OUE HEALTHCARE LIMITED
Registration No.: 201304341E
(Incorporated in the Republic of Singapore)

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE HALF YEAR ENDED 30 JUNE 2024

(A) Condensed Interim Consolidated Statement of Profit or Loss and Other Comprehensive Income

		Group		
	Note	6 Months ended 30.06.2024 $'000	6 Months ended 30.06.2023 $'000	Change %
Revenue	4	74,879	78,687	*(5)*
Cost of sales		(17,249)	(18,204)	*(5)*
Gross profit		57,630	60,483	*(5)*
Administrative expenses		(14,345)	(14,983)	*(4)*
Other expenses, net	6	(5,966)	(5,885)	*1*
Results from operating activities		37,319	39,615	*(6)*
Finance income	6	372	374	*(1)*
Finance costs	6	(14,190)	(13,624)	*4*
Net finance costs		(13,818)	(13,250)	*4*
Share of results of equity-accounted investees, net of tax		(1,886)	1,137	*n.m.*
Profit before tax		21,615	27,502	*(21)*
Tax expense	8	(8,437)	(8,952)	*(6)*
Profit after tax for the period		13,178	18,550	*(29)*
Other comprehensive income				
Items that are or may be reclassified subsequently to profit or loss				
Foreign currency translation differences relating to foreign operations		(32,354)	12,412	*n.m.*
Share of foreign currency translation differences of equity-accounted investees		(1,431)	(403)	*n.m.*
Items that will not be reclassified to profit or loss				
Share of fair value reserve of equity-accounted investees		(1,623)	(44)	*n.m.*
Net change in fair value - equity investment at FVOCI		55	(115)	*n.m.*
Other comprehensive income, net of tax		(35,353)	11,850	*n.m.*
Total comprehensive income for the period		(22,175)	30,400	*n.m.*
(Loss)/Profit attributable to:				
Owners of the Company		(3,805)	1,806	*n.m.*
Non-controlling interests		16,983	16,744	*1*
		13,178	18,550	*(29)*
Total comprehensive income attributable to:				
Owners of the Company		(17,251)	3,774	*n.m.*
Non-controlling interests		(4,924)	26,626	*n.m.*
		(22,175)	30,400	*n.m.*
Earnings per share				
Basic earnings per share (cents)	9	(0.09)	0.04	*n.m.*
Diluted earnings per share (cents)	9	(0.05)	0.03	*n.m.*

n.m. – not meaningful

(B) Condensed Interim Statements of Financial Position

	Note	Group		Company	
		30.06.2024	31.12.2023	30.06.2024	31.12.2023
		$'000	$'000	$'000	$'000
ASSETS					
Property, plant and equipment	11	8,015	8,794	562	747
Intangible assets and goodwill	12	30,785	30,722	-	-
Investment properties	13	1,100,733	1,139,468	-	-
Investment properties under development	14	11,917	48,493	-	-
Associate and joint ventures	15	125,945	130,885	23,607	23,607
Subsidiaries		-	-	*	*
Other investment		2,702	2,648	-	-
Trade and other receivables		3,168	3,223	305,783	305,816
Derivative financial instruments		37	-	-	-
Non-current assets		1,283,302	1,364,233	329,952	330,170
Inventories		905	855	-	-
Trade and other receivables		26,774	22,834	12,946	14,737
Derivative financial instruments		916	560	-	-
Cash and cash equivalents		56,742	59,618	1,483	2,863
		85,337	83,867	14,429	17,600
Asset held for sale	14	34,521	-	-	-
Current assets		119,858	83,867	14,429	17,600
Total assets		1,403,160	1,448,100	344,381	347,770
LIABILITIES					
Loans and borrowings	16	512,499	517,306	11,913	11,875
Trade and other payables		18,172	18,557	-	-
Lease liabilities		1,320	2,210	147	292
Deferred tax liabilities		48,757	50,477	-	-
Derivative financial instruments		-	259	-	-
Non-current liabilities		580,748	588,809	12,060	12,167
Loans and borrowings	16	31,288	31,346	30,000	30,000
Trade and other payables		48,429	46,455	3,704	5,098
Provisions	19	20,181	20,199	20,181	20,199
Lease liabilities		1,636	1,683	288	284
Current tax liabilities		4,055	3,569	-	6
Derivative financial instruments		3	27	-	-
Current liabilities		105,592	103,279	54,173	55,587
Total liabilities		686,340	692,088	66,233	67,754
NET ASSETS		716,820	756,012	278,148	280,016
EQUITY					
Share capital	17	418,913	418,913	418,913	418,913
Convertible perpetual securities	18	79,635	79,635	79,635	79,635
Capital reserve		4,285	4,285	-	-
Asset revaluation reserve		3,630	3,630	-	-
Foreign currency translation reserve		(62,323)	(50,445)	-	-
Fair value reserve		(27,271)	(25,703)	-	-
Accumulated losses		(140,893)	(136,119)	(220,400)	(218,532)
Equity attributable to owners of the Company		275,976	294,196	278,148	280,016
Non-controlling interests		440,844	461,816	-	-
Total equity		716,820	756,012	278,148	280,016

* Less than $1,000

(C) Condensed Interim Statement of Changes in Equity

GROUP	Share capital $'000	Convertible perpetual securities $'000	Capital reserve $'000	Asset revaluation reserve $'000	Foreign currency translation reserve $'000	Fair value reserve $'000	Accumulated losses $'000	Total $'000	Non-controlling interests $'000	Total equity $'000
	Attributable to owners of the Company									
At 1 January 2024	**418,913**	**79,635**	**4,285**	**3,630**	**(50,445)**	**(25,703)**	**(136,119)**	**294,196**	**461,816**	**756,012**
Total comprehensive income for the period										
(Loss)/Profit for the period	-	-	-	-	-	-	(3,805)	(3,805)	16,983	13,178
Other comprehensive income										
Foreign currency translation differences relating to foreign operations	-	-	-	-	(10,447)	-	-	(10,447)	(21,907)	(32,354)
Share of foreign currency translation differences of equity-accounted investees	-	-	-	-	(1,431)	-	-	(1,431)	-	(1,431)
Share of fair value reserve of equity-accounted investees	-	-	-	-	-	(1,623)	-	(1,623)	-	(1,623)
Net change in fair value - equity investment at FVOCI	-	-	-	-	-	55	-	55	-	55
Total other comprehensive income, net of tax	-	-	-	-	(11,878)	(1,568)	-	(13,446)	(21,907)	(35,353)
Total comprehensive income for the period	**-**	**-**	**-**	**-**	**(11,878)**	**(1,568)**	**(3,805)**	**(17,251)**	**(4,924)**	**(22,175)**
Transactions with owners, recognised directly in equity										
Contributions by and distributions to owners										
Distribution to perpetual securities holders by a subsidiary	-	-	-	-	-	-	-	-	(835)	(835)
Distribution to unitholders and dividends paid to shareholders by subsidiaries	-	-	-	-	-	-	-	-	(16,182)	(16,182)
Total contributions by and distributions to owners	-	-	-	-	-	-	-	-	(17,017)	(17,017)
Changes in ownership interests in subsidiaries										
Changes in ownership interests in subsidiaries without a change in control	-	-	-	-	-	-	(969)	(969)	969	-
Total changes in ownership interests in subsidiaries	-	-	-	-	-	-	(969)	(969)	969	-
Total transactions with owners	**-**	**-**	**-**	**-**	**-**	**-**	**(969)**	**(969)**	**(16,048)**	**(17,017)**
At 30 June 2024	**418,913**	**79,635**	**4,285**	**3,630**	**(62,323)**	**(27,271)**	**(140,893)**	**275,976**	**440,844**	**716,820**

(C) Condensed Interim Statement of Changes in Equity (Continued)

GROUP	Share capital $'000	Convertible perpetual securities $'000	Capital reserve $'000	Asset revaluation reserve $'000	Foreign currency translation reserve $'000	Fair value reserve $'000	Accumulated losses $'000	Total $'000	Non-controlling interests $'000	Total equity $'000
	Attributable to owners of the Company									
At 1 January 2023	**418,913**	**79,635**	**4,203**	**3,630**	**(39,517)**	**(25,920)**	**(142,210)**	**298,734**	**459,289**	**758,023**
Total comprehensive income for the period										
Profit for the period	-	-	-	-	-	-	1,806	1,806	16,744	18,550
Other comprehensive income										
Foreign currency translation differences relating to foreign operations	-	-	-	-	2,530	-	-	2,530	9,882	12,412
Share of foreign currency translation differences of equity-accounted investees	-	-	-	-	(403)	-	-	(403)	-	(403)
Share of fair value reserve of equity-accounted investees	-	-	-	-	-	(44)	-	(44)	-	(44)
Net change in fair value - equity investment at FVOCI	-	-	-	-	-	(115)	-	(115)	-	(115)
Total other comprehensive income, net of tax	-	-	-	-	2,127	(159)	-	1,968	9,882	11,850
Total comprehensive income for the period	**-**	**-**	**-**	**-**	**2,127**	**(159)**	**1,806**	**3,774**	**26,626**	**30,400**
Transactions with owners, recognised directly in equity										
Contributions by and distributions to owners										
Distribution to perpetual securities holders by a subsidiary	-	-	-	-	-	-	-	-	(835)	(835)
Distribution to unitholders and dividends paid to shareholders by subsidiaries	-	-	-	-	-	-	-	-	(16,173)	(16,173)
Total contributions by and distributions to owners	-	-	-	-	-	-	-	-	(17,008)	(17,008)
Changes in ownership interests in subsidiaries										
Changes in ownership interests in subsidiaries without a change in control	-	-	-	-	-	-	(979)	(979)	979	-
Total changes in ownership interests in subsidiaries	-	-	-	-	-	-	(979)	(979)	979	-
Total transactions with owners	**-**	**-**	**-**	**-**	**-**	**-**	**(979)**	**(979)**	**(16,029)**	**(17,008)**
At 30 June 2023	**418,913**	**79,635**	**4,203**	**3,630**	**(37,390)**	**(26,079)**	**(141,383)**	**301,529**	**469,886**	**771,415**

(C) Condensed Interim Statement of Changes in Equity (Continued)

COMPANY	Share capital $'000	Convertible perpetual securities $'000	Accumulated losses $'000	Total equity $'000
At 1 January 2024	**418,913**	**79,635**	**(218,532)**	**280,016**
Total comprehensive income for the period				
Loss for the period	-	-	(1,868)	(1,868)
Total comprehensive income for the period	**-**	**-**	**(1,868)**	**(1,868)**
At 30 June 2024	**418,913**	**79,635**	**(220,400)**	**278,148**
At 1 January 2023	**418,913**	**79,635**	**(206,811)**	**291,737**
Total comprehensive income for the period				
Loss for the period	-	-	(1,817)	(1,817)
Total comprehensive income for the period	**-**	**-**	**(1,817)**	**(1,817)**
At 30 June 2023	**418,913**	**79,635**	**(208,628)**	**289,920**

(D) Condensed Interim Consolidated Statements of Cash Flows

	Note	Group 6 Months ended 30.06.2024 $'000	6 Months ended 30.06.2023 $'000
Cash flows from operating activities			
Profit after tax		13,178	18,550
Adjustments for:			
Depreciation of property, plant and equipment		1,162	1,083
Trade and other receivables written off		118	16
Net fair value losses on investment properties		6,274	7,546
Adjustment on rental straight-lining		(6,274)	(7,604)
Net fair value gains of derivative financial instruments		(1,078)	(585)
Loss on classification as held for sale		2,185	-
Loss on disposal of quoted shares		5	7
Interest income	6	(307)	(374)
Interest expense	6	14,190	12,864
Manager's management fees settled in units		2,165	2,226
Share of results of equity-accounted investees, net of tax		1,886	(1,137)
Tax expense	8	8,437	8,952
		41,941	41,544
Changes in working capital:			
Inventories		(50)	2
Trade and other receivables		(5,144)	(9,487)
Trade and other payables		(252)	(662)
Cash generated from operations		36,495	31,397
Tax paid		(6,962)	(6,645)
Net cash from operating activities		29,533	24,752
Cash flows from investing activities			
Capital expenditure to investment properties		(3,079)	(1,123)
Net cash inflow on disposal of a subsidiary	20	-	246
Investments in quoted shares		(226)	(117)
Disposals of quoted shares		221	110
Capital contribution in equity-accounted investees		-	(2,904)
Interest received		522	352
Purchase of property, plant and equipment		(265)	(397)
Repayment of advance to joint venture partner		-	1,800
Net cash used in investing activities		(2,827)	(2,033)
Cash flows from financing activities			
Proceeds from borrowings		2,000	119,000
Repayment of borrowings		(445)	(103,084)
Payment of lease liabilities		(970)	(907)
Distribution to perpetual securities holders by a subsidiary		(835)	(835)
Distribution to unitholders and dividends paid to shareholders by subsidiaries		(16,182)	(15,932)
Net settlement on currency hedging		401	(100)
Payment of transaction costs related to borrowings		-	(2,447)
Interest paid		(12,246)	(10,958)
Net cash used in financing activities		(28,277)	(15,263)
Net (decrease)/increase in cash and cash equivalents		(1,571)	7,456
Cash and cash equivalents at beginning of financial period		59,618	66,877
Effect of exchange rate fluctuations on cash and cash equivalents		(1,305)	(1,666)
Cash and cash equivalents at end of financial period		56,742	72,667

Significant non-cash transactions

Group

During the period, there were the following significant non-cash transactions:

For the period from 1 January 2024 to 30 June 2024, 3,700,539 units in First Real Estate Investment Trust ("**First REIT**"), amounting to approximately $908,000 were issued to the Manager, First REIT Management Limited ("**FRML**") as satisfaction of the base management fee paid to the Manager. The performance management fees for the period from 1 January 2024 to 30 June 2024 amounting to approximately $1,257,000 will be issued to the Manager in financial year 2025 based on 10 days volume weighted average price as at 31 December 2024.

For the period from 1 January 2023 to 30 June 2023, 3,584,218 units in First REIT, amounting to approximately $915,000 were issued to the Manager, FRML as satisfaction of the base management fee paid to the Manager. The performance management fees for the period from 1 January 2023 to 30 June 2023 amounting to approximately $1,311,000 will be issued to the Manager in financial year 2024 based on 10 days volume weighted average price as at 31 December 2023.

(E) Notes to the Condensed Interim Consolidated Financial Statements

1. Domicile and activities

OUE Healthcare Limited (the "**Company**") is a company incorporated in Singapore. The address of the Company's registered office is at 6 Shenton Way, #10-10, OUE Downtown, Singapore 068809. Shares of the Company are publicly traded on the Catalist Board of the Singapore Exchange.

The Company's immediate holding company is Treasure International Holdings Pte. Ltd. and the intermediate holding company is OUE Limited. Both companies are incorporated in Singapore. The Company's ultimate holding company is Lippo ASM Asia Property Limited, a company incorporated in the Cayman Islands.

These condensed interim consolidated financial statements as at and for the half year ended 30 June 2024 comprise the Company and its subsidiaries (collectively, the "**Group**") and the Group's interests in equity-accounted investees.

The principal activity of the Company is that of investment holding. The principal activities of the Group and its significant subsidiaries include healthcare operations and property investment. Please refer to note 4 for information on the Group's business segments.

2. Basis of preparation

The condensed interim consolidated financial statements for the half year ended 30 June 2024 have been prepared in accordance with the Singapore Financial Reporting Standards (International) ("**SFRS(I)s**") 1-34 Interim Financial Reporting issued by Accounting Standard Council Singapore. The condensed interim consolidated financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance of the Group since the last annual financial statements for the year ended 31 December 2023.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.1.

The condensed interim consolidated financial statements are presented in Singapore dollar which is the Company's functional currency.

2.1 Changes in material accounting policies

New accounting standards and amendments

The Group has applied the following SFRS(I)s, amendments to and interpretations of SFRS(I) for the first time for the annual period beginning on 1 January 2024:

- Amendments to SRFS(I) 1-1: *Non-current Liabilities with Covenants*
- Amendments to SFRS(I) 1-1: *Classification of Liabilities as Current or Non-Current*
- Amendments to SFRS(I) 16: *Lease Liability in a Sale and Leaseback*
- Amendments to SFRS(I) 1-7: *Supplier Finance Arrangements*

The application of these amendments to accounting standards and interpretations does not have a material effect on the condensed interim consolidated financial statements.

Material accounting policy information

The Group adopted Amendments to SFRS(I)1-1 and SFRS(I) Practice Statement 2: *Disclosure of Accounting Policies* for the first time in 2023. Although the amendments did not result in any changes to the accounting policies themselves, they impacted the accounting policy information disclosed in the condensed interim consolidated financial statements.

The amendments require the disclosure of 'material', rather than 'significant', accounting policies. The amendments also provide guidance on the application of materiality to disclosure of accounting policies, assisting entities to provide useful, entity-specific accounting policy information that users need to understand other information in the condensed interim consolidated financial statements.

2.2 Use of estimates and judgements

The preparation of the condensed interim consolidated financial statements in conformity with SFRS(I) requires management to make judgements, estimates and assumptions that affect the application of accounting 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 on-going basis. Revisions to accounting estimates are recognised prospectively.

Information about critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the condensed interim consolidated financial statements are included in the following notes:

- note 14 – classification of investment properties under development; and

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 interim period are included in the following notes:

- notes 11 and 12 – measurement of recoverable amounts for property, plant and equipment and goodwill;
- notes 13 and 14 – determination of fair value of investment properties and investment properties under development;
- notes 15 – measurement of recoverable amounts for associate and joint ventures;
- notes 19 and 21 – recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources.

3. Seasonal operations

The Group's businesses are not affected significantly by seasonal or cyclical factors during the financial period.

4. Segment and revenue information

The Group's has the following four (2023: four) strategic divisions, which are its reportable segments. These divisions offer different products and services and are managed separately because they require different technology and marketing strategies. The Group's CEO reviews internal management reports of each division at least quarterly.

The following summary describes the operations in each of the Group's reportable segments:

(i) Healthcare operations – Operation of hospitals, clinics and supply of medical equipment and pharmaceutical products. The Group currently has operations in the People's Republic China ("**PRC**"), Myanmar and Singapore.

(ii) Healthcare assets – Rental of investment properties and assets owned by the Group. The Group currently has assets in the PRC, Indonesia, Singapore and Japan.

(iii) Properties under development – Development of medical facilities, healthcare-related assets and integrated mixed-used projects. The Group currently has development properties in the PRC and Malaysia. The Kuala Lumpur land has reclassified to asset held for sale (note 14).

(iv) Investments – Investment in First REIT Manager Limited ("**FRML**").

Others mainly comprise head office and corporate functions, including investment holding related activities.

The revenue from external parties reported to the Board of Directors is measured in a manner consistent with that in the condensed interim consolidated statement of profit and loss.

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit/(loss) before tax, as included in the internal management reports that are reviewed by the key management. Segment profit/(loss) is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

4.1 Information about reportable segments

	Healthcare operations $'000	Healthcare assets $'000	Properties under development $'000	Investments $'000	Others $'000	Total $'000
Group						
1 January 2024 to 30 June 2024						
Revenue						
External revenue	22,891	51,988	-	-	-	74,879
Inter-segment revenue	-	-	-	-	300	300
Segment revenue (including inter-segment revenue)	22,891	51,988	-	-	300	75,179
Segment (loss)/profit before tax	(1,018)	19,793	(2,126)	1,452	3,514	21,615
Depreciation	(947)	(24)	-	-	(191)	(1,162)
Interest expense	(1,544)	(11,307)	-	-	(1,339)	(14,190)
Interest income	71	197	-	-	39	307
Loss on classification as held for sale	-	-	(2,185)	-	-	(2,185)
Share of results of equity-accounted investees, net of tax	(3,338)	-	-	1,452	-	(1,886)
Other material non-cash items						
Net fair value losses on investment properties	-	(6,274)	-	-	-	(6,274)
Net fair value gains of derivative financial instruments	-	1,078	-	-	-	1,078
Trade and other receivables written off	(91)	-	-	-	(27)	(118)
Reportable segment assets	168,342	1,148,608	46,516	34,582	5,112	1,403,160
Additions to:						
- Property, plant and equipment	191	74	-	-	-	265
- Investment properties	-	3,079	-	-	-	3,079
Reportable segment liabilities	87,615	471,413	4,916	-	69,584	633,528
Current tax liabilities						4,055
Deferred tax liabilities						48,757
						686,340

4.1 Information about reportable segments (continued)

	Healthcare operations $'000	Healthcare assets $'000	Properties under development $'000	Investments $'000	Others $'000	Total $'000
Group						
1 January 2023 to 30 June 2023						
Revenue						
External revenue	24,698	53,989	-	-	-	78,687
Inter-segment revenue	-	-	-	-	358	358
Segment revenue (including inter-segment revenue)	24,698	53,989	-	-	358	79,045
Segment profit/(loss) before tax	4,247	18,017	(3,597)	1,556	7,279	27,502
Depreciation	(847)	(33)	-	-	(203)	(1,083)
Interest expense	(76)	(11,220)	(95)	-	(1,473)	(12,864)
Interest income	-	240	-	-	134	374
Share of results of equity-accounted investees, net of tax	(419)	-	-	1,556	-	1,137
Other material non-cash items						
Net fair value losses on investment properties	-	(7,546)	-	-	-	(7,546)
Net fair value gains of derivative financial instruments	-	585	-	-	-	585
Trade and other receivables written off	(2)	-	-	-	(14)	(16)
Reportable segment assets	76,427	1,219,307	50,957	32,817	44,729	1,424,237
Additions to:						
- Property, plant and equipment	2,308	-	44	-	35	2,387
- Investment properties	-	1,123	-	-	-	1,123
- Capital contribution in equity-accounted investees	2,904	-	-	-	-	2,904
Reportable segment liabilities	79,584	488,844	3,258	-	27,130	598,816
Current tax liabilities						2,313
Deferred tax liabilities						51,693
						652,822

4.2 Disaggregation of Revenue

	Group		
	6 months ended 30 June 2024		
	Healthcare operations $'000	Healthcare assets $'000	Total $'000
Type of goods or service:			
Medical services	18,136	-	18,136
Sale of medicine and medical equipment	4,755	-	4,755
Rental income	-	51,988	51,988
Total revenue	22,891	51,988	74,879
Timing of revenue recognition:			
At a point in time	22,891	-	22,891
Over time	-	51,988	51,988
Total revenue	22,891	51,988	74,879
Geographical information:			
PRC	2,081	-	2,081
Japan	-	6,752	6,752
Indonesia	-	43,122	43,122
Singapore	20,810	2,114	22,924
Total revenue	22,891	51,988	74,879

	Group		
	6 months ended 30 June 2023		
	Healthcare operations $'000	Healthcare assets $'000	Total $'000
Type of goods or service:			
Medical services	17,360	-	17,360
Sale of medicine and medical equipment	7,338	-	7,338
Rental income	-	53,989	53,989
Total revenue	24,698	53,989	78,687
Timing of revenue recognition:			
At a point in time	24,698	-	24,698
Over time	-	53,989	53,989
Total revenue	24,698	53,989	78,687
Geographical information:			
PRC	3,094	-	3,094
Japan	-	7,557	7,557
Indonesia	-	44,334	44,334
Singapore	21,604	2,098	23,702
Total revenue	24,698	53,989	78,687

5. Financial assets and financial liabilities

Set out below is an overview of the financial assets and financial liabilities of the Group as at 30 June 2024 and 31 December 2023.

	Group		Company	
	30.06.2024	31.12.2023	30.06.2024	31.12.2023
	$'000	$'000	$'000	$'000
Financial assets not measured at fair value				
Trade and other receivables*	27,944	24,798	318,064	319,729
Cash and cash equivalents	56,742	59,618	1,483	2,863
Financial assets at amortised costs	84,686	84,416	319,547	322,592
Financial assets measured at fair value				
Other investment	2,702	2,648	-	-
Derivative financial instruments				
- Interest rate swaps (net-settled)	94	-	-	-
- Interest rate caps (net-settled)	270	411	-	-
- Forward exchange contracts (net-settled)	589	149	-	-
	3,655	3,208	-	-
Financial liabilities measured at fair value				
Derivative financial instruments				
- Interest rate swaps (net-settled)	-	(272)	-	-
- Forward exchange contracts (net-settled)	(3)	(14)	-	-
	(3)	(286)	-	-
Financial liabilities not measured at fair value				
Loans and borrowings	(543,787)	(548,652)	(41,913)	(41,875)
Trade and other payables#	(53,389)	(51,341)	(3,704)	(5,098)
Rental deposits received	(10,172)	(10,557)	-	-
Financial liabilities at amortised costs	(607,348)	(610,550)	(45,617)	(46,973)

* *Excluding prepayments*
\# *Excluding rental deposits received and deferred revenue*

6. Profit before tax

The following items have been included in arriving at profit before tax:

	Group		
	6 Months ended 30.06.2024 $'000	6 Months ended 30.06.2023 $'000	Change %
Depreciation of property, plant and equipment	(1,162)	(1,083)	*7*
Trade and other receivables written off	(118)	(16)	*n.m.*
Manager's management fees	(4,857)	(4,768)	*2*
Other (expenses)/income net			
Net fair value losses on investment properties	(6,274)	(7,546)	*(17)*
Loss on classification as held for sale	(2,185)	-	*n.m.*
Net fair value gains of derivative financial instruments	1,078	585	*84*
Proceeds from liquidation of a subsidiary	-	1,000	*n.m.*
Proceeds from litigation related proceedings	1,303	-	*n.m.*
Government grants	32	30	*7*
Others	80	46	*74*
Other expenses, net	(5,966)	(5,885)	*1*
Finance income			
Interest income	307	374	*(18)*
Foreign exchange gain, net	65	-	*n.m.*
	372	374	*(1)*
Finance costs			
Interest expense	(14,190)	(12,864)	*10*
Foreign exchange loss, net	-	(760)	*n.m.*
	(14,190)	(13,624)	*4*

7. Related party transactions

(a) Management fees received by FRML from First REIT

From 1 January 2024 to 30 June 2024, FRML received management fees from First REIT totaling $4,821,000.

(b) Shareholder Loan from OUE Treasury Pte. Ltd. ("OUE Treasury")

The repayment date of the outstanding loan of $1,800,000 from OUE Treasury to OUELH Medical Assets Pte. Ltd. ("**OMA**") was extended from 29 March 2022 to 11 April 2023. The loan was fully paid on 11 April 2023.

OUE Treasury is a wholly-owned subsidiary of OUE Limited, which is a controlling shareholder of the Company. OMA is a subsidiary of the Company. The interest on the loan is 4% per annum.

(c) Loan from TI Echo Pte. Ltd. ("TI Echo")

A loan of $8,000,000 from TI Echo to Echo Healthcare Management Pte. Ltd. ("**ECHM**"). TI Echo is a wholly-owned subsidiary of Treasure International Holdings Pte. Ltd. ("**TIHPL**")., which is the Company's immediate holding company. TIHPL is a wholly-owned subsidiary of OUE Limited.

ECHM is a 60:40 joint venture between the Company and OUE Limited (via TI Echo). ECHM was setup for purpose of the O2 Group Acquisition.

The loan is TI Echo's share of loan to ECHM based on TI Echo's shareholding in ECHM and is interest free.

(d) Secondment agreement with Browny Healthcare Pte. Ltd. ("Browny"), ITOCHU Singapore Pte Ltd ("ITOCHU SG") and ITOCHU Corporation ("ITOCHU Corp") (collectively, the "ITOCHU Entities")

On 15 February 2018, the Company entered into a secondment agreement with the ITOCHU Entities, pursuant to which the ITOCHU Entities have the right to second up to three employees to the Company ("**Secondment Agreement**"). Pursuant to the Secondment Agreement and related documentation, the Company is obliged to make remuneration-related payments either directly to the seconded employees and/or in the form of secondment fees payable to ITOCHU SG.

On 23 March 2021, the Company entered into a letter supplemental to the Secondment Agreement with the ITOCHU Entities ("**Supplemental Letter**"). Pursuant to the Supplemental Letter, the number of employees in relation to the secondment arrangement with the ITOCHU Entities is reduced to two.

On 28 March 2024, the Company entered into an amendment agreement to the Secondment Agreement with the ITOCHU Entities ("**Amendment Agreement**"). Pursuant to the Amendment Agreement, the number of employees in relation to the secondment arrangement with the ITOCHU Entities is reduced to one.

The total remuneration-related payments expected for FY2024 is $402,000 (FY2023: $697,000).

Save as disclosed above, there are no other material related party transactions as at 30 June 2024.

8. Tax expense

The Group calculated the period income tax expense using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense in the condensed interim consolidated statement of profit and loss are:

	Group	
	6 Months ended 30.06.2024 $'000	**6 Months ended 30.06.2023 $'000**
Current income tax expense	(5,498)	(4,971)
Withholding tax	(2,001)	(2,287)
Deferred income tax expense relating to origination and reversal of temporary differences	(938)	(1,694)
Tax expense for the period	(8,437)	(8,952)

9. Earnings per ordinary share ("EPS")

	Group	
	6 Months ended 30.06.2024	**6 Months ended 30.06.2023**
Net (loss)/profit attributable to owners of the Company ($'000)	(3,805)	1,806
Weighted average number of ordinary shares in issue	4,443,129,206	4,443,129,206
Basic earnings per ordinary share (cents)	(0.09)	0.04
Weighted average number of ordinary shares (post conversion of convertible perpetual securities into ordinary shares)	7,151,810,635	7,151,810,635
Diluted earnings per ordinary share (cents)	(0.05)	0.03

On 16 March 2021, the Company issued convertible perpetual securities of a principal amount of $189,608,000 to TIHPL. Please refer to Note 18 for information on the convertible perpetual securities.

The calculation of the diluted earnings per share is based on the profit attributable to ordinary shareholders of the Company and the weighted average number of ordinary shares outstanding during the period, assuming all convertible perpetual securities were converted into ordinary shares at the beginning of the period. Under the terms of the conversion agreement, the convertible perpetual securities can only be converted into ordinary shares on or after 31 August 2026. Please refer to note 18 – Convertible perpetual securities.

10. Net asset value

	Group		Company	
	30.06.2024	31.12.2023	30.06.2024	31.12.2023
Net asset value attributable to owners of the Company ($'000)	275,976	294,196	278,148	280,016
Number of ordinary shares in issue	4,443,129,206	4,443,129,206	4,443,129,206	4,443,129,206
Net asset value per ordinary share (cents)	6.21	6.62	6.26	6.30

11. Property, plant and equipment

For the period ended 30 June 2024, additions to property, plant and equipment amounted to $265,000 (30 June 2023: $2,387,000, the amount included additions of right-of-use assets).

There was no disposal during the period (30 June 2023: $nil).

Impairment test for property, plant and equipment

The Group reviews the carrying amounts of the assets at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. When considering impairment indicators, the Group considers both internal (e.g. adverse changes in operating and financial performance of the assets) and external sources (e.g. adverse changes in the business environment). If an indicator of impairment is noted, further management estimate is required to determine the amount of impairment, if any. The recoverable amount of the Group's property, plant and equipment was determined based on the higher of fair value less costs to sell and value-in-use calculation.

Determining the value-in-use of property, plant and equipment, which require the determination of future cash flows expected to be generated from the continued use and ultimate disposition of such assets, requires the Group to make estimates and assumptions that can materially affect the financial statements. Any resulting impairment losses could have a material adverse impact on the Group's financial condition and results of operations.

Leasehold property under development (Chengdu land)

Since prior years, the Chengdu land was fully impaired based on management's assessment of the status of the land, discussions with the relevant authority and the legal advice obtained in relation to the Group's contractual obligations. As at 30 June 2024, there was no further development and no changes to management's assessment.

12. Intangible assets and goodwill

	Goodwill $'000	Medical distribution licences $'000	Total $'000
Group			
At 31 December 2023			
Cost	32,949	1,108	34,057
Accumulated amortisation and impairment	(2,164)	(1,108)	(3,272)
Effect of movements in exchange rates	(63)	-	(63)
Net book amount	30,722	-	30,722
6 months ended 30 June 2024			
Opening net book amount	30,722	-	30,722
Effect of movements in exchange rates	63	-	63
Closing net book amount	30,785	-	30,785
At 30 June 2024			
Cost	32,949	1,108	34,057
Accumulated amortisation and impairment	(2,164)	(1,108)	(3,272)
Effect of movements in exchange rates	-	-	-
Net book amount	30,785	-	30,785

Impairment test for goodwill

Goodwill arising from business combinations have been allocated to the following cash-generating unit ("**CGU**") for impairment testing:

	Group	
	30.06.2024	**31.12.2023**
	$'000	**$'000**
Brainy World Holdings Limited ("**BWH**") and its joint ventures	3,031	2,968
Echo Healthcare Management Pte. Ltd. ("**ECHM**") and its subsidiaries	27,754	27,754
	30,785	30,722

The Group estimated the recoverable amount of the CGU based on its value-in-use.

BWH

In 2018, the Group acquired 100% equity interests in BWH, a limited company incorporated in the British Virgin Islands. BWH is an investment holding company which owns 50% equity interest in a joint venture company, China Merchants Lippo Hospital Management (Shenzhen) Limited ("**CMJV**"). The acquisition provides the Group with the opportunity to establish a strategic partnership with China Merchants Shekou Industrial Zone Holdings Co., Ltd, a member of China Merchants Group ("**CMG**") for expanding its healthcare business across PRC.

The recoverable amount is determined based on value-in-use calculation using a discounted cash flow projection covering a 8-year-period (31 December 2023: 8-year-period). Management considers the 8-year operating period (31 December 2023: 8-year operating period) used in discounted cash flow to be appropriate considering the investment cycle of the healthcare industry.

Management assessed the value-in-use for indicators of potential impairment, taking into account the prevailing economic conditions and market outlook, as well as the status of on-going projects. Based on management's assessment, no impairment is required for the period under review.

ECHM

On 30 June 2022, the Group, via its 60% owned subsidiary, ECHM, acquired 60% interest in O2 Healthcare Group Pte. Ltd. ("**O2HG"**). Upon completion of the transaction, O2HG owns 60% of equity interest in 2 respiratory specialist practices and a thoracic and cardiovascular surgical practice.

Goodwill of $27,754,000 arising from the O2 Group Acquisition was determined on a Purchase Price Allocation ("**PPA**") exercise.

The recoverable amount is determined based on value-in-use calculation using a discounted cash flow projection covering a 5-year-period. Management considers the 5-year operating period used in discounted cash flow is appropriate considering investment cycle of the healthcare industry.

Management assessed the value-in-use for indicators of potential impairment, taking into account the Company projected future cash flow of O2HG. Based on management's assessment, no impairment is required for the period under review.

13. Investment properties

	Group	
	30.06.2024	**31.12.2023**
	$'000	**$'000**
At 1 January	1,139,468	1,145,343
Capital expenditures	3,079	4,923
Net fair value (losses)/gains recognised in profit or loss	(6,274)	10,834
Adjustment on rental straight-lining	6,274	15,189
Effect of movements in exchange rates	(41,814)	(36,821)
At end of period/year	1,100,733	1,139,468

The net fair value (losses)/gains recognised in profit or loss relate to the revaluation of the properties in Japan, Singapore and Indonesia.

As at 30 June 2024, the details of investment properties held by the Group are set out below:

Investment Property	Tenure	Principal activity	Location
Japan			
Hikari Heights Varus Fujino	Freehold	Skilled nursing facility	Hokkaido, Japan
Hikari Heights Varus Ishiyama	Freehold	Skilled nursing facility	Hokkaido, Japan
Hikari Heights Varus Kotoni	Freehold	Skilled nursing facility	Hokkaido, Japan
Hikari Heights Varus Makomanai-Koen	Freehold	Skilled nursing facility	Hokkaido, Japan
Hikari Heights Varus Tsukisamu-Koen	Freehold	Skilled nursing facility	Hokkaido, Japan
Varus Cuore Yamanote	Freehold	Skilled nursing facility	Hokkaido, Japan
Varus Cuore Sapporo-Kita/ Annex	Freehold	Skilled nursing facility	Hokkaido, Japan
Elysion Gakuenmae	Freehold	Skilled nursing facility	Nara, Japan
Elysion Mamigaoka/ Mamigaoka Annex	Freehold	Skilled nursing facility	Nara, Japan
Orchard Amanohashidate	Freehold	Skilled nursing facility	Kyoto, Japan
Orchard Kaichi North	Freehold	Skilled nursing facility	Nagano, Japan
Orchard Kaichi West	Freehold	Skilled nursing facility	Nagano, Japan
Medical Rehabilitation Home Bon Séjour Komaki	Freehold	Skilled nursing facility	Aichi, Japan
Loyal Residence Ayase	Freehold	Skilled nursing facility	Kanagawa, Japan
Singapore			
Pacific Healthcare Nursing Home	Leasehold	Skilled nursing facility	Bukit Merah, Singapore
Pacific Healthcare Nursing Home II	Leasehold	Skilled nursing facility	Bukit Panjang, Singapore
The Lentor Residence	Leasehold	Skilled nursing facility	Lentor Avenue, Singapore
Indonesia			
Siloam Hospitals Lippo Village	Leasehold	Hospital	Banten, Indonesia
Siloam Hospitals Kebon Jeruk	Leasehold	Hospital	West Jakarta, Indonesia
Imperial Aryaduta Hotel & Country Club	Leasehold	Hotel & Country Club	Banten, Indonesia
Mochtar Riady Comprehensive Cancer Centre	Leasehold	Hospital	Central Jakarta, Indonesia
Siloam Hospitals Lippo Cikarang	Leasehold	Hospital	Bekasi, Indonesia
Siloam Hospitals Manado	Leasehold	Hospital	North Sulawesi, Indonesia
Hotel Aryaduta Manado	Leasehold	Hotel	North Sulawesi, Indonesia
Siloam Hospitals Makassar	Leasehold	Hospital	South Sulawesi, Indonesia
Siloam Hospitals Bali	Leasehold	Hospital	Bali, Indonesia
Siloam Hospitals TB Simatupang	Leasehold	Hospital	South Jakarta, Indonesia
Siloam Hospitals Purwakarta	Leasehold	Hospital	West Java, Indonesia
Siloam Sriwijaya	Leasehold	Hospital	South Sumatra, Indonesia
Siloam Hospitals Kupang	Leasehold	Hospital	East Nusa Tenggara, Indonesia
Lippo Plaza Kupang	Leasehold	Mall	East Nusa Tenggara, Indonesia
Siloam Hospitals Labuan Bajo	Leasehold	Hospital	East Nusa Tenggara, Indonesia
Siloam Hospitals Baubau	Leasehold	Hospital	Sulawesi Tenggara, Indonesia
Lippo Plaza Baubau	Leasehold	Mall	Sulawesi Tenggara, Indonesia
Siloam Hospitals Yogyakarta	Leasehold	Hospital	Yogyakarta, Indonesia

As at 30 June 2024, investment properties of the Group with carrying amounts of $811,215,000 (31 December 2023: $832,726,000) were pledged as security for related borrowings (note 16).

Measurement of fair value

As at 31 December 2023, the fair value of investment properties were determined by external valuers, having appropriate recognised professional qualifications and recent experience in the location and category of property being valued. External valuers appraise the fair value of the Group's investment property portfolio every year.

The fair values are based on open market values, being the estimated amount for which a property could be exchanged on the date of the valuation between a willing buyer and a willing seller in an arm's length transaction wherein the parties had each acted knowledgeably and without compulsion. In determining the fair value as at the reporting date, the external valuers have adopted a combination of valuation methods, including discounted cash flow and direct comparison methods. The valuation methods involve certain estimates including those relating to market-corroborated discount rate, terminal capitalisation rate, and price per square metre. The specific risks inherent in each of the properties are taken into consideration in arriving at the valuations.

Management has engaged the external valuers who performed the annual valuation as at 31 December 2023 to conduct a high level review of the key assumptions and key parameters for the valuation of each investment property as at 30 June 2024. These external valuers have maintained the same valuation methodologies, key parameters and assumptions with those as of 31 December 2023. Management is therefore of the view that the fair value of the investment properties are approximately $1,100,733,000.

14. Investment properties under development

	Group	
	30.06.2024	**31.12.2023**
	$'000	**$'000**
At 1 January	48,493	52,283
Fair value losses recognised in profit or loss	-	(948)
Loss on classification as held for sale	(2,185)	-
Reclassification to asset held for sale	(34,521)	-
Effect of movements in exchange rates	130	(2,842)
At end of period/year	11,917	48,493

The details of investment properties under development held by the Group are set out below:

Description	**Unexpired term of leasehold land**
Land - Wuxi land, PRC	31.5 years
Land - Kuala Lumpur, Malaysia	83.5 years

Classification of investment properties under development

The classification of the land as owner-occupied property or investment property is a matter of judgement, involving consideration of the purpose and usage of the land, and future development plans. Portion of land to be redeveloped for future rental or capital appreciations are held as investment properties under development while portion of land to be redeveloped for own use are held as property, plant and equipment. The relevant portion of the land continue to be classified as investment properties under development based on management's assessment of the above factors.

Measurement of fair value

On 15 May 2024, the Company announced that its wholly-owned indirect subsidiary, OUELH Seasons Residences Sdn. Bhd., has entered into a sale and purchase agreement (the "**SPA**") with Golden Eagle City Sdn. Bhd. for the disposal of a piece of vacant land in Kuala Lumpur, Malaysia. Accordingly, the land is reclassified as held for sale and carried at the lower of the carrying value and expected selling price less cost of disposal. An impairment loss of $2,185,000 on initial classification as an asset held for sale is recognised as an expense in profit or loss.

For the land in Wuxi, the PRC, the land valuation is based on assumptions made by management in relation to the plot ratio, hospital license, gross development value, entrepreneur profit and risk. As at 30 June 2024, management assessment that there were no changes to the assumptions made and therefore, there was no change to the valuation of the land.

15. Associate and joint ventures

	Group		Company	
	30.06.2024	31.12.2023	30.06.2024	31.12.2023
	$'000	$'000	$'000	$'000
Interest in an associate	56,456	57,072	-	-
Interests in joint ventures	78,624	82,948	40,553	40,553
Less: Allowance for impairment loss	(9,135)	(9,135)	(16,946)	(16,946)
	125,945	130,885	23,607	23,607

Associate

On 26 October 2023, the Group completed the share acquisition of 26.24% interest in Healthway Medical Corporation Limited ("**HMC**"), for a total consideration of $57,120,000.

The Group's share of the net assets of HMC was based on the fair values of the identifiable assets and liabilities of HMC as at 26 October 2023.

The following table summarises the consideration transferred and the proportionate share of the fair value of net assets of HMC as at the date of acquisition:

	HMC 2023 $'000
Total consideration transferred	57,120
Less: Proportionate share of fair value of net assets	(17,720)
Goodwill	39,400

The PPA exercise was finalised in 2024 and goodwill amounting to $39,400,000 arose from acquisition of equity interest in HMC. The amount has been included in the carrying amount of associate and joint ventures in the statement of financial position as at 31 December 2023.

Joint ventures

The Group's interests in joint ventures refer to its investments in FRML, Yoma OUE Pun Hlaing Limited and Pun Hlaing International Hospital Limited (collectively, the "**Myanmar Group**"), CMJV and Riviera Quad International Limited ("**Riviera Quad**").

Recoverable amounts of interests in associate and joint ventures

For the period ended 30 June 2024, the Group assessed the recoverable amounts for each CGU based on the value-in-use, taking into consideration the potential impact from the prevailing economic conditions and market outlook on the projected cash flows and discount rates.

Based on management's assessment, no material changes to the underlying assumptions were noted. Therefore, there were no indications of additional impairment or reversal of previously recognised impairment loss of $9,135,000 in relation to the Myanmar Group. There were also no indications of impairment for the Group's interests in FRML, CMJV and Riviera Quad.

16. Loans and borrowings

	Note	Group 30.06.2024 $'000	Group 31.12.2023 $'000	Company 30.06.2024 $'000	Company 31.12.2023 $'000
Current					
Secured Tokutei Mokuteki Kaisha ("**TMK**") Bonds B and term loan C	(a),(i)	860	920	-	-
Bank borrowings	(b)	30,428	30,426	30,000	30,000
		31,288	31,346	30,000	30,000
Non-current					
Secured TMK Bonds B and term loan C	(a),(i)	99,683	106,929	-	-
Guaranteed bonds	(c),(f)	97,269	96,778	-	-
Social term loan A	(d),(f)	232,831	230,148	-	-
Social term loan B	(e),(h)	14,123	15,071	-	-
Secured term loan A	(g)	56,680	56,505	-	-
Secured revolving credit facility ("**RCF**") B	(g)	11,913	11,875	11,913	11,875
		512,499	517,306	11,913	11,875
Total loans and borrowings		543,787	548,652	41,913	41,875

As at 30 June 2024, total borrowings include secured liabilities of $543,787,000 (2023: $548,652,000) and $41,913,000 (2023: $41,875,000) of the Group and the Company respectively.

(a) Secured TMK Bonds B and term loan C

On 23 June 2023, OUELH Japan First TMK, a subsidiary of the First REIT Group, issued a 7-year bonds amounting to JPY2 billion (approximately $17.2 million) to Kiraboshi Bank Ltd and obtained a term loan of JPY10 billion (approximately $86.0 million) ("**term loan C**") from Kiraboshi Bank Ltd. The outstanding balance for the secured TMK Bonds B and term loan C as at 30 June 2024 amounts to JPY2 billion and JPY9.90 billion (approximately $17.2 million and $85.1 million) respectively. Both facilities will be due in June 2030.

(b) Bank borrowings

(i) $428,000 (2023: $426,000) is secured against a charge over the building and rights of the subsidiary pertaining of the working capital of the subsidiary; and

(ii) $30 million (2023: $30 million) is secured by a corporate guarantee from the intermediate holding company which is repayable upon the occurrence of the sale of Kuala Lumpur land.

(c) Guaranteed bonds

On 7 April 2022, $100 million guaranteed bonds at a coupon rate of 3.25% due in April 2027 were issued by First REIT to refinance $100 million syndicated secured loan which matured in May 2022. The guaranteed bonds amounting to $100 million are unconditionally and irrevocably guaranteed by Credit Guarantee and Investment Facility, a trust fund of the Asian Development Bank. The interest of the bonds is payable half-yearly in arrears. The bonds are listed on the Singapore Exchange Securities Trading Limited.

(d) Social term loan A

On 25 November 2022, the Trustee entered into a facility agreement with two of the existing lenders, Oversea-Chinese Banking Corporation Limited ("**OCBC**") and CIMB Bank Berhad ("**CIMB**") in respect of a $300 million social term loan and revolving credit facilities agreement (the "**Facilities**") to refinance the $260 million syndicated secured loan matured on 1 March 2023. As at 30 June 2024, First REIT drew down social term loan A amounting to $236 million (31 December 2023: $234 million) under these Facilities, which is repayable in May 2026. Social term loan A carries floating rates and is repriced at intervals of 3 months or less.

(e) Social term loan B

On 29 September 2022, First REIT's indirect subsidiary, First REIT Japan Two GK, secured a JPY1.66 billion (approximately $14.3 million) non-recourse social loan from Shinsei Trust Bank Limited which is due on 27 September 2026. The proceeds from social term loan B were utilised to partially fund the acquisition of two nursing homes, Loyal Residence Ayase and Medical Rehabilitation Homes Bon Sejour Komaki which are located in Japan in 2022.

(f) The social term loan A and guaranteed bonds agreements provide among other matters for the following:

1) Legal mortgage over the properties in Singapore and Indonesia of the First REIT Group except for Imperial Aryaduta Hotel and Country Club and Siloam Hospitals Yogyakarta.

2) Assignment to the banks of all of the First REIT Group's rights, titles, interests and benefits under any leases, tenancies, sales proceeds and cash flows in respect of the Indonesia properties and the Singapore properties except for Imperial Aryaduta Hotel and Country Club and Siloam Hospitals Yogyakarta.

3) Assignment to the banks of all of the First REIT Group's rights, titles and interests under the insurance policies in respect of the Indonesia properties and the Singapore properties, with the bank named as a "loss payee" except for Imperial Aryaduta Hotel and Country Club Siloam Hospitals Yogyakarta.

4) A debenture containing first fixed and floating charges over all assets and undertakings of First REIT's Singapore subsidiaries and subsidiaries of First REIT's Singapore subsidiaries except for Lovage International Pte. Ltd., IAHCC Investment Pte. Ltd., Surabaya Hospitals Investment Pte. Ltd., Kalmore Investments Pte. Ltd., Icon1 Holdings Pte. Ltd., OUELH Japan Medical Facilities Pte. Ltd., OUELH Japan Medical Assets Pte. Ltd., First REIT Japan Holdings One Pte. Ltd., and First REIT Japan Holdings Two Pte. Ltd.

5) Charge of all of the First REIT's shares in the Singapore subsidiaries and subsidiaries of First REIT's Singapore subsidiaries except for Lovage International Pte. Ltd., IAHCC Investment Pte. Ltd., Surabaya Hospitals Investment Pte. Ltd., Kalmore Investments Pte. Ltd., Icon1 Holdings Pte. Ltd., OUELH Japan Medical Facilities Pte. Ltd., OUELH Japan Medical Assets Pte. Ltd., First REIT Japan Holdings One Pte. Ltd., and First REIT Japan Holdings Two Pte. Ltd.

6) Charge of all of the First REIT's Singapore subsidiaries' shares in the Indonesia subsidiaries except for the Joint-operation company, PT Yogya Central Terpadu.

7) A debenture by the First REIT Group covering first fixed and floating charges over all assets and undertakings in respect of the Singapore properties.

8) OUE Limited's interest held in First REIT directly and indirectly is at least at 20%.

9) The Company's interest held in First REIT directly and indirectly is at least at 20%.

10) OUE Limited's interest held in First REIT Management Limited directly and indirectly is at least at 51%.

11) Compliance with all financial covenants.

(g) Secured term loan A and secured RCF B

On 30 June 2023, the Company and its wholly-owned subsidiary, OUEH Investments Pte. Ltd. ("**OIPL**") entered into an $85 million facility agreement with three lenders, CIMB, The Hongkong and Shanghai Banking Corporation Limited ("**HSBC**") and OCBC (the "**Loan Facility**"). The Loan Facility consisted of a secured term loan A of $70 million and secured RCF B of $15 million. On 12 June 2024, the Loan Facility agreement was amended to a secured term loan A of $57.1 million and secured RCF B of $23.9 million.

As at 31 December 2023, amounts of $57.1 million and $12 million have been drawn down from the secured term loan A and secured RCF B respectively. As at 30 June 2024, total unutilised loan facilities amount to $11.9 million (2023: $3 million).

The Loan Facility is secured by a corporate guarantee from the intermediate holding company, charge over units in a subsidiary held by one of the subsidiaries of the Company and the shares in an associate company.

(h) The secured social term loan B agreement provides amongst other matters for the followings:

1) Negative pledge against the total assets of the First REIT's indirect subsidiary, First REIT Japan Two GK, which mainly comprises investment properties in Japan and cash and cash equivalents.

2) A corporate guarantee from First REIT.

(i) The secured TMK Bonds B and term loan C agreement provides amongst others matters for the following:

1) Negative pledge against the total assets of the First REIT's indirect subsidiary, OUELH Japan First TMK, which mainly comprises investment properties in Japan and cash and cash equivalents.

2) A corporate guarantee from the First REIT.

(j) Intra-group financial guarantees

Intra-group financial guarantees comprise corporate guarantees given by the Company:

RMB222.5 million (approximately $41.4 million) (2023: RMB222.5 million (approximately $41.2 million)) in respect of the Group's 50% share of the bank loan facilities taken up by its joint ventures in the PRC.

At the reporting date, the Company has not recognised an expected credit loss ("**ECL**") provision as the ECL amount was lower than that amortised liability for intra-group financial guarantee contracts. The Company does not consider it probable that a claim will be made against the Company under the guarantee. As at 30 June 2024, management has assessed that the fair value of intra-group financial guarantees is insignificant at initial recognition.

First REIT has entered into interest rate swaps and interest rate cap arrangements to manage the interest rate risk exposure arising from the bank loans with floating rates.

The carrying amount of the current and non-current borrowings except borrowings (a), (b)(i), (c) and (e) which are at floating variable market rates, approximate their fair values at reporting date.

17. Share capital

	The Group and the Company			
	30.06.2024		31.12.2023	
	No. of ordinary shares '000	Share capital $'000	No. of ordinary shares '000	Share capital $'000
At beginning and end of the period/year	4,443,129	418,913	4,443,129	418,913

Ordinary shares

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All issued ordinary shares are fully paid, with no par value. All shares rank equally with regard to the Company's residual assets.

18. Convertible perpetual securities

The convertible perpetual securities were issued to TIHPL in 2021 pursuant to a conversion agreement. Under the conversion agreement, shareholder loans and accrued interest up to 28 February 2021 amounting to $189,608,000 was converted to convertible perpetual securities. TIHPL is a wholly-owned subsidiary of OUE Limited ("**OUE**"). OUE is a controlling shareholder of the Company.

The convertible perpetual securities have a coupon of 4.0% per annum and can be converted into ordinary shares of the Company at a conversion price of $0.07 per ordinary share, assuming no adjustments to the conversion price are made, on or after 31 August 2026. The perpetual securities do not have a maturity date and distribution is at the discretion of the Company.

As the Company does not have a contractual obligation to repay the principal nor make any distributions, the perpetual securities are classified as equity. Any distributions made are directly debited from equity.

19. Provisions

	Legal $'000
Group and Company	
At 1 January 2024	20,199
Utilisation during the period	(18)
At 30 June 2024	20,181

Legal

Provisions are related to legal and related expenses (note 21), which include provision relating to obligations arising from contract and commercial arrangement, based on the best estimate of the possible outflow considering both contractual and commercial factors. In accordance to paragraph 92 of SFRS(I) 1-37 Provisions, Contingent liabilities and Contingent assets, details of the provision made for each claims were not disclosed in order not prejudice the Group's legal position.

As at 30 June 2024, provisions were utilised for legal costs incurred.

20. Disposal of a subsidiary

On 31 March 2023, the Company's indirect wholly-owned subsidiary, OLH (FTZ) Pte. Ltd., completed the disposal of 100% of the issued and paid-up share capital of FRM Japan Management Co., Ltd. ("**FRJM**") to FRML, in its personal capacity, for a total consideration of $260,000, paid wholly in cash (the "**FRJM Transaction**"). The consideration was arrived at on a willing-buyer, willing-seller basis following arm's length negotiations between the parties taking into account the net asset value of FRJM of $260,000 as of 31 March 2023.

Following completion of the FRJM Transaction, FRJM has become a wholly-owned subsidiary of FRML. FRML is in turn 60% owned by OUE Limited and 40% owned by the Company. Accordingly, FRJM has ceased to be a subsidiary of the Company and has become an associated company of the Company.

For more information, please refer to the announcement issued by First Real Estate Investment Trust dated 31 March 2023 on the FRJM Transaction.

Effect of the disposal

The cash flow and net asset of FRJM were as follows:

	$'000
Plant and equipment	75
Other receivables	366
Cash and cash equivalents	14
Other payables	(131)
Current tax liabilities	(9)
Lease liabilities	(55)
	260
Less: Cash and cash equivalents disposed	(14)
Net cash inflow on disposal of a subsidiary	246

21. Litigation cases

The status of the litigation cases as at 30 June 2024 is as summarised below.

Litigation cases with David Lin, a non-controlling shareholder of certain subsidiaries

In 2013, the Group acquired a 74.97% effective interest and control over Health Kind International Limited ("**HKIL**") and its subsidiaries, Health Kind International (Shanghai) Co., Ltd. ("**Health Kind Shanghai**") and Wuxi New District Phoenix Hospital Co., Ltd. ("**Wuxi Co**").

In 2017, Weixin Hospital Investment Management (Shanghai) Co. Ltd ("**Weixin**"), a company controlled by David Lin, sought a court order for the shares in Wuxi Co to be transferred to Weixin. The Shanghai Courts have rendered a judgement and appeal judgement in favour of Weixin. Consequently, the Group deconsolidated Wuxi Co in 2018.

Arbitration Proceedings against David Lin

In 2018, the Company commenced arbitration proceedings in Singapore against David Lin. The Tribunal issued the final arbitration award against David Lin on 7 January 2019. The Company has obtained a Singapore judgement in terms of the arbitration award on 28 November 2019.

Recognition and enforcement proceedings

In 2019, the Company commenced recognition and enforcement proceedings in Hong Kong, Taiwan and Shanghai against David Lin to enforce the said award. As at 30 June 2024, the Company has obtained permission from the respective authorities concerned to enforce the award in Hong Kong, Taiwan and Shanghai.

As at 30 June 2024:

- Hong Kong: the Company continues to hold a charging order absolute over David Lin's shares in Healthcare Solution Investment Limited ("**HSIL**") and Hong Kong Life Sciences and Technologies Group Limited. The Company has also obtained an order to appoint Receivers over David Lin's interest in the HSIL shares. HSIL is the sole shareholder of Weixin;

- Shanghai: the Shanghai No. 1 Court received approximately RMB3.25 million in November 2020. The funds have been transferred to a subsidiary of the Company in March 2021; and

- Taiwan: In March 2021, the Company also received the sum of $711,000, being the deposit and trust assets held by David Lin in his bank accounts in Taiwan. Separately, David Lin's ¼ share in a real estate in New Taipei City was sold on 18 January 2021 during a public auction for the sum of NTD5,880,000, of which the Company received a sum net of costs and expenses.

22. Subsequent event

Refer to the announcement dated 23 May 2022, the O2HG earn-out consideration amounting of $9.3 million was paid on 3 July 2024.

(F) Other information required by Appendix 7C of the Catalist Rules

1(i) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

Ordinary shares issued and fully paid-up	Number of shares	Paid-up share capital
		$
Balance as at 30 June 2024 and 30 June 2023	4,443,129,206	418,912,580

There were no outstanding convertibles, treasury shares or subsidiary holdings as at 30 June 2024 and 30 June 2023.

1(ii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

As at 30 June 2024 and 30 June 2023, the Company had 4,443,129,206 issued and fully paid-up ordinary shares.

The Company did not have treasury shares as at the end of the respective period.

1(iii) A statement showing all sales, transfers, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

Not applicable.

1(iv) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.

Not applicable.

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

The figures have not been audited or reviewed by the Company's auditors.

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

Not applicable.

3A. Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion (this is not required for any audit issue that is a material uncertainty relating to going concern):

(a) Updates on the efforts taken to resolve each outstanding audit issue.

Not applicable.

(b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.

Not applicable

4. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:**

(a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and
(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

Review of financial performance of Continuing Operations for the financial period ended 30 June 2024 (“1H2024”)

(a) Revenue

The decrease in the Group’s revenue compared to 1H2023 was due mainly to:

(i) Healthcare operations

Revenue from the Group’s healthcare operations refer mainly to revenue from the operation of the Group’s hospitals in China and specialist clinics in Singapore. Revenue from the Group’s respiratory specialists operations in Singapore declined as a result of a decrease in patient volume as post-Covid19 pent up demand eased. In China, the Group’s hospital in Wuxi continues to see improving outpatient volume and revenue.

(ii) Healthcare assets

Revenue from the Healthcare assets segment refers to the rental income from First REIT’s 32 investment properties located in Indonesia, Japan and Singapore. Rental income was lower compared with 1H2023 due to the impact of a strong Singapore dollar vis-à-vis the Indonesian rupiah and the Japanese yen.

(b) Cost of sales

The decrease in cost of sales compared to 1H2023 was due to the overall decrease in revenue.

(c) Gross profit

The decrease in gross profit compared to 1H2023 was due to the overall decrease in revenue.

(d) Administrative expenses

The decrease in administrative expenses was due mainly to lower staff costs and professional fees.

The decrease in staff costs was due to the sale of FRJM to FRML on 31 March 2023. Please refer to note 20.

The decrease in professional fees for 1H2024 was due to the absence of professional fees incurred by First REIT in relation to property acquisition.

(e) Other expenses, net

Other expenses, net for 1H2024 comprised mainly:

(i) the net fair value losses of $6,274,000 on First REIT’s investment properties;
(ii) the loss on classification as held for sale of $2,185,000 arising from the reclassification of the vacant land in Kuala Lumpur as asset held for sale based on its net realisable value;
(iii) the net fair value gains of $1,078,000 relating to First REIT’s derivative financial instruments (revaluation of interest rate swaps, interest rate caps contracts, as well as currency hedging contracts); and
(iv) proceeds from litigation related proceedings of $1,303,000.

Other expenses, net for 1H2023 comprised mainly the followings:

(i) the net fair value losses of $7,546,000 on First REIT’s investment properties;
(ii) the net fair value gains of $585,000 relating to First REIT’s derivative financial instruments (revaluation of interest rate swaps, interest rate caps contracts, as well as currency hedging contracts); and
(iii) proceeds received from liquidation of a subsidiary of $1,000,000

(f) Finance income

Finance income comprised mainly interests from bank deposits and net foreign exchange gain.

(g) Finance costs

The increase in finance costs was due mainly to the interest costs on the term loan utilised to finance the acquisition of HMC shares as part of the Delisting Offer in 2023.

(h) Share of results of equity-accounted investees, net of tax

The Group's equity-accounted investees refer to the Group's investments in FRML, CMJV, Riviera Quad, Yoma OUE Pun Hlaing Limited ("**YOPH**"), Pun Hlaing International Hospital Limited ("**PHIH**") and HMC.

On 26 October 2023, the Group completed the acquisition of a 26.24% interest in HMC.

YOPH and PHIH, collectively the "**Myanmar Group**", refers to the 40/60 joint venture with First Myanmar Investment Public Company Limited ("**FMI**"). The Group holds a 40% stake in the Myanmar Group that currently operates 3 hospitals and 6 clinics in Myanmar.

The Group recorded a net share of loss for 1H2024 as a result of operating losses and startup costs incurred by the Group's JV hospitals in Changshu and Princebay and foreign exchange losses arising from the revaluation of USD denominated shareholders' loans in the Myanmar Group.

(i) Tax expense

The decrease in tax expense was due mainly to the impact of a weaker Japanese yen and Indonesia rupiah against the Singapore dollar, as well as lower provision for deferred tax.

(j) Profit after tax

The Group recorded a profit after tax of $13,178,000 for 1H2024 compared to a profit after tax of $18,550,000 for 1H2023, mainly attributable to the aforementioned factors.

Review of Statement of Financial Position

(a) Non-current assets

The decrease in non-current assets was mainly due to the following:

(i) The decrease in investment properties due to the impact of a weaker Japanese yen and Indonesian rupiah;
(ii) The decrease in investment properties under development was due to the reclassification of the vacant land in Kuala Lumpur as asset held for sale under current assets; and
(iii) The decrease in associate and joint ventures was due to the share of net loss recorded for 1H2024.

(b) Current assets

The increase in current assets was mainly due to the following:

(i) The reclassification of investment properties under development as asset held for sale; and
(ii) The increase in trade and other receivables was due mainly to higher trade receivables for the Group's healthcare operations in Singapore and Healthcare assets in Indonesia.

(c) Non-current liabilities

The decrease in non-current liabilities was mainly due to the following:

(i) The decrease in loans and borrowings was due mainly to the impact of a weaker Japanese yen against the Singapore dollar;
(ii) The decrease in lease liabilities was due to rental payments made during the period; and
(iii) The decrease in deferred tax liabilities was due to lower deferred tax provision on undistributed profits of the Group's subsidiaries in Japan.

(d) Current liabilities

The increase in current liabilities was due to the following:

(i) The increase in trade and other payables was due to the deposit received in relation to the sale of the Kuala Lumpur land; and
(ii) The increase in current tax liabilities was due to tax liabilities recorded for the Group's Health Operations in Singapore and Healthcare Assets under First REIT.

Review of Cashflows and Working Capital

a) Cash flows from operating activities

Operating activities generated net cash of $41,941,000 before working capital changes. After taking into account the movement in working capital, operating activities generated net cash amounted to $29,533,000.

b) Cash flows from investing activities

Investing activities utilised net cash of $2,827,000. The net outflow was mainly due to the capital expenditure incurred on the Group's investment properties.

c) Cash flows from financing activities

Financing activities utilised net cash of $28,277,000. The net outflow was mainly due to distribution to First REIT unitholders and dividends paid to shareholders of O2 Group, payment of transaction costs related to borrowings and interest.

d) Working capital

As at 30 June 2024, the Group's net current assets amounted to $14,266,000 (31 December 2023: net current liabilities, $19,412,000).

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

Not applicable. No forecast or prospect statement was previously disclosed to shareholders.

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

The global economy continues to face uncertainties due to geopolitical tensions caused by, amongst others, the pending US Presidential election in November 2024. This was exacerbated by recent signs of weaknesses in the US economy and stoked fears of a recession in the US. This raised expectations of multiple rate cuts by the Federal Reserve this year, which had opted to keep rates unchanged recently.

The Bank of Japan's ("**BOJ**") recent decision to raise rates to 0.25 per cent sent a wave of volatility through the financial markets, resulting in a 10% appreciation of the Japanese Yen.

Meanwhile, the Group believes that the healthcare sector will continue to show resilience and stability in the region, supported by structural tailwinds from favourable megatrends such as a rapidly ageing population in Asia, coupled with an increasing health awareness and growing affluence. The abovementioned factors have bolstered sustained demand for quality healthcare services in the region.

With the vision to be the trusted healthcare provider in the communities that we serve, the Group continues to be focused on building a sustainable and integrated healthcare business ecosystem anchored on international best practices, so as to deliver comprehensive quality healthcare to our customers.

As part of our ongoing strategic initiatives to improve our capital structure, the Group announced the proposed disposal of the vacant land in Kuala Lumpur on 15 May 2024. The disposal monetised the Group's non-core asset and allowed better allocation of the Group's financial resources.

Singapore

With a growing ageing population, Singapore's healthcare sector now accounts for the largest component of the Singapore government's social spending. Spending on the healthcare sector is expected to exceed $17 billion[1] in 2024.

Following the successful exit offer and voluntary delisting of HMC in October 2023, the Group now holds a 26.24% stake in HMC, which enhances our regional healthcare ecosystem to over 130 clinics and medical centres, encompassing a comprehensive spectrum of services covering primary care, secondary care and ancillary care. Our portfolio in Singapore also includes the O2 Healthcare Group ("**O2HG**"), which currently consists of three respiratory and cardiothoracic specialist groups with 11 specialist doctors and two cardiothoracic surgeons.

The enlarged OUE Healthcare group can leverage opportunities in creating synergies across the Group as the Group strives to establish a collaborative regional platform for all its healthcare business verticals to grow, develop, and scale their business in the region.

China

The International Monetary Fund ("**IMF**") has upgraded China's growth forecast after a "strong" first quarter performance, with the economy expected to grow 5% this year. While economic activity is projected to remain resilient, recovery remains fragile due to soft domestic consumption and a weak real estate market[2].

The Group's joint venture in China with the China Merchants Group ("**CM Lippo**") commissioned the Changshu China Merchants – Lippo Obstetrics & Gynaecology Hospital ("**Changshu Hospital**") in 2023. Despite the challenges of a declining birth rate, the management team at Changshu Hospital has been ramping up its marketing and branding efforts as well as proactively fine-tuning its business strategies and service offerings to meet the demands of its community.

CM Lippo is in its final stage of preparatory works leading up to our Shenzhen China Merchants – Lippo Prince Bay Hospital's ("**Prince Bay Hospital**") opening in late 2024 / early 2025. The Prince Bay Hospital will be a premium general hospital providing services of international standards to meet the discerning demands of the affluent population in the Greater Bay Area.

Myanmar

The political, social, and economic conditions in Myanmar remain tense and are expected to remain so in the near term. Despite these challenging conditions, the Group's Myanmar JV continues to establish its presence as a trusted and reliable healthcare service provider to the local community. The local management team remains agile and vigilant to adapt to the changing situations in Myanmar.

[1] https://www.mof.gov.sg/docs/librariesprovider3/budget2024/download/pdf/fy2024_analysis_of_revenue_and_expenditure.pdf

[2] https://www.imf.org/en/News/Articles/2024/05/28/pr24184-china-imf-staff-completes-2024-art-iv-mission

7. If a decision regarding dividend has been made:

(a) Whether an interim/final ordinary dividend has been declared/recommended; and

None.

(b)(i) Amount per share (cents)

Not applicable.

(b)(ii) Previous corresponding period (cents)

Not applicable.

(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of the shareholders, this must be stated).

Not applicable.

(d) The date the dividend is payable

Not applicable.

(e) Books closure date

Not applicable.

8. Dividends

No dividends were paid or declared during the financial period ended 30 June 2024 and during the corresponding financial period ended 30 June 2023 after taking into consideration of the Group's cash flow requirements.

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

The Group has not obtained a general mandate from shareholders for any Interested Person Transactions.

10. Confirmation Pursuant to Rule 720(1)

The Company confirms that it has procured undertakings from all its directors and executive officers in the format set out in Appendix 7H under Rule 720(1) of the Catalist Rules.

11. Report of person occupying managerial positions who are related to a director, CEO or substantial shareholder

Pursuant to Rule 704(10) of the Catalist Rules, the Company confirms that none of the persons occupying managerial positions in the Company or any of its principal subsidiaries is a relative of a director or Chief Executive Officer or substantial shareholder of the Company.

12. Additional information required pursuant to Rule 706A (if any)

(a) Amalgamation subsidiaries

RMA Global Pte. Ltd., Respiratory Medical Associates Pte. Ltd., Respiratory Medical Associates (Novena) Pte. Ltd., and Respiratory Medical Associates (Orchard) Pte. Ltd. had amalgamated to become RMA Global Pte. Ltd. with effect from 1 January 2024.

(b) Striking off of subsidiaries

(i) IHC Medical RE Pte. Ltd., a direct wholly-owned subsidiary of the Company, has been dissolved and ceased to be a legal entity with effect from 4 March 2024.

(ii) IHC Management Pte. Ltd., a direct wholly-owned subsidiary of the Company, has been de-registered and ceased to be a legal entity with effect from 4 March 2024.

(c) Incorporation subsidiaries

(i) Wuxi Shihong Healthcare Management Co., Ltd. was incorporated on 22 May 2024.

(ii) OUEH Biomedical TW Pte. Ltd. was incorporated on 24 May 2024.

(iii) O2 Lung Centre Pte. Ltd. was incorporated on 14 June 2024.

13. Others

The Group has investments in First REIT and in its Manager. First REIT is listed on the Main Board of Singapore Exchange Securities Trading Limited (the "**SGX-ST**") and became a subsidiary of the Company with effect from 1 March 2022. The Manager is an associated company of the Company.

The Manager releases public announcements in relation to and on behalf of First REIT ("**FR Announcements**") via SGXNET, from time to time in compliance with the Listing Manual of the SGX-ST. **The Company wishes to advise shareholders and potential investors of the Company to check the SGX-ST's website, www.sgx.com, for the latest FR Announcements made by the Manager from time to time, when dealing in the shares of the Company.**

The Company will no longer release announcements notifying its own shareholders of the release of certain FR Announcements, unless the Company has determined that there is, or becomes aware of, any material impact on the Group (which has not already been disclosed in the FR Announcements) and/or if the Company has determined that there is, or becomes made aware of, any undisclosed material information concerning the Group (including First REIT and the Manager) in accordance with the requirements under the applicable Catalist Rules

BY ORDER OF THE BOARD OF DIRECTORS

Mr. Yet Kum Meng
Chief Executive Officer and Executive Director
7 August 2024

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*This announcement has been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "**Sponsor**"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "**Exchange**") and the Exchange assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.*

The contact person for the Sponsor is Ms. Foo Jien Jieng, 16 Collyer Quay, #10-00 Collyer Quay Centre, Singapore 049318, sponsorship@ppcf.com.sg.

Negative Confirmation by the Board pursuant to Catalist Rule 705(5)

Pursuant to Rule 705(5) of Catalist Rules, we, on behalf of the Director, hereby confirm that, to the best of our knowledge, nothing has come to the attention of the Board of Directors which may render the interim unaudited consolidated financial results of the Company and the Group for the half-year ended 30 June 2024 to be false or misleading.

On behalf of the Board of Directors

Mr. Lee Yi Shyan
Non-Independent and Non-Executive Chairman

Mr. Yet Kum Meng
Chief Executive Officer and Executive Director