288	2,396	1,921
Tax transparency	(14,026)	(13,946)	(14,026)	(13,946)
Changes in estimates related to prior year	(1)	(2)	–	–
	6,695	7,803	–	–

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2024

21 EARNINGS PER UNIT

The calculation of basic earnings per unit ("EPU") is based on the weighted average number of units in issue during the year and the total return after income tax.

	Group		Trust	
	2024	**2023**	**2024**	**2023**
	$'000	**$'000**	**$'000**	**$'000**
Total return before income tax and distribution	101,736	108,268	139,339	145,248
Less: Income tax expense	(6,695)	(7,803)	–	–
Total return after income tax, before distribution	95,041	100,465	139,339	145,248

	Group and Trust	
	2024	**2023**
	Number of Units ('000)	**Number of Units ('000)**
Weighted average number of units in issue (basic and diluted)	612,897	605,002

	Group		Trust	
	2024	**2023**	**2024**	**2023**
Basic and diluted earnings per unit (cents)	15.51	16.61	22.73	24.01

The diluted EPU is computed using the total return for the period after tax, and the weighted average number of units issued for the period. The weighted average number of units issued has been adjusted for the dilutive effects of units to be issued to the Manager as partial payment of the Manager's management fees incurred in 2024 for the France portfolio. The basic and diluted weighted average number of units and EPU are the same as the dilutive effect is less than 1,000 units.

22 COMMITMENTS

	Group		Trust	
	2024	**2023**	**2024**	**2023**
	$'000	**$'000**	**$'000**	**$'000**
Capital commitments:				
- contracted but not provided for	80,898	123,836	78,112	121,734
- authorised but not contracted for	10,864	10,324	9,085	9,437
	91,762	134,160	87,197	131,171

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2024

22 COMMITMENTS (CONT'D)

Operating lease commitments

Operating lease rental receivable

The Group leases out its investment properties. Non-cancellable operating lease rentals receivable are as follows:

	Group		Trust	
	2024	**2023**	**2024**	**2023**
	$'000	**$'000**	**$'000**	**$'000**
Operating leases under FRS 116				
Less than one year	123,512	116,836	79,719	77,397
One to two years	138,616	112,484	98,179	79,719
Two to three years	137,161	129,293	99,161	98,179
Three to four years	137,868	127,255	100,152	99,161
Four to five years	136,516	127,533	101,154	100,152
More than five years	1,586,570	1,639,018	1,410,837	1,511,991
Total	2,260,243	2,252,419	1,889,202	1,966,599

Since August 2007, the Group leases out its investment properties in Singapore to PHS, a related party of the Manager and the Trust, under separate master lease agreements for a period of 15 years. On 13 October 2021, the Group entered into new master lease agreements with PHS for the three investment properties for another approximately 20.4 years, commenced on 23 August 2022.

As at 31 December 2024, the Group leased out some of its strata titled units/lots within MOB Specialist Clinics, Kuala Lumpur to Gleneagles Hospital Kuala Lumpur (a branch of Pantai Medical Centre Sdn. Bhd.), a related party of the Manager and the Trust.

Operating lease rental payable

Leases as lessee (FRS 116)

The Group pays land rent for a leasehold property in Japan, which has a land lease period of 99 years.

Right-of-use assets related to leased property are presented as part of investment properties (see Note 4).

The Group pays land rent for its leasehold properties in Singapore, with remaining land lease periods of 50 – 58 years. These leases are of low-value. The Group has elected not to recognise right-of-use assets and lease liabilities for these leases.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2024

22 COMMITMENTS (CONT'D)

Operating lease rental payable (cont'd)

Leases as lessee (FRS 116) *(cont'd)*

Amounts recognised in statement of total return

	2024 $'000	2023 $'000
Interest on lease liabilities	17	17
Net change in fair valuation of investment properties	(7)	(8)
Expenses relating to leases of low-value assets	*	*

Amounts recognised in statement of cash flows

	2024 $'000	2023 $'000
Total cash outflow for leases	32	32

* Less than $1,000

23 SIGNIFICANT RELATED PARTY TRANSACTIONS

For the purposes of these financial statements, parties are considered to be related if the Group has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common significant influence. Related parties may be individuals or other entities.

	Group		Trust	
	2024 $'000	2023 $'000	2024 $'000	2023 $'000
Related parties of the Manager				
Rental income received/receivable	77,498	75,245	77,397	75,142
Other income received/receivable	41	37	–	–
The Manager				
Manager's management fees paid/payable	13,277	13,190	13,277	13,190
Acquisition fees paid/payable to the Manager[1]	1,792	161	1,792	161
Travelling expenses reimbursed/reimbursable to the Manager	765	379	765	379
Property and lease management fees paid/payable to the Manager	8	8	–	–
Marketing services commission paid/payable to the Manager	–	117	–	112

[1] Included in acquisition related costs, capitalised as part of investment properties (note 4)

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2024

23 SIGNIFICANT RELATED PARTY TRANSACTIONS (CONT'D)

	Group		Trust	
	2024 $'000	2023 $'000	2024 $'000	2023 $'000
The Trustee				
Trustee's fees paid/payable	380	371	380	371

24 FINANCIAL INSTRUMENTS

Financial risk management

Overview

The Group has exposure to the following risks:

- credit risk
- liquidity risk
- market risk

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risks, as well as the Group's capital management strategy.

Risk management framework

The Manager has overall responsibility for the establishment and oversight of the Group's risk management framework. The Group has a system of controls in place to create an acceptable balance between the cost of risks occurring and the cost of managing the risks. The Manager continually monitors the Group's risk management processes to ensure an appropriate balance between risks and controls is achieved. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities.

Credit risk

Credit risk is the risk of financial loss to the Group if a lessee or deposit taking financial institution fails to meet its contractual obligations, and arises principally from the Group's receivables from lessees and cash and cash equivalents placed with these financial institutions.

Trade and other receivables

The investment properties in Singapore are leased to one master lessee, PHS, a related party of the Manager and the Trust. The investment properties in Japan are leased to several nursing home operators. Except as disclosed in note 16, the Manager is of the opinion that there were no conditions that cast doubt over the recoverability of the Group's trade receivables. The maximum exposure to credit risk is represented by the carrying value of these receivables on the statement of financial position.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2024

24 FINANCIAL INSTRUMENTS (CONT'D)

Expected credit loss assessment as at 31 December

The Group uses an allowance matrix to measure the ECLs of trade receivables from individual customers. Loss rates are calculated using a 'roll rate' method based on the probability of a receivable progressing through successive stages of delinquency to write-off and are based on actual credit loss over the past three years. An allowance for doubtful debts of $0.5 million due to default on the rental receivables by an operator for 2 of the nursing home properties in Japan was provided in the year (see Note 16). The Manager believes that no further allowance of impairment is necessary in respect of the trade receivable as these receivables relate mainly to lessees that have a good record with the Group or have sufficient security deposits as collateral, and hence ECL is not material.

At the reporting date, except as disclosed in Note 8, there were no significant concentration of credit risk. The maximum exposure to credit risk is represented by the carrying value on the statement of financial position.

Movements in allowance for impairment in respect of trade receivables

The movement in the allowance for impairment in respect of trade receivables during the year was as follows:

	Group		Trust	
	2024	2023	2024	2023
	$'000	$'000	$'000	$'000
Balance at 1 January	–	–	–	–
Impairment loss recognised	472	–	–	–
Balance at 31 December	472	–	–	–

Cash and cash equivalents

Cash and fixed deposits are placed with financial institutions which are regulated.

Impairment on cash and cash equivalents has been measured on the 12-month expected loss basis and reflects the short maturities of the exposures. The Group considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties. The amount of the allowance on cash and cash equivalents was negligible.

Derivatives

The derivatives are entered only with bank counterparties that are regulated and at least investment grade as per internationally recognised credit rating agencies (Moody's Investors Service, Fitch Ratings and Standard & Poor's).

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Manager monitors and maintains a level of cash and cash equivalents deemed adequate to finance the Group's operations and to cater for the fluctuations in cash flow requirements. Typically, the Group ensures that it has sufficient cash on demand to meet expected operational expenses for a reasonable period of time, including the servicing of financial obligations; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted. In addition, the Manager also monitors and observes the CIS Code issued by the MAS concerning limits on total borrowings.

NOTES TO THE FINANCIAL STATEMENTS
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24 FINANCIAL INSTRUMENTS (CONT'D)

Liquidity risk *(cont'd)*

As at 31 December 2024, the Group has remaining unutilised long term committed credit facilities of approximately $112.1 million (2023: $166.8 million) that can be drawn down to meet short term financing needs. Based on the net projected cashflow position, including capital expenditure and undrawn committed facilities for the next twelve months, the Manager concluded the Group and the Trust have sufficient liquidity to meet its liabilities for the next twelve months from the date of financial statements as and when they fall due.

The following are the outstanding contractual maturities of financial liabilities and lease liabilities, including estimated interest payments and excluding the impact of netting agreements:

			<------------ Cash flow ------------>		
	Carrying amount	Contractual cash flows	Within 1 year	1 to 5 years	More than 5 years
	$'000	$'000	$'000	$'000	$'000
Group					
2024					
Non-derivative financial liabilities					
S$ unsecured bank loans	248,951	(272,211)	(9,454)	(262,757)	–
JPY unsecured bank loans	480,980	(496,750)	(21,074)	(261,145)	(214,531)
JPY medium term notes	154,109	(160,866)	(1,427)	(128,943)	(30,496)
Lease liabilities	2,069	(2,956)	(31)	(126)	(2,799)
Security deposits	16,530	(16,756)	(472)	(6,692)	(9,592)
Trade and other payables^	32,104	(32,104)	(32,104)	–	–
	934,743	(981,643)	(64,562)	(659,663)	(257,418)
Derivative financial instruments					
Forward exchange contracts (gross-settled)	(16,055)				
- inflow		96,155	32,657	63,498	–
- outflow		(79,472)	(26,902)	(52,570)	–
Cross currency interest rate swap (gross-settled)	(27,744)				
- inflow		110,659	110,659	–	–
- outflow		(82,047)	(82,047)	–	–
Cross currency swap (gross-settled)	(1,653)				
- inflow		172,135	292	171,843	–
- outflow		(171,602)	–	(171,602)	–
Interest rate swaps used for hedging (net-settled)	(1,206)	1,244	193	899	152
Interest rate caps used for hedging (net-settled)	(945)	802	314	488	–
	(47,603)	47,874	35,166	12,556	152
	887,140	(933,769)	(29,396)	(647,107)	(257,266)

^ Excludes advance rent received

24 FINANCIAL INSTRUMENTS (CONT'D)

Liquidity risk *(cont'd)*

	Carrying amount $'000	Contractual cash flows $'000	<------------ Cash flow ------------> Within 1 year $'000	1 to 5 years $'000	More than 5 years $'000
Group					
2023					
Non-derivative financial liabilities					
S$ unsecured bank loans	225,576	(259,987)	(9,785)	(250,202)	–
JPY unsecured bank loans	435,155	(441,404)	(55,264)	(366,515)	(19,625)
JPY medium term notes	165,656	(174,488)	(1,534)	(83,020)	(89,934)
Lease liabilities	2,084	(2,987)	(31)	(126)	(2,830)
Security deposits	17,329	(18,835)	(440)	(4,162)	(14,233)
Trade and other payables^	21,237	(21,237)	(21,237)	–	–
	867,037	(918,938)	(88,291)	(704,025)	(126,622)
Derivative financial instruments					
Forward exchange contracts (gross-settled)	(12,707)				
- inflow		182,015	85,860	92,620	3,535
- outflow		(168,779)	(80,993)	(84,557)	(3,229)
Cross currency interest rate swap (gross-settled)	(23,786)				
- inflow		106,740	14,778	91,962	–
- outflow		(82,230)	(211)	(82,019)	–
Interest rate swaps used for hedging (net-settled)	2,534	(2,611)	(427)	(1,700)	(484)
Interest rate caps used for hedging (net-settled)	(1,247)	1,250	–	1,250	–
	(35,206)	36,385	19,007	17,556	(178)
	831,831	(882,553)	(69,284)	(686,469)	(126,800)
Trust					
2024					
Non-derivative financial liabilities					
S$ unsecured bank loans	248,951	(272,211)	(9,454)	(262,757)	–
JPY unsecured bank loans	480,980	(496,750)	(21,074)	(261,145)	(214,531)
JPY medium term notes	154,109	(160,866)	(1,427)	(128,943)	(30,496)
Trade and other payables^	29,084	(29,084)	(29,084)	–	–
	913,124	(958,911)	(61,039)	(652,845)	(245,027)
Derivative financial instruments					
Forward exchange contracts (gross-settled)	(16,055)				
- inflow		96,155	32,657	63,498	–
- outflow		(79,472)	(26,902)	(52,570)	–
Cross currency interest rate swap (gross-settled)	(27,744)				
- inflow		110,659	110,659	–	–
- outflow		(82,047)	(82,047)	–	–
Cross currency swap (gross-settled)	(1,653)				
- inflow		172,135	292	171,843	–
- outflow		(171,602)	–	(171,602)	–
Interest rate swap used for hedging (net-settled)	(1,206)	1,244	193	899	152
Interest rate caps used for hedging (net-settled)	(945)	802	314	488	–
	(47,603)	47,874	35,166	12,556	152
	865,521	(911,037)	(25,873)	(640,289)	(244,875)

^ Excludes advance rent received

24 FINANCIAL INSTRUMENTS (CONT'D)

Liquidity risk *(cont'd)*

	Carrying amount $'000	Contractual cash flows $'000	<------------ Cash flow ------------> Within 1 year $'000	1 to 5 years $'000	More than 5 years $'000
Trust					
2023					
Non-derivative financial liabilities					
S$ unsecured bank loans	225,576	(259,987)	(9,785)	(250,202)	–
JPY unsecured bank loans	435,155	(441,404)	(55,264)	(366,515)	(19,625)
JPY medium term notes	165,656	(174,488)	(1,534)	(83,020)	(89,934)
Trade and other payables^	18,738	(18,738)	(18,738)	–	–
	845,125	(894,617)	(85,321)	(699,737)	(109,559)
Derivative financial instruments					
Forward exchange contracts (gross-settled)	(12,707)				
- inflow		182,015	85,860	92,620	3,535
- outflow		(168,779)	(80,993)	(84,557)	(3,229)
Cross currency interest rate swap (gross-settled)	(23,786)				
- inflow		106,740	14,778	91,962	–
- outflow		(82,230)	(211)	(82,019)	–
Interest rate swap used for hedging (net-settled)	2,534	(2,611)	(427)	(1,700)	(484)
Interest rate caps used for hedging (net-settled)	(1,247)	1,250	–	1,250	–
	(35,206)	36,385	19,007	17,556	(178)
	809,919	(858,232)	(66,314)	(682,181)	(109,737)

^ Excludes advance rent received

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates, will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

Exposure to foreign currency risk

In order to manage the currency risk involved in investing in assets outside of Singapore, the Manager may, as appropriate, adopt currency risk management strategies including:

- the use of foreign currency denominated borrowings to match the currency of the asset investment as a natural hedge. These borrowings are designated as net investment hedges;
- the use of derivative or other hedging instruments to hedge against fluctuations in the exchange rates of foreign currency income received from offshore assets against Singapore dollars; and
- the use of cross currency swap to hedge against the fluctuations in the exchange rates of any foreign currency denominated net assets of the Group against Singapore dollars.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2024

24 FINANCIAL INSTRUMENTS (CONT'D)

Exposure to foreign currency risk *(cont'd)*

The Group is exposed to foreign currency risk arising from its investments in Japan, France and Malaysia. The income generated from these investments and net assets are denominated in foreign currencies, mainly Japanese Yen ("JPY") and European Euro ("EUR").

The Group is exposed to foreign currency risk from the distribution of net income denominated in JPY from its investment properties located in Japan and its net investment in foreign operations denominated in JPY. The Manager limits the Group's exposure to adverse movements in foreign currency exchange rates by using forward exchange contracts to hedge the distribution of net income from its investments in Japan. In addition, the Group borrows loans denominated in JPY and utilised CCIRS to realign the Singapore dollar denominated loan back into effective JPY denominated loan to create a natural hedge for its JPY denominated investments and are designated as net investment hedge. Accordingly, the JPY denominated loans, JPY medium term notes and Singapore dollar denominated loans which were overlaid with CCIRS are excluded from the below disclosure of the Group's exposure to foreign currencies.

During the year, the Group launched an equity fund raising exercise to fund its investment in France. The Group had utilised CCS to swap the Singapore dollar proceeds from this equity fund raising exercise into Euro to fund the acquisition, thereby creating a natural hedge for its EUR denominated investment which is designated as net investment hedge. To fund the acquisition, the Euro amount from the CCS were on-lent to the French subsidiaries. Accordingly, these EUR denominated loans to subsidiaries and CCS are excluded from the below disclosure of the Group's exposure to foreign currencies.

The Group determines the existence of an economic relationship between the hedging instrument and hedged item based on the currency, amount and timing of their respective cash flows. The Group assesses the effectiveness of each hedging relationship by comparing changes in the carrying amount of the debt and the CCS that is due to a change in the spot rate with changes in the investment in the foreign operation due to movements in the spot rate (the offset method).

In these hedge relationships, the main sources of ineffectiveness are:

- the effect of the counterparty and the Group's own credit risk on the fair value of the forward exchange contracts or cross currency swaps, which is not reflected in the change in the fair value of the hedged cash flows attributable to the change in exchange rates; and
- changes in the timing of the hedged transactions.

The Group's exposure to various foreign currencies are shown in Singapore dollar, translated using the spot rate as at 31 December as follows:

	JPY $'000	EUR $'000	Total $'000
Group			
2024			
Cash and cash equivalents	92	194	286
Trade and other payables	(786)	–	(786)
Forward exchange contracts	(76,129)	–	(76,129)
Net exposure	(76,823)	194	(76,629)
2023			
Cash and cash equivalents	860	–	860
Trade and other payables	(483)	–	(483)
Forward exchange contracts	(161,019)	–	(161,019)
Net exposure	(160,642)	–	(160,642)

NOTES TO THE FINANCIAL STATEMENTS
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24 FINANCIAL INSTRUMENTS (CONT'D)

Exposure to foreign currency risk *(cont'd)*

The Trust's exposure to various foreign currencies which relates primarily to its use of financial instruments are shown in Singapore dollar, translated using the spot rate as at 31 December as follows:

	JPY $'000	EUR $'000	Total $'000
Trust			
2024			
Cash and cash equivalents	92	194	286
Trade and other receivables	–	168,811	168,811
Trade and other payables	(786)	–	(786)
Loans and borrowings	(637,606)	–	(637,606)
Forward exchange contracts	(76,129)	–	(76,129)
Cross currency interest rate swap	(54,063)	–	(54,063)
Cross currency swap	–	(168,938)	(168,938)
Net exposure	(768,492)	67	(768,425)
2023			
Cash and cash equivalents	860	–	860
Trade and other payables	(483)	–	(483)
Loans and borrowings	(602,504)	–	(602,504)
Forward exchange contracts	(161,019)	–	(161,019)
Cross currency interest rate swap	(58,125)	–	(58,125)
Net exposure	(821,271)	–	(821,271)

Sensitivity analysis

A 5% (2023: 5%) strengthening of the Singapore dollar against the following currencies at the reporting date would have increased/(decreased) the total return by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant.

	Statement of total return 2024 $'000	Statement of total return 2023 $'000
Group		
JPY	3,841	8,032
EUR	(10)	–
Trust		
JPY	38,425	41,064
EUR	(3)	–

In respect to the Group, a 5 % (2023: 5%) strengthening or weakening of Singapore dollar against Japanese Yen would have less significant impact than to the Trust as the Group issues Japanese Yen fixed rate notes, borrows loans denominated in Japanese Yen and Singapore dollar denominated loans which were overlaid with cross currency interest rate swap to realign it into effective JPY loans, and designated this as a net investment hedge. For the year ended 31 December 2024, the effective portion of the net investment hedge charged to the Unitholders' funds amounted to $50.8 million gain (2023: $58.6 million gain).

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2024

24 FINANCIAL INSTRUMENTS (CONT'D)

Exposure to interest rate risk

The Group's exposure to changes in interest rates relates primarily to the floating interest rates incurred for its loans and borrowings. Interest rate risk is managed by the Manager on an ongoing basis with the primary objective of limiting the extent to which net interest expenses could be affected by adverse movements in interest rates. The Manager adopts a policy of fixing the interest rates for at least 50% (and up to 100%) of its borrowings through the use of interest rate hedging financial instruments.

The Group determines the existence of an economic relationship between the hedging instrument and hedged item based on the reference interest rates, tenors, repricing dates and maturities and the notional or par amounts. The Group's policy is for the critical terms of the interest rate swaps and interest rate caps to align with the hedged borrowings.

Derivatives

The Group holds interest rate swap, interest rate caps and cross currency interest rate swap for risk management purposes that are designated in cash flow hedging relationships. The Group's derivative instruments are governed by contracts based on the International Swaps and Derivatives Association (ISDA)'s master agreements.

Hedge accounting

At the reporting date, the interest rate profile of the interest-bearing financial instruments (including forward-starting interest swaps to term out maturing hedges in 2025) was as follows:

	Group and Trust Nominal amount	
	2024 $'000	2023 $'000
Fixed rate instrument		
Medium term notes	(154,316)	(165,912)
Variable rate instruments		
Interest rate swaps	439,423	263,700
Interest rate caps	300,037	322,583
Cross currency interest rate swap	81,875	81,875
Loans and borrowings	(733,065)	(663,267)
	88,270	4,891

Fair value sensitivity analysis for fixed rate instruments

The Group does not account for any fixed rate financial assets at fair value through profit or loss. Therefore a change in interest rates at the reporting date would not affect statement of total return and Unitholders' funds.

Cash flow sensitivity analysis for variable rate instruments

A change of 100 basis points in interest rates at the reporting date would have increased/ (decreased) the total return and Unitholders' funds by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2024

24 FINANCIAL INSTRUMENTS (CONT'D)

Cash flow sensitivity analysis for variable rate instruments (cont'd)

	Statement of total return		Unitholders' funds	
	100 bp increase $'000	100 bp decrease $'000	100 bp increase $'000	100 bp decrease $'000
Group and Trust				
31 December 2024				
Loans and borrowings	(7,331)	7,331	–	–
Interest rate swaps	2,355	(2,355)	19,537	(19,285)
Interest rate caps	1,232	–	(3,099)	(180)
Cross currency interest rate swap	819	(819)	229	238
Cash flow sensitivity (net)	(2,925)	4,157	16,667	(19,227)
31 December 2023				
Loans and borrowings	(6,633)	6,633	–	–
Interest rate swap	2,637	(2,637)	8,799	(10,459)
Interest rate caps	1,324	–	(4,482)	36
Cross currency interest rate swap	819	(819)	187	211
Cash flow sensitivity (net)	(1,853)	3,177	4,504	(10,212)

Hedge accounting

Cash flow hedges

At 31 December 2024, the Group held the following instruments to hedge exposures to changes in interest rates.

	Maturity	
	Within 1 year	More than 1 year
Interest rate risk		
Cross currency interest rate swap		
Net exposure ($'000)	81,875	–
Fixed interest rate	0.46%	–
Interest rate swaps		
Net exposure ($'000)	–	439,423
Fixed interest rate	–	0.61% to 3.08%
Interest rate caps		
Net exposure ($'000)	203,967	96,070
Fixed interest cap rate	0.25%	0.25%

NOTES TO THE FINANCIAL STATEMENTS
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24 FINANCIAL INSTRUMENTS (CONT'D)

Hedge accounting *(cont'd)*

Cash flow hedges (cont'd)

At 31 December 2023, the Group held the following instruments to hedge exposures to changes in interest rates.

	Maturity Within 1 year	Maturity More than 1 year
Interest rate risk		
Cross currency interest rate swap		
Net exposure ($'000)	–	81,875
Fixed interest rate	–	0.36%
Interest rate swaps		
Net exposure ($'000)	40,920	222,780
Fixed interest rate	0.16%	0.71% to 3.08%
Interest rate caps		
Net exposure ($'000)	–	322,583
Fixed interest cap rate	–	0.25%

The amounts at the reporting date relating to items designated as hedged items were as follows:

	Change in value used for calculating hedge ineffectiveness $'000	Cash flow hedge reserve $'000	Cost of hedging reserve $'000	Balances remaining in the cash flow hedge reserve from hedging relationships for which hedge accounting is no longer applied $'000
31 December 2024				
Interest rate risk				
Variable-rate instruments	–	(3,130)	538	–
31 December 2023				
Interest rate risk				
Variable-rate instruments	–	(388)	(99)	–

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2024

24 FINANCIAL INSTRUMENTS (CONT'D)

Hedge accounting *(cont'd)*

Cash flow hedges (cont'd)

The following table provides a reconciliation of Unitholders' funds resulting from cash flow hedge accounting.

	Hedging reserve $'000	Cost of hedging reserve $'000
Balance at 1 January 2023	(7,157)	(715)
Cash flow hedges		
Changes in fair value	6,769	616
Balance at 31 December 2023	(388)	(99)
Balance at 1 January 2024	(388)	(99)
Cash flow hedges		
Changes in fair value	(2,742)	637
Balance at 31 December 2024	(3,130)	538

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2024

24 FINANCIAL INSTRUMENTS (CONT'D)

***Hedge accounting** (cont'd)*

Cash flow hedges (cont'd)

The amounts relating to items designated as hedging instruments were as follows:

	2024					During the period - 2024			
	Nominal amount	Carrying amount		Line item in the statement of financial position where		Changes in the value of the hedging instrument recognised in Unitholders' funds	Hedge ineffectiveness recognised in statement of total return	Cost of hedging recognised in Unitholders' funds	Line item in statement of total return that includes hedge ineffectiveness
		Assets	Liabilities	the hedging instrument is included	the hedged item is included				
	$'000	$'000	$'000			$'000	$'000	$'000	
Interest rate risk									
Cross currency interest rate swap	81,875	27,744	–	Financial derivatives	Loans and borrowings	(1,642)	–	–	N/A
Interest rate swaps	439,423	1,883	(677)	Financial derivatives	Loans and borrowings	3,741	–	–	N/A
Interest rate caps	300,037	945	–	Financial derivatives	Loans and borrowings	643	–	(675)	N/A

	2023					During the period - 2023			
	Nominal amount	Carrying amount		Line item in the statement of financial position where		Changes in the value of the hedging instrument recognised in Unitholders' funds	Hedge ineffectiveness recognised in statement of total return	Cost of hedging recognised in Unitholders' funds	Line item in statement of total return that includes hedge ineffectiveness
		Assets	Liabilities	the hedging instrument is included	the hedged item is included				
	$'000	$'000	$'000			$'000	$'000	$'000	
Interest rate risk									
Cross currency interest rate swap	81,875	23,786	–	Financial derivatives	Loans and borrowings	(2,389)	–	–	N/A
Interest rate swap	263,700	–	(2,534)	Financial derivatives	Loans and borrowings	(2,573)	–	–	N/A
Interest rate caps	322,583	1,247	–	Financial derivatives	Loans and borrowings	(1,807)	–	(616)	N/A

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2024

24 FINANCIAL INSTRUMENTS (CONT'D)

***Hedge accounting** (cont'd)*

Net investment hedges

The amounts related to items designated as hedging instruments were as follows:

	2024				During the period - 2024			
	Nominal amount	Carrying amount		Line item in the statement of financial position where the hedging instrument is included	Changes in the value of the hedging instrument recognised in Unitholders' funds	Hedge ineffectiveness recognised in statement of total return	Cost of hedging recognised in Unitholders' funds	Line item in statement of total return that includes hedge ineffectiveness
		Assets	Liabilities					
	$'000	$'000	$'000		$'000	$'000		
Foreign currency denominated loans and borrowings	719,481	–	(716,873)	Loans and borrowings	50,801	–	–	NA
Cross currency swap	171,602	1,653	–	Financial derivatives	(214)	1,830	37	Net change in fair value of financial derivatives

	2023				During the period - 2023		
	Nominal amount	Carrying amount		Line item in the statement of financial position where the hedging instrument is included	Changes in the value of the hedging instrument recognised in Unitholders' funds	Hedge ineffectiveness recognised in statement of total return	Line item in statement of total return that includes hedge ineffectiveness
		Assets	Liabilities				
	$'000	$'000	$'000		$'000	$'000	
Foreign currency denominated loans and borrowings	684,379	–	(682,541)	Loans and borrowings	58,596	–	N.A.

The amounts related to items designated as hedged items were as follows:

	2024		
	Change in the value of the hedged item	Foreign currency translation reserve	Balances remaining in the foreign currency translation reserve from hedging relationships for which hedge accounting is no longer applied
	$'000	$'000	$'000
Net investment in SPEs with JPY functional currency	(49,030)	(267,417)	–
Net investment in SPEs with EUR functional currency	253	253	–

	2023		
	Change in the value of the hedged item	Foreign currency translation reserve	Balances remaining in the foreign currency translation reserve from hedging relationships for which hedge accounting is no longer applied
	$'000	$'000	$'000
Net investment in SPEs with JPY functional currency	(58,997)	(218,387)	–

NOTES TO THE FINANCIAL STATEMENTS
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24 FINANCIAL INSTRUMENTS (CONT'D)

Capital management

The Manager reviews the Group's and the Trust's capital structure regularly and uses a combination of debt and equity to fund acquisitions and asset enhancement projects.

The objectives of the Manager are to:

(a) maintain a strong financial position by adopting and maintaining an optimal gearing ratio;

(b) secure diversified funding sources from financial institutions and/or capital markets; and

(c) adopt a proactive financial risk management strategy to manage financial risks related to interest rate and foreign currency fluctuations.

The Manager seeks to maintain an optimal combination of debt and equity in order to minimise the cost of capital and maximise returns to Unitholders. The Manager also monitors the externally imposed capital requirements closely and ensures the capital structure adopted comply with these requirements.

The Group is subjected to the Aggregate Leverage limit as defined in the Property Funds Appendix of the CIS Code. The CIS Code stipulates that the total borrowings and deferred payments (the "Aggregate Leverage") of a property fund should not exceed 50% of the fund's Deposited Property.

The Aggregate Leverage of the Group as at 31 December 2024 was 34.8% (2023: 35.6%) of the Group's Deposited Property. This complied with the stipulated Aggregate Leverage limit. The interest coverage ratio is 9.8 times at of 31 December 2024 (2023: 11.3 times).

There were no changes in the Group's approach to capital management during the year.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2024

24 FINANCIAL INSTRUMENTS (CONT'D)

Determination of fair values

The carrying amounts and fair values of financial assets and liabilities, including their levels in the fair value hierarchy are as follows. It does not include fair value information for financial assets and liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value. Further, for the current year the fair value disclosure of lease liabilities is also not required.

		Carrying amount					Fair value			
	Note	Amortised cost	Mandatorily at FVTPL	Other financial liabilities	Fair value – hedging instruments	Total carrying amount	Level 1	Level 2	Level 3	Total
		$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Group										
31 December 2024										
Financial assets measured at fair value										
Forward exchange contracts		–	16,055	–	–	16,055	–	16,055	–	16,055
Interest rate caps used for hedging		–	–	–	945	945	–	945	–	945
Interest rate swap used for hedging		–	–	–	1,883	1,883	–	1,883	–	1,883
Cross currency interest rate swap used for hedging		–	–	–	27,744	27,744	–	27,744	–	27,744
Cross currency swap used for hedging		–	–	–	1,653	1,653	–	1,653	–	1,653
		–	16,055	–	32,225	48,280				
Financial assets not measured at fair value										
Trade and other receivables*	8	7,634	–	–	–	7,634				
Cash and cash equivalents	9	29,471	–	–	–	29,471				
		37,105	–	–	–	37,105				
Financial liabilities measured at fair value										
Interest rate swaps used for hedging		–	–	–	(677)	(677)	–	(677)	–	(677)
Financial liabilities not measured at fair value										
Loans and borrowings	11									
-Unsecured bank loans		–	–	(729,931)	–	(729,931)				
-Medium term notes		–	–	(154,109)	–	(154,109)	–	(150,206)	–	(150,206)
Security deposits		–	–	(16,530)	–	(16,530)				
Trade and other payables^	10	–	–	(32,104)	–	(32,104)				
		–	–	(932,674)	–	(932,674)				

* Excludes prepayments
^ Excludes advance rent received

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2024

24 FINANCIAL INSTRUMENTS (CONT'D)

***Determination of fair values** (cont'd)*

		Carrying amount					Fair value			
	Note	**Amortised cost**	**Mandatorily at FVTPL**	**Other financial liabilities**	**Fair value – hedging instruments**	**Total carrying amount**	**Level 1**	**Level 2**	**Level 3**	**Total**
		$'000	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
Group										
31 December 2023										
Financial assets measured at fair value										
Forward exchange contracts		–	15,565	–	–	15,565	–	15,565	–	15,565
Interest rate caps used for hedging		–	–	–	1,247	1,247	–	1,247	–	1,247
Cross currency interest rate swap used for hedging		–	–	–	23,786	23,786	–	23,786	–	23,786
		–	15,565	–	25,033	40,598				
Financial assets not measured at fair value										
Trade and other receivables*	8	5,253	–	–	–	5,253				
Cash and cash equivalents	9	28,499	–	–	–	28,499				
		33,752	–	–	–	33,752				
Financial liabilities measured at fair value										
Forward exchange contracts		–	(2,858)	–	–	(2,858)	–	(2,858)	–	(2,858)
Interest rate swaps used for hedging		–	–	–	(2,534)	(2,534)	–	(2,534)	–	(2,534)
		–	(2,858)	–	(2,534)	(5,392)				
Financial liabilities not measured at fair value										
Loans and borrowings	11									
-Unsecured bank loans		–	–	(660,731)	–	(660,731)				
-Medium term notes		–	–	(165,656)	–	(165,656)	–	(162,746)	–	(162,746)
Security deposits		–	–	(17,329)	–	(17,329)				
Trade and other payables^	10	–	–	(21,237)	–	(21,237)				
		–	–	(864,953)	–	(864,953)				

* Excludes prepayments
^ Excludes advance rent received

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2024

24 FINANCIAL INSTRUMENTS (CONT'D)

***Determination of fair values** (cont'd)*

		Carrying amount					Fair value			
	Note	**Amortised cost**	**Mandatorily at FVTPL**	**Other financial liabilities**	**Fair value – hedging instruments**	**Total carrying amount**	**Level 1**	**Level 2**	**Level 3**	**Total**
		$'000	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
Trust										
31 December 2024										
Financial assets measured at fair value										
Forward exchange contracts		–	16,055	–	–	16,055	–	16,055	–	16,055
Interest rate caps used for hedging		–	–	–	945	945	–	945	–	945
Interest rate swaps used for hedging		–	–	–	1,883	1,883	–	1,883	–	1,883
Cross currency interest rate swap used for hedging		–	–	–	27,744	27,744	–	27,744	–	27,744
Cross currency swap used for hedging		–	–	–	1,653	1,653	–	1,653	–	1,653
		–	16,055	–	32,225	48,280				
Financial assets not measured at fair value										
Amount due from subsidiary	5	4,075	–	–	–	4,075				
Trade and other receivables (current)*	8	6,953	–	–	–	6,953				
Trade and other receivables (non-current)*	8	168,811	–	–	–	168,811	–	168,811	–	168,811
Cash and cash equivalents	9	4,461	–	–	–	4,461				
		184,300	–	–	–	184,300				
Financial liabilities measured at fair value										
Interest rate swaps used for hedging		–	–	–	(677)	(677)	–	(677)	–	(677)
Financial liabilities not measured at fair value										
Loans and borrowings	11									
-Unsecured bank loans		–	–	(729,931)	–	(729,931)				
-Medium term notes		–	–	(154,109)	–	(154,109)	–	(150,206)	–	(150,206)
Trade and other payables^	10	–	–	(29,084)	–	(29,084)				
		–	–	(913,124)	–	(913,124)				

* Excludes prepayments
^ Excludes advance rent received

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2024

24 FINANCIAL INSTRUMENTS (CONT'D)

Determination of fair values *(cont'd)*

		Carrying amount					Fair value			
	Note	Amortised cost	Mandatorily at FVTPL	Other financial liabilities	Fair value – hedging instruments	Total carrying amount	Level 1	Level 2	Level 3	Total
		$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Trust										
31 December 2023										
Financial assets measured at fair value										
Forward exchange contracts		–	15,565	–	–	15,565	–	15,565	–	15,565
Interest rate caps used for hedging		–	–	–	1,247	1,247	–	1,247	–	1,247
Cross currency interest rate swap used for hedging		–	–	–	23,786	23,786	–	23,786	–	23,786
		–	15,565	–	25,033	40,598				
Financial assets not measured at fair value										
Amount due from subsidiary	5	4,075	–	–	–	4,075				
Trade and other receivables*	8	2,792	–	–	–	2,792				
Cash and cash equivalents	9	4,651	–	–	–	4,651				
		11,518	–	–	–	11,518				
Financial liabilities measured at fair value										
Forward exchange contracts		–	(2,858)	–	–	(2,858)	–	(2,858)	–	(2,858)
Interest rate swaps used for hedging		–	–	–	(2,534)	(2,534)	–	(2,534)	–	(2,534)
		–	(2,858)	–	(2,534)	(5,392)				
Financial liabilities not measured at fair value										
Loans and borrowings	11									
-Unsecured bank loans		–	–	(660,731)	–	(660,731)				
-Medium term notes		–	–	(165,656)	–	(165,656)	–	(162,746)	–	(162,746)
Trade and other payables^	10	–	–	(18,738)	–	(18,738)				
		–	–	(845,125)	–	(845,125)				

* Excludes prepayments
^ Excludes advance rent received

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2024

24 FINANCIAL INSTRUMENTS (CONT'D)

Measurement of fair values

(i) Valuation techniques and significant unobservable inputs

The following tables show the valuation techniques used in measuring Level 2 and Level 3 fair values, as well as the significant unobservable inputs used.

Financial instruments measured at fair value

Type	Valuation technique	Key unobservable inputs
Group and Trust		
Derivatives: interest rate swaps, interest rate caps, forward exchange contracts, cross currency interest rate swap and cross currency swap	*Market comparison technique*: The fair values are based on valuations provided by the financial institutions that are the counterparties to the transactions. These quotes are tested for reasonableness by discounting estimated future cash flows based on the terms and maturity of each contract and using market interest rates for a similar instrument at the reporting date.	Not applicable

Financial instruments not measured at fair value

Type	Valuation technique	Key unobservable inputs
Group and Trust		
Medium term notes	The fair value is estimated taking into consideration of the quoted price	Not applicable
Security deposits	Discounted cash flows	Discount rate – 0.95 % (2023: 0.67%)

Other financial assets and liabilities

The carrying amounts of financial assets and liabilities with a maturity of less than one year (including trade and other receivables, cash and cash equivalents, trade and other payables and interest-bearing borrowings which reprice within three months) are assumed to approximate their fair values because of the short period to maturity or repricing.

The carrying amounts of non-current other receivables, which comprise loans to subsidiaries, are assumed to approximate their fair values because the amounts were disbursed close to the year end and the interest rate was based on arms-length range of interest rates.

(ii) Transfer between Level 1 and Level 2

During the financial year ended 31 December 2024, there were no transfers between Level 1 and Level 2.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2024

25 FINANCIAL RATIOS

	2024 %	2023 %
Ratio of expenses to weighted average net assets [1]		
- excluding performance component of Manager's fees	0.80	0.80
- including performance component of Manager's fees	1.21	1.24
Portfolio turnover rate [2]	–	–

[1] 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, finance costs, income tax expense and foreign exchange gains/(losses).

[2] The annualised 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.

26 OPERATING SEGMENTS

Segment information is presented in respect of the Group's strategic business units. For each of the reportable segments, the Chief Executive Officer of the Manager reviews internal management reports regularly. This forms the basis of identifying the operating segments of the Group.

The Group is engaged in a single business of investing in investment properties in the healthcare and/or healthcare-related sector, namely hospital and medical centres and nursing homes. During the financial year, the Group had four reportable geographical segments in Singapore, Japan, France and Malaysia.

Performance measurement based on segment profit before income tax and non-financial assets as well as financial assets attributable to each segment is used as the Manager believes that such information is most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly assets and expenses of the subsidiary providing financial and treasury services which were not allocated to an identified segment.

Segment capital expenditure is the total cost incurred on additions to investment properties that are expected to be used for more than one year.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2024

26 OPERATING SEGMENTS (CONT'D)

	Hospitals and Medical Centres		Nursing Homes		Total	
	2024 $'000	2023 $'000	2024 $'000	2023 $'000	2024 $'000	2023 $'000
Revenue and expenses						
Gross revenue	101,864	101,860	43,404	45,607	145,268	147,467
Net property income	98,011	98,186	38,586	40,898	136,597	139,084
Interest income	1,041	–	25	37	1,066	37
Foreign exchange (gain)/loss	202	(514)	6,957	8,039	7,159	7,525
Non-property expenses	(12,072)	(11,066)	(6,013)	(6,439)	(18,085)	(17,505)
Finance costs	(5,624)	(6,015)	(6,523)	(4,788)	(12,147)	(10,803)
Total return before changes in fair value of financial derivatives and investment properties	81,558	80,591	33,032	37,747	114,590	118,338
Net change in fair value of financial derivatives	–	–	5,178	1,173	5,178	1,173
Net change in fair value of investment properties	(7,781)	(10,822)	(10,256)	(427)	(18,037)	(11,249)
Total return before income tax	73,777	69,769	27,954	38,493	101,731	108,262
Income tax expense	(16)	(19)	(6,679)	(7,784)	(6,695)	(7,803)
Total return after income tax	73,761	69,750	21,275	30,709	95,036	100,459
Assets and liabilities						
Reportable segment assets	1,617,925	1,547,223	933,173	786,867	2,551,098	2,334,090
Reportable segment liabilities	201,746	168,384	779,442	751,185	981,188	919,569
Other segment information						
Capital expenditure	80,370	51,216	4,153	5,064	84,523	56,280

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2024

26 **OPERATING SEGMENTS** (CONT'D)

Reconciliations of reportable segment revenue, total return before income tax, assets and liabilities

	2024 $'000	2023 $'000
Revenue		
Total revenue for reportable segments	145,268	147,467
Total return before income tax		
Total return for reportable segments	101,731	108,262
Other unallocated amounts	5	6
Consolidated return before income tax	101,736	108,268
Assets		
Total assets for reportable segments	2,551,098	2,334,090
Other unallocated amounts	49	44
Consolidated total assets	2,551,147	2,334,134
Liabilities		
Total liabilities for reportable segments	981,188	919,569
Other unallocated amounts	7	8
Consolidated total liabilities	981,195	919,577

Geographical information

	2024 $'000	2023 $'000
Revenue		
Singapore	101,583	101,583
Japan	43,032	45,607
France	372	-
Malaysia	281	277
	145,268	147,467
Non-current assets*		
Singapore	1,603,000	1,506,000
Japan	692,797	719,262
France	163,107	-
Malaysia	5,860	5,719
	2,464,764	2,230,981

* Non-current assets presented consist of investment properties

27 **SUBSEQUENT EVENTS**

On 5 February 2025, the Manager declared a distribution of 2.38 cents per unit in respect of the period 1 November 2024 to 31 December 2024 which is payable on 11 March 2025.

ADDITIONAL INFORMATION

INTERESTED PERSON TRANSACTIONS

The transactions entered into with related parties during the financial year and which fall within the Listing Manual of the SGX-ST and the Property Funds Appendix are:

Name of Interested Person	Nature of Relationship	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than $100,000 and transactions conducted under Unitholders' mandate pursuant to Rule 920) $'000	Aggregate value of all interested person transactions conducted under Unitholders' mandate pursuant to Rule 920 (excluding transactions less than $100,000)[1] $'000
Parkway Hospitals Singapore Pte. Ltd. – Property rental income	Associated company of IHH Healthcare Berhad ("IHH"), who is a substantial unitholder of PLife REIT	77,397	Nil
Gleneagles Hospital Kuala Lumpur (a branch of Pantai Medical Centre Sdn. Bhd.) - Property rental income	Associated company of IHH, who is a substantial unitholder of PLife REIT	101	Nil
Parkway Trust Management Limited	Manager of PLife REIT		
- Manager's management fees		13,277	Nil
- Manager's acquisition fees		1,792	Nil
- Travelling expenses reimbursed/ reimbursable to the Manager		765	Nil
HSBC Institutional Trust Services (Singapore) Limited – Trustee's fees	Trustee of PLife REIT	380	Nil

[1] PLife REIT does not have a Unitholders' mandate.

Except as disclosed above, there were no additional interested person transactions (excluding transactions of less than $100,000 each) entered into up to and including 31 December 2024.

Out of the travelling expenses reimbursed to the Manager, non-deal road show expenses of $72,700 were incurred during the financial year.

Please also see significant related party transactions in Note 23 to the financial statements.

Rules 905 and 906 of the Listing Manual are not applicable if such related party transactions are made on the basis of, and in accordance with, the terms and conditions set out in the PLife REIT prospectus dated 7 August 2007.

STATISTICS OF UNITHOLDINGS

AS AT 3 MARCH 2025

ISSUED UNITS

There were 652,388,543 Units (voting rights: one vote per Unit) issued in Parkway Life REIT as at 3 March 2025.

DISTRIBUTION OF UNITHOLDINGS

Size of Unitholdings	No. of Unitholders	%	No. of Unit	%
1 - 99	176	1.38	7,248	0.00
100 - 1,000	4,155	32.59	2,720,850	0.42
1,001 - 10,000	6,903	54.14	28,453,798	4.36
10,001 - 1,000,000	1,496	11.73	54,582,017	8.37
1,000,001 and above	20	0.16	566,624,630	86.85
Total	12,750	100.00	652,388,543	100.00

Country	No. of Unitholders	%	No. of Unit	%
Singapore	12,323	96.65	648,182,460	99.36
Malaysia	269	2.11	2,937,308	0.45
Others	158	1.24	1,268,775	0.19
Total	**12,750**	**100.00**	**652,388,543**	**100.00**

TWENTY LARGEST UNITHOLDERS

No.	Name	No. of Units	%
1	PARKWAY INVESTMENTS PTE LTD	213,257,000	32.69
2	CITIBANK NOMINEES SINGAPORE PTE LTD	120,863,212	18.53
3	HSBC (SINGAPORE) NOMINEES PTE LTD	64,070,169	9.82
4	DBS NOMINEES (PRIVATE) LIMITED	54,744,590	8.39
5	RAFFLES NOMINEES (PTE.) LIMITED	39,775,063	6.10
6	DBSN SERVICES PTE. LTD.	25,574,775	3.92
7	BPSS NOMINEES SINGAPORE (PTE.) LTD.	15,319,948	2.35
8	UNITED OVERSEAS BANK NOMINEES (PRIVATE) LIMITED	4,926,883	0.76
9	IFAST FINANCIAL PTE. LTD.	3,744,043	0.57
10	PHILLIP SECURITIES PTE LTD	3,713,270	0.57
11	ABN AMRO CLEARING BANK N.V.	3,489,356	0.53
12	OCBC NOMINEES SINGAPORE PRIVATE LIMITED	3,223,522	0.49
13	MORGAN STANLEY ASIA (SINGAPORE) SECURITIES PTE LTD	2,754,869	0.42
14	OCBC SECURITIES PRIVATE LIMITED	2,284,027	0.35
15	MOOMOO FINANCIAL SINGAPORE PTE. LTD.	2,041,110	0.31
16	UOB KAY HIAN PRIVATE LIMITED	1,766,500	0.27
17	PARKWAY TRUST MANAGEMENT LIMITED	1,511,643	0.23
18	TIGER BROKERS (SINGAPORE) PTE. LTD.	1,328,800	0.20
19	BNP PARIBAS NOMINEES SINGAPORE PTE. LTD.	1,190,100	0.18
20	DB NOMINEES (SINGAPORE) PTE LTD	1,045,750	0.16
	Total	**566,624,630**	**86.84**

STATISTICS OF UNITHOLDINGS

AS AT 3 MARCH 2025

DIRECTORS' UNITHOLDINGS AS AT 21 JANUARY 2025

No.	Name of Directors	Units Held	Units in which the Directors are deemed to have an interest
1	Ho Kian Guan	–	–
2	Cheah Sui Ling	–	–
3	Theresa Goh Cheng Keow	–	–
4	Dato' Sri Muthanna bin Abdullah	–	–
5	Tomo Nagahiro	–	–
6	Dr. Prem Kumar Nair	–	–
7	Dr. Chow Chorng Ann Peter	–	–
8	Yong Yean Chau	296,900	731,700

SUBSTANTIAL UNITHOLDERS AS AT 3 MARCH 2025

(Based on the Register of Substantial Unitholders maintained by the Manager)

No.	Name of Substantial Unitholders		Direct Interest	Deemed Interest
1	Mitsui & Co. Ltd.	Note 1	-	214,987,858
2	MBK Healthcare Management Pte Ltd	Note 2	-	214,987,858
3	Khazanah Nasional Berhad	Note 3	-	214,987,858
4	Pulau Memutik Ventures Sdn Bhd	Note 4	-	214,987,858
5	IHH Healthcare Berhad	Note 5	-	214,987,858
6	Integrated Healthcare Holdings Limited	Note 6	219,215	214,768,643
7	Parkway Pantai Limited	Note 7	-	214,768,643
8	Parkway Holdings Limited	Note 8	-	214,768,643
9	Parkway Investments Pte Ltd	-	213,257,000	-

Note 1 Mitsui & Co., Ltd. ("Mitsui")'s deemed interest in Parkway Life REIT arises through its wholly-owned subsidiary, MBK Healthcare Management Pte Ltd ("MBK"). MBK holds more than 20% of the total issued share capital of IHH Healthcare Berhad ("IHH"). Accordingly, Mitsui has a deemed interest in Units held by IHH.

Note 2 MBK Healthcare Management Pte Ltd ("MBK") holds more than 20% of the total issued share capital of IHH Healthcare Berhad ("IHH"). Accordingly, MBK has a deemed interest in the Units held by IHH.

Note 3 Khazanah Nasional Berhad ("Khazanah")'s deemed interest in Parkway Life REIT arises through its wholly-owned subsidiary, Pulau Memutik Ventures Sdn Bhd ("PMVSB"). PMVSB holds more than 20% of the total issued share capital of IHH Healthcare Berhad ("IHH"). Accordingly, Khazanah has a deemed interest in the Units held by IHH.

Note 4 Pulau Memutik Ventures Sdn Bhd ("PMVSB") holds more than 20% of the total issued capital of IHH Healthcare Berhad ("IHH"), which wholly-owns Integrated Healthcare Holdings Limited. Accordingly, PMVSB has a deemed interest in the Units held by IHH.

Note 5 IHH Healthcare Berhad ("IHH")'s deemed interest in Parkway Life REIT is held through its wholly-owned subsidiaries, Integrated Healthcare Holdings Limited, Parkway Investments Pte Ltd and Parkway Trust Management Limited.

Note 6 Integrated Healthcare Holdings Limited is a registered holder of the Units and its deemed interest in Parkway Life REIT is held through its wholly-owned subsidiaries, Parkway Investments Pte Ltd and Parkway Trust Management Limited.

Note 7 Parkway Pantai Limited ("PPL")'s deemed interest in Parkway Life REIT arises through its wholly-owned subsidiaries, Parkway Investments Pte Ltd ("PIPL") and Parkway Trust Management Limited ("PTML"). PIPL and PTML are wholly-owned subsidiaries of Parkway Holdings Limited ("PHL"), which is in turn wholly-owned by PPL.

STATISTICS OF UNITHOLDINGS

AS AT 3 MARCH 2025

Note 8 Parkway Holdings Limited ("PHL")'s deemed interest in Parkway Life REIT arises through its wholly-owned subsidiaries, Parkway Investments Pte Ltd ("PIPL") and Parkway Trust Management Limited ("PTML"). PIPL and PTML are registered holders of 213,257,000 Units and 1,511,643 Units respectively.

PUBLIC FLOAT

Under Rule 723 of the Listing Manual of the SGX-ST, a listed issuer must ensure that at least 10% of its listed securities are at all times held by the public. Based on the information made to the Manager as at 3 March 2025, approximately 66.89% of Parkway Life REIT's Units were held in the hands of the public. Accordingly, Rule 723 of the Listing Manual of the SGX-ST has been complied with.

Parkway Life REIT did not hold any treasury units as at 3 March 2025.

CORPORATE INFORMATION

THE MANAGER

Parkway Trust Management Limited

Company registration number:
200706697Z

REGISTERED ADDRESS

9 Raffles Place, #26-01 Republic Plaza,
Singapore 048619
Phone: (65) 6236 3333

COMPANY SECRETARIES

Ms. Chan Wan Mei, FCIS
Ms. Chan Lai Yin, ACIS

BOARD OF DIRECTORS

MR. HO KIAN GUAN
Independent Director,
Chairman of the Board of Directors and
Member of the Audit and Risk Committee

MS. THERESA GOH CHENG KEOW
Independent Director,
Chairman of the Nominating and Remuneration Committee and
Member of the Audit and Risk Committee

MS. CHEAH SUI LING
Independent Director,
Chairman of the Audit and Risk Committee and
Member of the Nominating and Remuneration Committee

DATO' SRI MUTHANNA BIN ABDULLAH
Non-Executive Director

DR. PREM KUMAR NAIR
Non-Executive Director and
Member of the Nominating and Remuneration Committee

MR. TOMO NAGAHIRO
Non-Executive Director

DR. CHOW CHORNG ANN PETER
Non-Executive Director

MR. YONG YEAN CHAU
Chief Executive Officer and
Executive Director

AUDIT AND RISK COMMITTEE

MS. CHEAH SUI LING
Chairman

MR. HO KIAN GUAN
Member

MS. THERESA GOH CHENG KEOW
Member

NOMINATING AND REMUNERATION COMMITTEE

MS. THERESA GOH CHENG KEOW
Chairman

MS. CHEAH SUI LING
Member

DR. PREM KUMAR NAIR
Member

TRUSTEE'S REGISTERED ADDRESS

HSBC INSTITUTIONAL TRUST SERVICES (SINGAPORE) LIMITED
10 Marina Boulevard
Marina Bay Financial Centre
Tower 2, Level 48-01
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AUDITORS

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Public Accountants and Chartered Accountants
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Singapore 018961
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Partner-in-charge:
Sarina Lee
(Appointed since financial year ended 31 December 2023)

UNIT REGISTRAR

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